



New South Wales

Legislative Council

PARLIAMENTARY DEBATES (HANSARD)

**Fifty-Sixth Parliament
First Session**

Wednesday, 23 May 2018

Authorised by the Parliament of New South Wales

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LEGISLATIVE COUNCIL

Wednesday, 23 May 2018

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

The PRESIDENT read the prayers.

Bills

ROAD TRANSPORT AND OTHER LEGISLATION AMENDMENT (DIGITAL DRIVER LICENCES AND PHOTO CARDS) BILL 2018

First Reading

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

The Hon. DON HARWIN: I move:

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

Motion agreed to.

The Hon. DON HARWIN: I move:

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

Motion agreed to.

HEALTH LEGISLATION AMENDMENT BILL (NO 2) 2018

ROAD TRANSPORT LEGISLATION MISCELLANEOUS AMENDMENTS BILL 2018

Returned

The PRESIDENT: I report the receipt of messages from the Legislative Assembly returning the abovementioned bills without amendment.

Motions

DEATH OF SIR JOHN CARRICK, AC, KCMG

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (11:03): I move:

- (1) That this House acknowledges with sadness the death of Sir John Leslie Carrick, AC, KCMG.
- (2) That this House recognises:
 - (a) his service in the Australian Imperial Force during World War II;
 - (b) his service to the people of New South Wales as a member of the Australian Senate from 1971-1987;
 - (c) his service to the people of Australia as a Minister in the Fraser Government and the Leader of the Government in the Senate;
 - (d) his service to the New South Wales education system, particularly arising from his work as Chair of the Committee of Review of NSW Schools; and
 - (e) his service to the New South Wales Liberal Party as General Secretary from 1948 to 1971.
- (3) That this House offers its sincere condolences to the Carrick family.

Motion agreed to.

Committees

PORTFOLIO COMMITTEE NO. 6 - PLANNING AND ENVIRONMENT

Reference

Mr DAVID SHOEBRIDGE (11:04): I seek leave to amend Private Members' Business item No. 2067 outside the Order of Precedence for today, of which I have given notice, by omitting paragraphs (1) (c) and (1) (d).

Leave granted.

Accordingly, I move:

- (1) That this House notes that:
 - (a) on Monday 15 August 2016, a witness who gave his name and position as Mr Nicholas Peterson, Strategy and Legals Executive, United Land Councils, was sworn and gave evidence to General Purpose Standing Committee No. 6 as part of its inquiry into Crown Lands; and
 - (b) a transcript of evidence was subsequently published referring to the witness by that name;
- (2) That Portfolio Committee No. 6 inquire into and report on the circumstances of the appearance of Mr Peterson before the committee on 15 August 2016, including whether he appeared under a false name.

Motion agreed to.*Motions***PLASTIC WASTE REDUCTION**

Dr MEHREEN FARUQI (11:04): I move:

That this House notes that:

- (a) Boomerang Bags Sydney Inner West is celebrating one year of service to the community in May 2018 and volunteers have sewn over 1,000 bags and saved over one kilometre of fabric from being dumped in landfill;
- (b) there are over 680 Boomerang Bag communities, each of which comprises volunteers sewing handmade bags using fabric that would otherwise end up in landfill in order to reduce the use of single use plastic bags; and
- (c) that this House congratulates Boomerang Bags Sydney Inner West and recognises its significant impact on reducing plastic waste.

Motion agreed to.**NATIONAL SORRY DAY**

Mr DAVID SHOEBRIDGE (11:05): I seek leave to amend Private Members' Business item No. 2219 outside the Order of Precedence for today, of which I have given notice, by omitting all words after "That" and inserting instead:

this House notes that:

- (a) 26 May is National Sorry Day, a day to remember Australia's shameful Stolen Generations;
- (b) despite the landmark "Bringing Them Home" report, and despite the Commonwealth Parliament's Apology to the Stolen Generations, Aboriginal children continue to be removed from their families at high rates;
- (c) there is now double the number of Aboriginal children in out-of-home care than there was at the time of the Apology, although in New South Wales in 2016-17 there was a 19.7 per cent reduction in Aboriginal children entering out-of-home care; and
- (d) Aboriginal children are 10 times more likely to be removed from their families than non-Indigenous children.

Leave granted.

Accordingly, I move:

- (1) That this House notes that:
 - (a) 26 May is National Sorry Day, a day to remember Australia's shameful Stolen Generations;
 - (b) despite the landmark "Bringing Them Home" report, and despite the Commonwealth Parliament's Apology to the Stolen Generations, Aboriginal children continue to be removed from their families at high rates;
 - (c) there is now double the number of Aboriginal children in out-of-home care than there was at the time of the Apology, although in New South Wales in 2016-17 there was a 19.7 per cent reduction in Aboriginal children entering out-of-home care; and
 - (d) Aboriginal children are 10 times more likely to be removed from their families than non-Indigenous children.

Motion agreed to.**WEAR ORANGE WEDNESDAY**

The Hon. MICK VEITCH (11:06): I move:

- (1) That this House notes that Wednesday 23 May 2018 is Wear Orange Wednesday, that is, WOW Day.
- (2) That this House acknowledges that WOW Day is a way for the community to show their support for State Emergency Service [SES] volunteers Australia-wide.

- (3) That this House acknowledges the courage and dedication of the New South Wales SES volunteers who are on the frontline in our communities each and every day of the year.
- (4) That this House commends and congratulates the SES volunteers for their outstanding efforts during times of severe weather and other catastrophic events which occur throughout New South Wales.

Motion agreed to.

PALLIATIVE CARE WEEK

The Hon. BRONNIE TAYLOR (11:07): I move:

- (1) That this House notes that:
 - (a) 20 to 26 May 2018 marks Palliative Care Week 2018;
 - (b) the theme of 2018 Palliative Care Week is "What Matters Most", to encourage Australians to plan ahead for their end-of-life care; and
 - (c) many events will be held throughout New South Wales this week to raise awareness and promote discussion about palliative care.
- (2) That this House acknowledges the importance of palliative care and end-of-life care.
- (3) That this House acknowledges the work of Palliative Care NSW in promoting palliative care and educating health professionals, volunteers and the community on palliative care, death and dying.

Motion agreed to.

NSW ASSOCIATION OF JEWISH SERVICE AND EX-SERVICE MEN AND WOMEN

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

- (1) That this House notes that:
 - (a) on Sunday 29 April 2018 the NSW Association of Jewish Service and Ex-Service Men and Women [NAJEX] held its annual Communal Wreath Laying and Anzac Day Service at the Sydney Jewish Museum, New South Wales Jewish War Memorial, Darlinghurst, attended by members and friends of Australia's Jewish community; and
 - (b) those who attended included:
 - (i) His Excellency General the Honourable David Hurley, AC, DSC, (Ret'd), Governor of New South Wales and Patron of NAJEX, together with Mrs Linda Hurley;
 - (ii) Mr Roger Selby, President, NAJEX;
 - (iii) Mr Bruce Notley-Smith MP, representing the Hon. Gladys Berejiklian, MP, Premier;
 - (iv) Mr R
on Hoenig, MP, representing Mr Luke Foley, MP, Leader of the Opposition;
 - (v) the Hon. Gabrielle Upton, MP, Minister for the Environment, Local Government and Heritage;
 - (vi) the Hon. Walt Secord, MLC, Deputy Leader of the Opposition in the Legislative Council;
 - (vii) Reverend the Hon. Fred Nile, MLC, Assistant President, Legislative Council, and Mrs Silvana Nile;
 - (viii) the Hon. David Clarke, MLC, Parliamentary Secretary for Justice;
 - (ix) Councillor Peter Cavanagh, Mayor of Woollahra;
 - (x) Councillor Steven Lewis, representing the Mayor of Waverley;
 - (xi) Colonel Andrew MacNab, representing Major General F. McLachlan, AM, Commander Forces Command;
 - (xii) ADF Chaplains Rabbi Yossi Friedman, Royal Australian Air Force and Rabbi Jeffrey Kamins, OAM, Australian Army;
 - (xiii) guest chaplains Rabbi Dr Benjamin Elton, RSL New South Wales; Rabbi Rafi Kasierblueth, United States Navy Chaplain Corps; Rabbi Mendel Kastel, OAM, New South Wales Police Force; Rabbi Dr David Slavin, New South Wales Ambulance Service and New South Wales Fire and Rescue; Rabbi Dr Sanford Shudnow, United States Navy Chaplain Corps (Retired);
 - (xiv) Vice-Presidents, NAJEX, Monica Kleinman and Norman Symon, RFD, ED;
 - (xv) Honorary Secretary, NAJEX, Jon Green;
 - (xvi) board members, NAJEX, Harvey Baden, Lesley Barold and Dr Keith Shilkin. AM;
 - (xvii) Immediate Past President, NAJEX, Charles Aronson;
 - (xviii) CoAJP Advisor Peter Allen;

- (xix) Mr Jeremy Spinak, President New South Wales Jewish Board of Deputies; and
 - (xx) representatives of numerous Jewish community organisations, representatives of various ex-services groups and family members of deceased service members.
- (2) That this House commends the New South Wales Association of Jewish Service and Ex-Service Men and Women for:
- (a) the hosting of the 2018 Annual Communal Wreath Laying and Anzac Day Service; and
 - (b) its ongoing service to the returned service men and women's community and to serving members of the Australian Defence Force.

Motion agreed to.

RACIAL VILIFICATION

The Hon. ERNEST WONG (11:08): I move:

- (1) That this House condemns the racial vilification and racial attacks that have happened recently around Sydney.
- (2) That this House notes that:
 - (a) a series of racist signs calling for an end to Asian immigration, and claiming that Asians are "not the face of Australia", have been posted prominently around Top Ryde, including the busy streets of Victoria Road and Buffalo Road; and
 - (b) on the night of Thursday 17 May 2018 in Randwick there was a series of brutal, random attacks on people of Asian appearance, including a 70-year-old woman, which the police believed were racially motivated.
- (3) That this House reaffirms its resolute stance against acts of racial discrimination and violence of any kind and its duty of care to ensure a non-discriminatory and culturally harmonious social environment for the people of New South Wales, which is the most populated and culturally diverse State.
- (4) That this House acknowledges that immigrants, no matter if they are from Asia, Europe or any other place, are to be respected and recognised as Australians in this country and are to be applauded for their contribution to our nation.

Motion agreed to.

DALGETY WOMEN'S DAY

The Hon. BRONNIE TAYLOR (11:08): I move:

- (1) That this House notes that:
 - (a) Dalgety Women's Day was held on Saturday 19 May 2018 at the Dalgety Community Hall;
 - (b) Dalgety Women's Day is an annual event that showcases talented local women and celebrates rural women in general;
 - (c) 2018 marked the nineteenth year of this inspiring community event; and
 - (d) the theme for 2018 was "Catastrophes and Life's Other Little Things".
- (2) That this House acknowledges the efforts of the organising committee, led by Narelle Willems, in producing another successful event.

Motion agreed to.

OZHARVEST FOOD RESCUE

The Hon. ERNEST WONG (11:08): I move:

- (1) That this House recognises the exceptional efforts of OzHarvest, Australia's leading food rescue organisation which collects quality excess food from commercial outlets and delivers it directly to more than 1,000 charities, supporting people in need.
- (2) That this House notes that:
 - (a) OzHarvest was founded in Sydney in November 2004 by Ronni Kahn after noticing the huge volume of good food going to waste in the hospitality industry;
 - (b) in 2005, together with pro bono lawyers, OzHarvest successfully lobbied State governments to amend legislation to allow potential food donors to donate surplus food to charitable organisations; and
 - (c) the Civil Liberties Amendment Act was passed in New South Wales in 2005 with Australian Capital Territory, South Australia and Queensland following, which ensured surplus food could be donated to charitable causes without fear of liability.
- (3) That this House acknowledges that:
 - (a) since opening its doors in 2004, OzHarvest Sydney has collected 12 million kilograms of quality produce and delivered 35.5 million meals to charities in the Greater Sydney area;
 - (b) the OzHarvest Sydney office is also the national headquarters for OzHarvest; and

- (c) OzHarvest now operates nationally, retrieving over 100 tonnes of food each week from over 3,000 food donors including supermarkets, hotels, airports, wholesalers, farmers, corporate events, catering companies, shopping centres, delis, cafés, restaurants, film and TV shoots and boardrooms.
- (4) That this House commends OzHarvest Sydney, which opened Australia's first ever rescued food market, the OzHarvest Market, to provide food for those in need and increase awareness of food waste in this country.

Motion agreed to.

MUSLIM ASSOCIATION AUSTRALIA THIRTY-THIRD NATIONAL ANNUAL CONVENTION

The Hon. DAVID CLARKE (11:09): I move:

- (1) That this House notes that:
 - (a) on Friday, Saturday and Sunday 30 March to 1 April 2018 the Ahmadiyya Muslim Association Australia held its thirty-third national annual convention at its Marsden Park Headquarters attended by over 2,500 local and interstate community members and invited guests from throughout Australia and overseas; and
 - (b) those who attended the official opening of the national convention on Saturday 31 March 2018 included:
 - (i) Imam I H Kauser, National President, Ahmadiyya Muslim Association Australia;
 - (ii) Mr Abdul Basit, head of the Ahmadiyya Muslim community in Indonesia;
 - (iii) Mr Abdul Aziz, representing the Ahmadiyya Muslim community of Singapore;
 - (iv) Mr Kevin Conolly, MP, member for Riverstone;
 - (v) Reverend the Hon. Fred Nile, MLC, Assistant President, Legislative Council;
 - (vi) the Hon. David Clarke, MLC, Parliamentary Secretary for Justice;
 - (vii) Mr Mirza Ramzan Sharif, National Director of Public Relations, Ahmadiyya Muslim Association Australia; and
 - (viii) representatives of local government and numerous community organisations.
- (2) That this House:
 - (a) congratulates the Ahmadiyya Muslim Association Australia on the occasion of its successful thirty-third national annual convention held at Marsden Park on 30 March to 1 April 2018; and
 - (b) commends members of the Ahmadiyya Muslim community in Australia for their ongoing charitable and humanitarian work throughout the wider Australian community.

Motion agreed to.

NATIONAL CHINESE EISTEDDFOD

The Hon. ERNEST WONG (11:09): I move:

- (1) That this House congratulates the Chinese Language Educational Council [CLEC] of New South Wales for organising the twenty-ninth National Chinese Eisteddfod 2018 and all the members of the board, organising committee, teachers and volunteers who have endeavoured to make this such a successful event.
- (2) That this House notes that:
 - (a) the CLEC is a non-profit organisation representing 32 Chinese community language schools in New South Wales with the main objective to promote the learning of Chinese language in this State;
 - (b) the Chinese eisteddfod is an annual event of CLEC as a poem or prose reciting competition for students of Chinese background or non-Chinese background; and
 - (c) the competition involves every year over 2,000 students aged four to 21 years from local schools and Chinese language schools and is an opportunity for students who study Chinese to use and practise the language in a formal competitive setting.
- (3) That this House recognises that the eisteddfod has played a positive role in upholding the social harmony of not only the Chinese community but also the wider community by encouraging young people to learn not only English but also a second language such as Chinese.

Motion agreed to.

ASSET ENERGY PTY LIMITED SEISMIC TESTING

Mr JUSTIN FIELD (11:10): I seek leave to amend Private Members' Business No. 2231 outside the Order of Precedence for today, of which I have given notice, by omitting the words "Mr Gary Blaschke and" in paragraph (2).

Leave granted.

Accordingly, I move:

- (1) That this House notes that:
 - (a) on Thursday 17 May 2018 an environment and disability advocate from the Central Coast community hosted a screening of the film *Sonic Sea* at Avoca;
 - (b) the film illustrates the devastating impact of seismic testing on whale migrations, fish populations and habitat;
 - (c) the screening brought together community members opposed to Asset Energy conducting seismic testing in search of gas off the coast of Newcastle and the Central Coast; and
 - (d) the film was supported by the NSW Greens and the member for Wyong, Mr David Harris, MP.
- (2) That this House calls on the Government to acknowledge the strong community opposition to seismic testing for gas off the coast of Newcastle and the Central Coast.

Motion agreed to.

NSW RURAL FIRE SERVICE VOLUNTEER APPRECIATION DAY AND AWARD RECIPIENTS

The Hon. TAYLOR MARTIN (11:11): I move:

- (1) That this House notes that:
 - (a) on 20 May 2018 a Volunteer Appreciation Day and Medals Presentation was held for NSW Rural Fire Service members in the Lake Macquarie and Central Coast local government areas at Mingara Recreation Club;
 - (b) a total of 48 recipients were presented with 49 medals or clasps recognising a collective total of 1,050 years of service;
 - (c) the following awards were presented:
 - (i) National Medal: Mark Chick of Dora Creek Brigade, 15 years service; Dean Darko of Cooranbong Brigade, 15 years service; Jason Clunas of Berkeley Vale Brigade, 16 years service; Christopher Dawes of Charmhaven Brigade, 16 years service; Robert Tilley of Wyee Brigade, 16 years service; Heather Jones of Wallarah Brigade, 18 years service; Michael Daniels of Mooney Mooney Brigade, 19 years service; Donald Simpson of Kariong Brigade, 19 years service; Bryan Dossett of Wadalba Brigade, 23 years service; Warren Mackaway of Seahampton Brigade, 24 years service; James Greentree of Mangrove Mountain Brigade, 24 years service; Matthew Naylor of Wyee Brigade, 28 years service; Stephen Walters of the Central Coast Communications Brigade, 29 years service; and Brett Warton of Charmhaven Brigade, 30 years service;
 - (ii) National Medal 1st Clasp: Troy Hawkins of Wyee Brigade, 26 years service; Shane Saxby of Killingworth Brigade, 26 years service; Matthew Naylor of Wyee Brigade, 28 years service; Stephen Walters of the Central Coast Communications Brigade, 29 years service; and, Brett Warton of Charmhaven Brigade, 30 years service;
 - (iii) National Medal 2nd Clasp: Terrence Pryor of Wyee Brigade, 37 years service; Neville Koch of Mandalong Brigade, 39 years service; and, Glen Howe of Kariong Brigade, 40 years service;
 - (iv) Long Service Medal: Victor Bula of Spencer Brigade, 10 years service; Jacob Chambers of Cooranbong Brigade, 10 years service; Aaron Stinson of Cooranbong Brigade, 10 years service; Jodie Swan of Mangrove Mountain Brigade, 10 years service; Kenneth Ashard of Gosford Brigade, 11 years service; Lynette Beglin of Gosford Brigade, 11 years service; Robyn Hellier of Wallarah Brigade, 11 years service; Lyn Cousins of Central Coast Communications Brigade, 12 years service; Kyle Dew of Empire Bay Brigade, 12 years service; Nita-Anne Hughes of Kariong Brigade, 12 years service; Frances Negline of Gosford Brigade, 12 years service; Ellen Stuart of Mangrove Mountain Brigade, 12 years service; Jacqui Varndell of Narara Brigade, 12 years service; Joshua Iffland of Wallarah Brigade, 13 years service; Timothy Maher-Brooks of Awaba Brigade, 13 years service; Thomas Corbett of Gwandalin Brigade, 14 years service; Dean Darko of Cooranbong Brigade, 15 years service; Scott Pollard of The Bays Brigade, 23 years service; Leanne Perigo of Central Coast Communications Brigade, 25 years service; Stephen Wardle of Matcham/Holgate Brigade, 30 years service;
 - (v) Long Service Medal 1st Clasp: Gail Simpson of Kariong Brigade, 20 years service; Anita Saxby of Killingworth Brigade, 21 years service; Anthony Wieckowski of Narara Brigade, 22 years service; Scott Pollard of The Bays Brigade, 23 years service; Leanne Perigo of Central Coast Communications Brigade, 25 years service; Stephen Wardle of Matcham/Holgate Brigade, 30 years service;
 - (vi) Long Service Medal 2nd Clasp: Dale Horn of Central Coast Communications Brigade, 30 years service; Stephen Wardle of Matcham/Holgate Brigade, 30 years service; Rex Parker of Empire Bay, 32 years service; Kirri Vile of Kariong Brigade, 33 years service; Christopher Francis of The Bays Brigade, 35 years service;
 - (vii) Long Service Medal 3rd Clasp: Leslie Smith of Berkeley Vale Brigade, 41 years service; Michael Mina of Central Coast Communications Brigade, 42 years service; and
 - (viii) Long Service Medal 4th Clasp: Darryl McCutcheon of Central Coast Communications Brigade, 51 years service.

- (d) those who attended as guests included:
 - (i) member of the Legislative Council, the Hon. Taylor Martin, MLC;
 - (ii) member for Robertson, Lucy Wicks, MP;
 - (iii) member for Lake Macquarie, Greg Piper, MP;
 - (iv) member for Wyong, David Harris, MP;
 - (v) member for Swansea, Yasmin Catley, MP;
 - (vi) member for Gosford, Liesl Tesch, MP;
 - (vii) member for The Entrance, David Mehan, MP;
 - (viii) Lake Macquarie Councillor John Gilbert;
 - (ix) Central Coast Councillor Jillian Hogan;
 - (x) RFS Senior Assistant Commissioner Bruce McDonald, AFSM;
 - (xi) Central Coast District Manager Superintendent Paul Jones;
 - (xii) RFS Senior Chaplains Majors Ian and Kerry Spall;
 - (xiii) brigade officers and service members; and
 - (xiv) family and friends of those receiving medals and awards.
- (2) That this House congratulates all medal and award recipients for their outstanding service to the NSW Rural Fire Service.

Motion agreed to.

BRUNSWICK HEADS SCOUTS FAMILY FUN DAY

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

- (1) That this House notes:
 - (a) the Brunswick Heads Scouts' "Friends for Life" family fun day was held on Saturday 19 May 2018;
 - (b) the day included live music and activities for both the young and the young at heart; and
 - (c) funds raised from the day will go towards helping the Brunswick Heads Scouts attend the Australian Jamboree, which will be held in South Australia in 2019.
- (2) That this House congratulates Sean Tonnet, Elana Sampson and all of the Brunswick Heads Scouts on all their work in organising and running the fun day.
- (3) That this House acknowledges the importance of Scouts, being a place where young people can celebrate diversity, learn life skills and make friends.

Motion agreed to.

RAMADAN

The Hon. SHAOQUETT MOSELMANE (11:11): I move:

- (1) That this House notes that:
 - (a) Thursday 17 May 2018 was the first day of Ramadan, the holiest month of the Islamic year;
 - (b) there are more than half a million Muslims in Australia, drawn from more than 60 different ethnic backgrounds, making Islam Australia's fourth largest religion; and
 - (c) at the end of Ramadan, Muslims in Australia will celebrate Eid on Thursday 14 June 2018.
- (2) That this House conveys its good wishes to the Australian Muslim community on the advent of this blessed month of Ramadan.

Motion agreed to.

GREEK INDEPENDENCE DAY

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

- (1) That this House notes that:
 - (a) on Sunday 25 March 2018 the Greek Orthodox Archdiocese of Australia in conjunction with the Greek Orthodox Community of New South Wales Inc. jointly hosted a memorial service and wreath-laying ceremony at the Cenotaph in Martin Place, Sydney followed by a procession to the Sydney Opera House where a gathering of over 10,000 members and friends of the Greek community celebrated Greek Independence Day and the Feast of the Annunciation; and

- (b) those who attended the event as guests included:
- (i) His Eminence Archbishop Stylianos, Primate of the Greek Orthodox Archdiocese of Australia;
 - (ii) Mr Harry Danalis, President, Greek Orthodox Community of New South Wales;
 - (iii) His Grace Bishop Seraphim, Assistant Bishop to His Eminence;
 - (iv) Mr Christos Karras, Consul-General for Greece, Sydney;
 - (v) Senator the Hon. Concetta Fierravanti-Wells, Minister for International Development representing the Hon. Malcolm Turnbull, MP, Prime Minister;
 - (vi) the Hon. Matt Thistlethwaite, MP, representing the Hon. Bill Shorten, MP, Leader of the Federal Opposition;
 - (vii) the Hon. Gladys Berejiklian, MP, Premier;
 - (viii) Mr Luke Foley, MP, Leader of the Opposition;
 - (ix) the Hon. Ray Williams, MP, Minister for Multiculturalism;
 - (x) the Hon. Tony Burke, MP;
 - (xi) Reverend the Hon. Fred Nile, MLC, Assistant President, Legislative Council;
 - (xii) the Hon. David Clarke, MLC, Parliamentary Secretary for Justice;
 - (xiii) Mr Mark Coure, MP, Parliamentary Secretary for Transport and Infrastructure;
 - (xiv) Ms Tanya Mihailuk, MP;
 - (xv) Ms Eleni Petinos, MP;
 - (xvi) Mr Steve Kamper, MP;
 - (xvii) local council representatives including Councillors Angela Vithoulkas, Alexandra Luxford, Anthony Andrews, Harry Stavrinou, Vicki Poulos, Andrew Tsounis, Petro Kalligas and Khal Asfour;
 - (xviii) Detective Superintendent Arthur Katsogiannis, APM, Commander Cybercrime Squad;
 - (xix) Mr Kosmas Dimitriou, President Inter-Communities Council of New South Wales of the Greek Orthodox Archdiocese;
 - (xx) Mr Jack Passaris, OAM, Deputy Chair, Ethnic Communities Council of NSW;
 - (xxi) parish priests, parish presidents and representatives of the parishes and communities of the Greek Orthodox Archdiocese of Australia; and
 - (xxii) representatives of other Greek organisations, brotherhoods and associations and members of the Greek media.
- (2) That this House congratulates the Greek Orthodox Archdiocese of Australia and the Greek Orthodox community of New South Wales Inc. and all members of the Hellenic-Australian community as they celebrate Greek Independence Day and the Feast of the Annunciation.

Motion agreed to.

ROTARY CLUB OF ALSTONVILLE ANTIQUES AND COLLECTABLES FAIR

The Hon. BEN FRANKLIN (11:12): I move:

- (1) That this House notes:
- (a) the Rotary Club of Alstonville's Antiques and Collectables Fair was held on 19 and 20 May 2018 at the Alstonville Leisure and Entertainment Centre;
 - (b) this year was the ninth fair, and included 40 antiques dealers from New South Wales and around Australia; and
 - (c) the fair included vintage jewellery, books, toys, mirrors, clocks, china, glassware, war memorabilia and more.
- (2) That this House congratulates and thanks the Rotary Club of Alstonville for organising this year's fair.
- (3) That this House acknowledges the important role community events play in celebrating and showcasing the very best of our regional areas, while also bringing communities together and supporting local tourism industries.

Motion agreed to.

MARONITE CATHOLIC CHURCH CHARITY DINNER

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

- (1) That this House notes that:

- (a) on Friday 18 May 2018, under the patronage of His Excellency Bishop Antoine-Charbel Tarabay, Bishop of the Maronite Catholic Church, Australia, and Reverend Father Superior Louis Ferkh, Maronites on Mission, held its annual charity dinner in the Grand Ballroom, the Renaissance Reception Centre, Lidcombe attended by approximately 1,000 attendees; and
- (b) those who attended as guests included:
- (i) His Excellency Bishop Antoine-Charbel Tarabay, Bishop of the Maronite Catholic Church, Diocese of Australia;
 - (ii) Reverend Father Superior Louis Ferkh, St Charbel's Parish, Punchbowl;
 - (iii) Monsignor Marcelino Youssef;
 - (iv) Reverend Father Maroun E Kazi;
 - (v) Reverend Father Elie Rahme;
 - (vi) Sister Elham Geagea;
 - (vii) Sister Cynthia Abi-Issi;
 - (viii) Sister Theresa Tannous;
 - (ix) the Hon. David Clarke, MLC, Parliamentary Secretary for Justice, representing the Hon. Gladys Berejiklian, MP, Premier, and Mrs Marisa Clarke;
 - (x) Ms Julia Finn, MP, member for Granville, representing Mr Luke Foley, MP, Leader of the Opposition;
 - (xi) Mr Damien Tudehope, MP, member for Epping;
 - (xii) Councillor Andrew Wilson, Lord Mayor of the City of Parramatta;
 - (xiii) Councillor George Zakha, Canterbury Bankstown Council;
 - (xiv) Mr George Coorey, Director Canterbury Leagues Club; and
 - (xv) Mr Jade El-Choueifati, who acted as master of ceremonies.
- (2) That this House notes:
- (a) the Board of Maronites on Mission includes:
- (i) Mr Charbel Azzi, Legal Counsel;
 - (ii) Mr Charbel Azzi, Local Mission Co-ordinator;
 - (iii) Mr Charbel Taouk;
 - (iv) Ms Nadia Geagea;
 - (v) Mr Michael Azzi;
 - (vi) Ms Amanda Rehayem;
 - (vii) Ms Bernadette Kairouz;
 - (viii) Mr Elias Bader; and
 - (ix) Mr Fares Hasroun.
- (b) Maronites on Mission was founded five years ago by nine volunteers from St Charbel's Maronite Parish, Punchbowl and has provided charitable assistance to thousands of poor, sick, homeless, abandoned, destitute and disadvantaged people in Australia, Lebanon, Syria, Iraq, India and the Philippines;
- (c) Maronites on Mission domestically provides:
- (i) food runs to the homeless three times weekly to Woolloomooloo, Martin Place, Parramatta, Surry Hills and Glebe;
 - (ii) home groceries and essential packages to families within a Home Visits program;
 - (iii) soup kitchens to the disadvantaged in Redfern;
 - (iv) social and mental wellbeing visits;
 - (v) visits to various nursing homes; and
 - (vi) annual Christmas appeals for struggling families.
- (d) Maronites on Mission internationally provides free medical and dental treatment, educational supplies, construction of homes for the poor, electric generation, sporting facilities and refugee camp facilities.
- (3) That this House:
- (a) commends Maronites on Mission and all its volunteers for their outstanding charitable and humanitarian service; and

- (b) extends greetings to the Maronite Catholic community throughout Australia.

Motion agreed to.

NSW TEACHERS FEDERATION DOCUMENTARY

The Hon. SHAOQUETT MOSELMANE (11:13): I move:

- (1) That this House notes that:
- (a) on Saturday 19 May the NSW Teachers Federation held the premiere screening of the education historical documentary *naa Muru Gurung*, "to see a path for children", which is a documentary to kindle conversations about teacher unionists who have contributed to the Aboriginal education journey;
 - (b) *naa Muru Gurung* is a documentary that traces the stories of members who set the way for today's Aboriginal teachers and the federation's long campaign to uphold the rights of our First Peoples and advance the cause of Aboriginal education;
 - (c) the documentary captures stories relating to the federation's involvement in Aboriginal education over the past 100 years to the present and shares these stories with all present and future members;
 - (d) the documentary champions the many warriors, Aboriginal and non-Aboriginal federation members past and present, who campaigned, supported and advocated for Aboriginal education, the rights of children and inclusion of our First Peoples in the early years of our public education system;
 - (e) the film was directed by Gillian Moody and the executive producers were Paddy Gorman and Pierce Grove, producer Xanon Murphy and assistant producer, Charlene Emzine-Boyd; and
 - (f) the film featured many advocates including Linda Burney, John Hennessy, John Dixon, Lynette Riley and many other members of the Teachers Federation.
- (2) That this House notes the great work of the Matilda film-making team and congratulates the Teachers Federation and all Indigenous Australians on their fight for inclusion of Indigenous education and their vision for a brighter future for all.

Motion agreed to.

HOLOCAUST REMEMBRANCE DAY

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

- (1) That this House notes that:
- (a) on Sunday 8 April 2018 the New South Wales Jewish Board of Deputies hosted the 2018 Commemoration of Yom Hashoah—also known as Holocaust Remembrance Day—at the Sir John Clancy Auditorium, University of New South Wales, attended by over 1,000 members and friends of the Jewish community; and
 - (b) those who attended included:
 - (i) Jeremy Spinak, President, New South Wales Jewish Board of Deputies;
 - (ii) Daniel Hochberg, Chair, Shoah Remembrance Committee, New South Wales Jewish Board of Deputies;
 - (iii) representatives of Holocaust survivors;
 - (iv) the Hon. David Elliott, MP, Minister for Counter-Terrorism, Corrections and Veterans Affairs;
 - (v) the Hon. Scott Farlow, MLC, Parliamentary Secretary, representing the Hon. Ray Williams, MP, Minister for Multiculturalism;
 - (vi) the Hon. Walt Secord, MLC, representing Mr Luke Foley, MP, Leader of the Opposition;
 - (vii) Reverend the Hon. Fred Nile, MLC, Assistant President, Legislative Council;
 - (viii) the Hon. Trevor Khan, MLC, Deputy President, Legislative Council;
 - (ix) the Hon. David Clarke, MLC, Parliamentary Secretary for Justice;
 - (x) Mr Jonathan O'Dea, MP, Parliamentary Secretary to the Premier and Treasurer;
 - (xi) Mr Jihad Dib, MP;
 - (xii) Senator the Hon. Kristina Keneally;
 - (xiii) the Hon. Philip Ruddock, Mayor of Hornsby;
 - (xiv) the Hon. Paul Green, MLC;
 - (xv) the Hon. Robert Borsak, MLC;
 - (xvi) Mr Edmund Atalla, MP;
 - (xvii) Councillor Isabelle Shapiro, OAM, representing the Mayor of Woollahra, Councillor Peter Cavanagh;

- (xviii) Councillor David Citer, Ku-Ring-Gai Council;
 - (xix) Consuls-General of Chile, Germany, Japan, the Netherlands, Turkey, Greece, Ireland, Papua New Guinea, Russia, Poland, the Philippines and Spain;
 - (xx) Dr Harry Harinath OAM, Chair of Multicultural New South Wales;
 - (xxi) Marta Terraciano, Chair, Ethnic Communities Council New South Wales;
 - (xxii) Mary Karras, CEO, Ethnic Communities Council New South Wales;
 - (xxiii) Group Captain Mark Willis, Principal Air Chaplain at Air Command Headquarters, Royal Australian Air Force;
 - (xxiv) Air Force Chaplain James Fox, RAAF;
 - (xxv) representatives of the Catholic Archdiocese of Sydney, National Assembly of the Uniting Church Australia, Affinity International Foundation, Armenian National Committee Australia, United Indian Association, United Kurdish Association of New South Wales, Columban Mission Institute, AIDS Council of New South Wales, NSW Teachers Federation Aboriginal Education Unit, Australian Lawyers for Human Rights, Settlement Services International and New South Wales Anti-Discrimination Board; and
 - (xxvi) representatives of the Ahmadiyya Muslim, Assyrian, Baha'i, Chinese, Indian, Iraqi, Pontian-Greek communities as well as other community organisations.
- (2) That this House extends heartfelt condolences to all survivors of the Holocaust, families of those who did not survive and the Jewish community generally at this time of the Commemoration of Yom Hashoah 2018.

Motion agreed to.

ABILITYLINKS VOLUNTEER CHARLIE ELIAS

Mr SCOT MacDONALD (11:14): I move:

- (1) That this House notes:
 - (a) the outstanding work in the Port Stephens community over many years by Mr Charlie Elias;
 - (b) Mr Elias is a valued member of the Port Stephens community who has dedicated his time to a wide range of causes, including Tomaree Youth Community Action, Men of League, Surf Life Saving, Birubi Point, Nelson Bay Junior Rugby League and Anna Bay Scouts;
 - (c) through his work with AbilityLinks, Mr Elias goes above and beyond the call of duty, often donating his time to ensure that people living with a disability in Port Stephens are given a fair go; and
 - (d) Mr Elias is described by local community leaders as "part of the fabric of the Port Stephens community".
- (2) That this House acknowledges and commends the outstanding service to the Port Stephens community of Mr Charlie Elias.

Motion agreed to.

BANGALOW BILLYCART DERBY

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

- (1) That this House notes:
 - (a) the twenty-third annual Bangalow Billycart Derby was held on Sunday 20 May 2018;
 - (b) the derby included traditional and homegrown races, schools challenges, tag teams, mothers events and a celebrity race;
 - (c) the main street of Bangalow was transformed into a racetrack as teams raced their unique billycars to the finish line; and
 - (d) the Bangalow Rugby Club once again brought home the grand final.
- (2) That this House congratulates and thanks Billycart Derby coordinator Richard Millyard and the Bangalow Lions Club for all their work in organising this year's successful derby.

Motion agreed to.

COMMITTEE OF THE AUSTRALIAN CATHOLIC BISHOPS CONFERENCE MEMBER BISHOP ANTOINE TARABAY

The Hon. SHAOQUETT MOSELMANE (11:15): I move:

- (1) That this House notes that:
 - (a) His Excellency Bishop Antoine-Tarabay was, on Friday 4 May 2018, made the first eastern Catholic bishop ever to be elected to the permanent Committee of the Australian Catholic Bishops Conference [ACBC];

- (b) the ACBC works in the spirit of collegiality to bring national coordination to the general mission of the Catholic Church in Australia; and
- (c) the eastern Catholic churches form an integral part of the ACBC and their representation includes the Maronites, the Ukrainian Catholics, Melkites, Chaldean, Syriac, Malabarese, and other Catholic brethren.
- (2) That this House congratulates Bishop Tarabay on receiving this honour for all eastern Catholics and for the value eastern Catholics bring to Australia.
- (3) That this House further notes and congratulates Archbishop Mark Coleridge of Brisbane as president of the ACBC and Archbishop Anthony Fisher as vice-president.

Motion agreed to.

COMMUNITY TRANSPORT PORT STEPHENS

Mr SCOT MacDONALD (11:15): I move:

- (1) That this House notes:
 - (a) the outstanding service of Community Transport Port Stephens, a not-for-profit organisation and registered charity funded by State and Commonwealth governments;
 - (b) Community Transport Port Stephens' aim is to provide safe, accessible transport to and from destinations including a door-to-door service for its clients by operating a modern, well-maintained fleet;
 - (c) Community Transport Port Stephens offers transport services to the aged and transport disadvantaged within the Port Stephens local government area; and
 - (d) the outstanding commitment of chief executive officer, Mr Bill Parker and other devoted team members, Paul Bennett, Ruby Cockburn and Dan Hudson as well all others who selflessly donate their time to this brilliant organisation.
- (2) That this House acknowledges and commends the outstanding service of Community Transport Port Stephens and its volunteers.

Motion agreed to.

RAMADAN ANNUAL IFTAR DINNER

The Hon. SHAOQUETT MOSELMANE (11:15): I move:

- (1) That this House notes that:
 - (a) on Friday 18 May 2018, the Islamic Charity Projects [ICPA], along with Darulfatwa Australia, held their twenty-fifth annual Iftar dinner marking the arrival of the holy month of Ramadan;
 - (b) the event began with a recitation from the *Holy Quran* by Sheikh Mahmoud El Nagar Al Azhari and opened with the Australian national anthem wonderfully sung by Al Amanah School students;
 - (c) the welcome was made by ICPA former president Dr Ghayath El-Shelh, OAM, and by Dr Sheikh Salim Alwan, Chairman of Darulfatwa Islamic High Council of Australia; and
 - (d) the Iftar was well attended, with many community leaders, diplomatic and consular as well as local government representatives and a number of colleagues including the Hon. Ray Williams, representing the Premier; Mr Jihad Dib, representing the Leader of the Opposition; the Hon. Shaoquett Moselmane, MLC, Opposition Whip; Melanie Gibbons, MP; Paul Lynch, MP; Tania Mihailuk, MP; Guy Zangari, MP; Jason Clare, Federal member of Parliament; and Chris Hayes, Federal member of Parliament.
- (2) That this House wishes ICPA and Darulfatwa Ramadan Mubarak well and congratulates them on their ongoing support to the wider Australian community.

Motion agreed to.

WAHROONGA CORPORATION CHIEF EXECUTIVE OFFICER DIANNE BALL

Mr SCOT MacDONALD (11:16): I move:

- (1) That this House notes:
 - (a) the outstanding service to the Port Stephens community of Dianne Ball, the CEO of the Wahroonga Corporation;
 - (b) Ms Ball is widely respected and has played a significant leadership role in many community and Port Stephens Council programs, including NAIDOC Week, Nations of Origin, Awabakal Health, Youth Express and Raymond Terrace Health One; and
 - (c) Ms Ball's work has contributed to better health, housing, education and employment outcomes for the local community Port Stephens community.
- (2) That this House acknowledges and commends the outstanding service to the Port Stephens community of Ms Dianne Ball.

Motion agreed to.**CHINESE MIGRATION TO AUSTRALIA ANNIVERSARY GALA****The Hon. SHAOQUETT MOSELMANE (11:16):** I move:

- (1) That this House notes that:
 - (a) on Sunday 20 May 2018 Sydney Town Hall was filled with 2,000 guests attending a gala night to celebrate the 200th anniversary of Chinese migration to Australia;
 - (b) the celebration was joined by the President of the Legislative Council, the Hon. John Ajaka, MLC; Mr John Sidoti, MP, representing the Premier; Mr Luke Foley, MP, Opposition Leader; the Hon. Ray Williams, MP, Minister for Multiculturalism; Mr Mark Coure, MP; the Hon. Shaoquett Moselmane, MLC, Opposition Whip; Dr Geoff Lee, MP; the Hon. Ernest Wong, MLC; shadow Ministers Jodi McKay, MP; Guy Zangari, MP; and Chris Minns, MP, along with former Premier the Hon. Bob Carr and Helena Carr; former Federal Minister the Hon. Philip Ruddock; former Minister Virginia Judge; Mr Andrew Stoner; Mr Warren Mundine; a host of local government representatives; Chinese embassy and consular representatives; leading academics; business leaders; Chinese media representatives; and heads of associations as well as many Chinese descendants stretching back 200 years of Chinese migration;
 - (c) the President of the Organising Committee in commemorating of the 200th anniversary of Chinese migration to Australia, Professor Xiangmo Huang, acknowledged the descendants of the first known documented Chinese migrant to have arrived in Australia 200 years ago in 1818 from Guangdong, Mr Mak Sai Yin, in Port Jackson Sydney;
 - (d) according to the 2016 Census, more than 1.2 million Australians have Chinese ancestry, making 5 per cent of the total Australian population; and
 - (e) over the years Chinese migrants suffered significant discrimination, which intensified under the White Australia Policy, and it continues today perpetuated by individuals and political parties such as Pauline Hanson's One Nation, yet Chinese Australians continue to give, sacrifice, persevere and contribute to Australian society, making it one of the most successful multicultural societies in the world.
- (2) That this House notes the work of the Organising Committee presidents, Professor Xiangmo Huang, Dr Frank Chou and Dr Fai Yuen Lam; executive presidents Professor Qun Shao, Fu Guang Wang and Dr Tony Goh; Secretary General Dr Ven Tan; as well as the 200 individuals and organisations that formed part of the Organising Committee.
- (3) That this House congratulates the Presidents and the Organising Committee and all Chinese organisations for their commitment to Australia, as well as the 1.2 million Chinese Australians for their continued contribution, proving that after 200 years they continue to belong.

Motion agreed to.**HUNTER BLITZ FOR OVARIAN CANCER****Mr SCOT MacDONALD (11:17):** I move:

- (1) That this House notes:
 - (a) on Sunday 20 May 2018 a function in support of the Hunter Blitz for Ovarian Cancer was held at the 16 Foot Sailing Club, Belmont;
 - (b) with concern that an estimated number of new cases of ovarian cancer diagnosed in 2018 amounted to 1,613 women and Cancer Australia estimates that 1,069 women will tragically die from ovarian cancer;
 - (c) dignitaries at the event included Mr Scot MacDonald, MLC, Parliamentary Secretary for Planning, the Central Coast and the Hunter representing the Premier, the Hon. Gladys Berejiklian, member of Parliament; Jodie Harrison, MP; Ms Sharon Claydon, MP; Councillor Barry Langford; former Federal member of Parliament and organiser of the event, Ms Jill Hall; keynote speaker, Ms Jill Emberson; and HMRI Medical Researcher, Ms Nicola Bowden; and
 - (d) ABC 1233 promoted the event.
- (2) That this House acknowledges and commends the Hunter Blitz for Ovarian Cancer keynote speaker, Ms Jill Emberson, and event organiser Ms Jill Hall.

Motion agreed to. [During the giving of notices of motions]*Notices***PRESENTATION**

The PRESIDENT: Order! If the Hon. Dr Peter Phelps and the Hon. Bronnie Taylor wish to have a private conversations they should do so outside the Chamber, especially when they are sitting directly behind the member with the call. It is impossible for Hansard and the Chair to hear what is being said. The Parliamentary Secretary has the call.

[Later,]

The PRESIDENT: Order! I call the Hon. Trevor Khan to order for the first time.

[Later,]

The PRESIDENT: I call the Hon. Daniel Mookhey to order for the first time.

Business of the House

POSTPONEMENT OF BUSINESS

The Hon. ADAM SEARLE: I move:

That Business of the House Notice of Motion No. 1 be postponed until Thursday 7 June 2018.

Motion agreed to.

The Hon. DON HARWIN: I move:

That Government Business Notices of Motions Nos 2 to 5 be postponed until a later hour.

Motion agreed to.

Bills

ROAD TRANSPORT AND OTHER LEGISLATION AMENDMENT (DIGITAL DRIVER LICENCES AND PHOTO CARDS) BILL 2018

Second Reading Speech

The Hon. CATHERINE CUSACK (11:32): On behalf of the Hon. Don Harwin: I move:

That this bill be now read a second time.

I am pleased to introduce the Road Transport and Other Legislation Amendment (Digital Driver Licences and Photo Cards) Bill 2018. This bill is a significant step forward in delivering on the New South Wales Government's commitment to digital transformation. It will enable the digitisation of the New South Wales driver licence and the New South Wales photo card on an opt-in basis, which will provide opportunities for improvements in service delivery, privacy and security for the citizens of our great State here in New South Wales. As at the end of 2017 there were over six million New South Wales driver licences and over 568,000 photo cards in use.

The bill delivers on the Government's 2015 election commitment to transition to digital driver licences by 2019. It also supports the Government's digital strategy, the Premier's priority to improve government services and the State priority of 70 per cent of government transactions to be conducted by digital channels by 2019. In 2015 the New South Wales Government announced its commitment to offering the people of New South Wales a range of digital licences, including a transition to digital driver licences by 2019. Since then this Government has successfully digitised the responsible service of alcohol and responsible conduct of gambling competency cards, the recreational fishing fee, boat driver licences and recreational vessel registrations.

This bill will take the next step by delivering the digital driver licence and the digital photo card. Digitising the driver licence and photo card is an opportunity to provide benefits for the community of New South Wales in three key areas. Firstly, for the citizens of New South Wales the digital driver licence and digital photo card will provide greater convenience, choice and security. Digital licences are also an opportunity for citizens to have more control and transparency over how the personal information on their licence is shown and shared with others.

The reality is that a digital driver licence or digital photo card brings a multitude of additional benefits and protections for users. One example of this is when a licence is lost. If you lose a physical driver licence or you have your wallet stolen, you have no ability to stop it being used by another person for nefarious purposes. Sure, you can report it to police and to Service NSW but once a licence is lost there is no way to cancel it in the way you would a credit card because so much checking of the licence is simply sighting it rather than it being scanned. There is a risk that it can still be used.

Then to replace a lost physical card you must attend a Service NSW centre in person and apply for a new card, which would be sent to you sometime after applying for it. This process takes time out of your busy day and is a major inconvenience. However, for a digital driver licence it is a much more secure proposition. Say you lose your phone that has your digital driver licence on it. You eventually have to go out and buy a new device but you are concerned that your digital driver licence is on there. As soon as you know your phone has been lost or stolen you can log into Service NSW and cancel your digital driver licence on that device.

You will know if it is used by someone who is not you as you will have access to an activity log, just like you have with your Opal card. By being able to cancel their card at the click of a button the citizen is empowered

to take control of their identity security and privacy and ensure that their licence cannot be used or scanned by an unauthorised person, just like they can with their credit card. To replace your digital driver licence you simply take your new device, re-download the app, accept the digital driver licence on the new phone and away you go.

For businesses in New South Wales, digital licences present an opportunity to streamline manual processes for checking or recording licence details. This means that businesses may deliver a better experience for their customers and benefit from time and cost savings. Digital licences can also provide a greater level of assurance, reducing risks of fraud and loss. For government, this development will mean simpler and faster ways to communicate and interact with citizens—for example, digital notifications and licence renewals for those who prefer to deal with us in that way.

The New South Wales photo card is an increasingly important identity product; in 2017 alone there was a 28.38 per cent increase in its adoption. This makes it a priority for digitisation. A digital photo card is also not constrained by the national driver licensing framework and therefore may be delivered in a more flexible form to enhance citizen privacy—for example, providing citizens with more control over the personal information they share, depending on the situation, such as to security staff at licensed venues. It will also give citizens a digital identity product that is independent of their authority to drive.

I turn now to the findings of the digital driver licence trial in Dubbo. The development of the digital driver licence and digital photo card has been supported by a public trial that began in November 2017 in Dubbo. That trial attracted more than 1,400 participants to test the digital driver licence in roadside police checks, pubs and liquor stores. Feedback from citizens, police and industry has guided the design and development of the digital driver licence to meet government, industry and customer needs.

An independent research company was commissioned to conduct the trial and report on its findings. I am very pleased to report that, after an initial four months, the digital driver licence generated very high levels of satisfaction from participants in its convenience and ease of use, its likelihood of adoption and the likelihood of recommendation to others, with a net promoter score of 83 plus. The trial also tested the concept of developing a digital photo card through an "age details" function in the digital driver licence, which limits the display of personal information to that necessary for an evidence of age check—for example, to enter a pub and purchase alcohol.

The bill also addresses issues identified in testing the digital driver licence in real roadside situations. For example, when a person is required to produce their driver licence or photo card and shows their digital driver licence or digital photo card, they must also ensure that it can be read by the police or other authorised officer. This could mean increasing the brightness on their device, scrolling or tilting the screen. This trial has meant that the digital driver licence is tried and tested, with real feedback being fed back into its design, ahead of a statewide rollout.

I will now touch upon industry support that we have received to date. Nine pubs in Dubbo chose to participate in the trial of the digital driver licence for the purposes of entering licensed premises and purchasing alcohol. The feedback from this trial has been generally very positive. Trial participants said that people always have their phones on them, and that the digital driver licence would be difficult to fake. Eight liquor stores and three registered clubs have also chosen to participate to test the digital driver licence.

The Government has consulted heavily with stakeholders throughout the trial, including bars, liquor stores, pubs and licensed clubs. I thank them for their continued input and valuable contribution in developing the digital driver licence and digital photo card. I also thank the following individuals and peak organisations for their ongoing input and support of the digital driver licence to date—John Whelan, Chief Executive Officer of the Australian Hotels Association; Michael Waters, Executive Director Liquor Stores Association, Juliana Payne, Chief Executive Officer Restaurant and Catering Association; and Anthony Ball, Chief Executive Officer ClubsNSW. These organisations had the following to say in light of this bill. The Australian Hotels Association:

The continued expansion of smartphone technology for cardless transactions will see the use of wallets as an option rather than a necessity, based on these feedback from our Dubbo members. The AHA NSW is supportive of the expansion of the digital driver licence statewide.

The Liquor Stores Association:

[The LSA] remains supportive of a full statewide rollout of the digital driver licence as it will give packaged liquor retailers, licensees and their staff at the point of purchase a safe and efficient digital service control age verification measure.

The Restaurant and Catering Association:

I am firmly of the view that this project will be of significant benefit to the approximately 14,200 café and restaurant businesses in New South Wales. The addition of the digital driver licence as a valid form of identification will provide patrons with a more seamless method of ordering alcohol in licensed cafés and restaurants. It is for this reason I have no hesitation in supporting a state-wide rollout of the digital driver licence.

ClubsNSW:

Proper implementation of digital drivers' licences will be a positive development in better equipping clubs for the digital future and the industry is excited for what these changes mean.

The Minister looks forward to continuing to work closely with industry as we progress to implementation of the digital driver licence and the digital photo card, and we thank them for their support to date. I now go through the statewide rollout of the digital driver licence and digital photo card. The trial in Dubbo will continue until the statewide rollout of the digital driver licence and digital photo card and will continue to gather more data and feedback to refine the design of both products. Once launched, the people of New South Wales will be able to opt in to receive a digital driver licence and digital photo card. These will essentially constitute a digital representation of a person's physical driver licence or photo card.

The digital versions will be in addition to the physical licence or card, and accessible via the MyServiceNSW app, which can be downloaded to their device, such as a smartphone. The digital driver licence and digital photo card will provide a secure and user-friendly experience and be able to be authenticated visually, by viewing the visual security features, or electronically. Citizens who opt in for the digital driver licence will have the option of carrying or producing either their digital driver licence or their physical licence card when driving in New South Wales. Citizens will also be able to show their digital driver licence or digital photo card as evidence of their age and of their identity in the liquor and gaming industry to enter pubs and registered clubs, and in a variety of ways that the driver licence and photo card is currently used. The New South Wales Government has been working closely with industry groups to encourage and enable acceptance of the digital driver licence and digital photo card, and will continue to do so in the lead-up to the statewide rollout.

I will answer some common questions and misconceptions around the digital driver licence and digital photo card. Since announcing the digital driver licence trial in Dubbo, the Minister has come across a few common questions or concerns relating to how a digital driver licence will operate in New South Wales. I take this opportunity to answer some of these key issues. The most common question being asked is: What if a person's device, on which they have their digital driver licence, has a flat battery or cracked screen, is malfunctioning or is in a network black spot? As with the driver licence card, it will remain a driver's responsibility to ensure that they are able to produce their driver licence if requested to do so, whether it be their driver licence card or the digital driver licence on their electronic device.

Once a person chooses to have the digital driver licence through the Service NSW app, the digital driver licence is downloaded and may be accessed offline, as it is encrypted and stored securely on a person's device. A person does not need a network connection to then display their digital driver licence. If the driver's electronic device has a flat battery or a cracked screen, or is in such a condition that the person checking the digital driver licence cannot read, copy or scan the digital driver licence, the driver will not have met the requirement to produce their driver licence. The driver may be penalised for failing to carry and produce their driver licence when required to do so by a police or other authorised officer.

The proposed amendments in the bill make this clear, and this is consistent with what happens now when a driver forgets their wallet which carries their driver licence card, loses their driver licence card or when their card is so worn as to be unreadable. Another common question we have heard is: Is the New South Wales Government removing the physical driver licence card? The answer is no. The Government will continue to issue a physical driver licence card to all New South Wales driver licence holders. The digital driver licence is an optional addition to the driver licence card, which citizens can choose to use in place of their driver licence card. The digital driver licence will provide additional choice, convenience and security for citizens.

A further misconception is that people who opt in for the digital driver licence risk breaking the law by producing, displaying or accessing their digital driver licence whilst driving. I am pleased to inform the House that drivers will be allowed to use their mobile phone or other electronic device to display their digital driver licence but only after being stopped and requested by a police officer or other authorised officer to show their driver licence. The bill will create an exception to the rule against using a mobile phone or similar electronic device, such as a tablet or laptop, whilst driving. This exception will allow a driver to use their device to display their digital driver licence, but I stress only in that limited circumstance when they have been stopped and asked by police or an authorised officer to do so. The Government is committed to making New South Wales roads the safest in the country. The launch of the digital driver licence will include strong and clear road safety messages to educate drivers on when it is lawful and safe to touch and use their device to display their digital driver licence to an authorised officer.

A further question that has been asked is: Will a police officer or other authorised officer need to handle a driver's electronic device displaying the digital driver licence in order to check the licence? The answer is no. As many in this House know, a mobile device is so much more than just a digital driver licence. A phone is a

person's personal property and may also be used to store and access personal and private information. To ensure appropriate privacy and a citizen's right to maintain control of their personal electronic device, a driver will only need to display their digital driver licence on their device to the police or authorised officer in order for their digital driver licence to be checked. I am pleased that the Privacy Commissioner has supported this approach, stating, "This will ensure the privacy rights of an individual who holds personal information on their phone beyond the digital driver licence is preserved."

Under the proposed amendments in the bill, a driver will not be required to give their device to an officer to display their licence. However, a driver may be required to assist with the reading, copying or scanning of the digital driver licence. This could include changing the brightness on the screen, angling the device so that it may be scanned, scrolling or tapping on the digital driver licence to show the full details, or refreshing the digital driver licence. Visually, the digital driver licence contains several features that can be sighted to ensure that it is not a screenshot or a fake. The digital driver licence can then be further verified by police using a MobiPol device, which scans a digital driver licence to initiate a search against backend police systems without the police officer having to manually type in the licence number.

Approximately 95 per cent of road traffic infringements issued by police are issued through MobiPol devices, and the digital driver licence leverages this technology. In network black spots where MobiPol is unable to connect to backend police systems, police may still verify the digital driver licence in the same way as a physical licence: by radioing back to station or using the terminals in their vehicles. One final question, which in my view is the most important of all, is: How does the digital driver licence and digital photo card ensure security of personal information and protect against fraud? To obtain a digital driver licence and digital photo card, a person is required to register for a MyServiceNSW account and establish their identity to link their account with Roads and Maritime Services. Once verified, the person's driver licensing or photo card information and photograph is securely released to the Department of Finance, Services and Innovation and Service NSW digital platforms to be processed to create the digital driver licence and digital photo card in the Service NSW app. None of the information or photographs is stored by the Department of Finance, Services and Innovation or Service NSW platforms.

The digital driver licence and digital photo card are securely stored on a person's device. On top of any device PIN code or touch identification—fingerprint—the Service NSW app is also PIN code protected to ensure that the person's personal information remains safe and secure. The digital driver licence and digital photo card include several visual security features that can be sighted to ensure that it is not a fake or a screenshot. For example, the design includes animations and a hologram. The digital driver licence and digital photo card also include a quick response code that may be scanned to verify its authenticity. Unauthorised use of a digital driver licence and digital photo card may also be detected through a device management framework and activity log, which will notify the person of logins from unrecognised devices or other unusual activity.

This would mean that if someone living in Sydney has opted in to have a digital driver licence, whenever that digital driver licence is scanned they could be notified by email instantly of when and where that was done—just like a credit card. For example, if your card was scanned in Byron Bay by someone seeking to defraud you, you could instantly deactivate the digital driver licence and inform Service NSW and/or the police of the breach. This tangible security and fraud benefit comes with the digital driver licence and simply is not available with the physical card. I am pleased that the Privacy Commissioner supports this added level of protection, stating: "The recommendation that holders of a digital driver licence are notified of transactions including third party checks is supported."

I take this opportunity to thank the Privacy Commissioner for her ongoing advice and recommendations throughout the digital driver licence trial and during the drafting of this bill. Since the commencement of this project, we have undertaken two privacy impact assessments that have been an important part of ensuring citizens' security and privacy is at the centre of the digital driver licence project. The Privacy Commissioner worked closely with the steering committee and project teams. Her input has been vital in shaping the digital driver licence as it exists today. I again thank her for her input. I understand that the Opposition thinks very deeply about the future and impact of technology and the shadow Minister is also supporting this proposal. I acknowledge and pay credit to the Opposition for that. I commend the bill to the House.

The Hon. PETER PRIMROSE (11:54): As indicated by the Parliamentary Secretary, the Opposition does not oppose the Road Transport and Other Legislation Amendment (Digital Driver Licences and Photo Cards) Bill 2018. I refer honourable members to the excellent speech by the shadow Minister in the other House for the details as to why.

The Hon. PAUL GREEN (11:54): On behalf of the Christian Democratic Party I speak in debate on the Road Transport and Other Legislation Amendment (Digital Driver Licences and Photo Cards) Bill 2018. I note the excellent speech by the Parliamentary Secretary about the initiative and it was good to hear how the concerns

about the loss of a phone and identity theft are being addressed. If a phone is handed on, many people do not realise that information is left on its hard drive and it can be accessed. The bill does not deal with identity theft because, while it may acknowledge that a driver licence is not tradeable, the information can become part of the puzzle of crime figures who use the information in other ways. It does not quite extinguish that situation but it is a good way to go.

Last Saturday my daughter got her licence. She is the last of my six children to do so. Between them, they have nearly completed their 720 hours of learning to drive. I am happy to clarify with the House that my wife is nearly a professional driving instructor, because I have conducted very few of those driving lessons. So far five out of her six learner drivers have received their P-plates on their first attempt, and the pressure is on for her to get a 100 per cent score. When my daughter went up to the counter to get her licence, she was informed that she had to wait two weeks before she gets that wonderful little mugshot which, sadly, will look rather like a criminal photograph because she is not allowed to smile. That is hard for some people who want to smile. They are told, "No, I need you to frown." That frowning mugshot is on your licence for five or 10 years—and it is distressing, because I like to smile.

The Hon. Bronnie Taylor: Me too.

The Hon. PAUL GREEN: You do, sister. It is a nurse kind of thing: You have to smile. A smile costs nothing, but unfortunately it cannot be put on our security documents. Knowing my children, these measures are of concern because they go through a phone probably once every six months! It is not because they have lost it, but because they have dropped it a hundred times and smashed the screen, and eventually the phone becomes unworkable. As a parent it is of great concern to know what security measures are in place. There are people in the community who can download the data from those phones. The security of that data is a little concerning. As we know, technology is getting better. As I have seen in the second reading speech of the Minister in the other place, the Government is aware of this, and I have no doubt it will work to ensure that the security of this initiative will get stronger and stronger. The Christian Democrats appreciate the initiative. We think it will be very helpful and very convenient in these modern times. We commend the bill to the House.

Dr MEHREEN FARUQI (11:58): On behalf of The Greens I speak briefly in debate on the Road Transport and Other Legislation Amendment (Digital Driver Licences and Photo Cards) Bill 2018. This bill essentially extends the trial of digital driver licences and enables it to be rolled out across the State at some point in the future for the purpose of providing for the issue and use of digital driver licences and digital photo cards. The Greens support the digital driver licences and photo cards bill. I am sure many of us, and our families and friends, have on occasion forgotten to take our physical licence with us, but we never forget to take our phones with us. Having digital licences not only will eliminate this inconvenience but also will allow for those of us who want to move into the digital age to do so.

I find it a bit odd, though, that we are being asked to roll out this scheme when the trial at Dubbo has not concluded. The Minister's speech in this place—and the speech made in the other House—pointed out the success of this trial, and that is great. But the least we can do, if we are having a trial, is to see it through. The results of the trial should be made public. One thing that seems a bit harsh is penalising someone whose phone might be dead when they are pulled over by the police. I am sure each of us has been in the situation where our phone unexpectedly has a flat battery. If we are going to embrace the benefits of technology we should accept—and be a little bit flexible—the limitations of the technology.

The Hon. SCOTT FARLOW (11:59): I am excited by the Road Transport and Other Legislation Amendment (Digital Driver Licences and Photo Cards) Bill 2018. It introduces a wonderful new age in respect of digital drivers licences. I commend the Parliamentary Secretary for her wonderful second reading speech on behalf of the Minister. It captured the excitement that many of us feel. As Dr Mehreen Faruqi just mentioned, the scheme introduced by this legislation has been the subject of a trial in Dubbo. From all accounts that trial has been successful.

I am very much looking forward to the passing of this legislation because on the back of my phone I have a little pouch of essential things. As Dr Mehreen Faruqi said, I may forget my wallet occasionally but I do not forget my phone, so I make sure that my licence is always with my phone. It will be a wonderful day when that licence will live on the phone and there will be no requirement for the pouch. I congratulate the Hon. Victor Dominello, the Minister for Finance, Services and Property, in the other place.

The Hon. Bronnie Taylor: A great Minister.

The Hon. Shayne Mallard: A great Minister.

The Hon. SCOTT FARLOW: I acknowledge those interjections. The member for Ryde is a good Minister for the Government. He understands innovation. He was previously the Minister for Innovation and

Better Regulation and is now the Minister for Finance, Services and Property. In that role he has a lot to do with information technology and—

The Hon. Shayne Mallard: CTP reform.

The Hon. SCOTT FARLOW: —and CTP reform. He is a reformist Minister in this Government. He is looking at the future. I was impressed the other day when the Minister showed me the technology on his phone. He showed me his digital driver licence. It is exciting technology, which has been designed with the help of technological experts. New South Wales is at the cutting edge of this type of technology. Looking at the digital driver licence, I was able to see how the image of the waratah changes and how the back of the licence changes to ensure that it has a unique code which cannot be copied. In achieving that, the Minister's department has utilised some of the best technology.

The issues of identity theft, fraud and the protection of personal information have been considered. I am reassured by the words of the Parliamentary Secretary and applaud the work of the Privacy Commissioner on these matters. Previously I sat on the Committee on the Ombudsman, the Police Integrity Commission and the Crime Commission, as it was then known, which had oversight of the Privacy Commissioner as well. I know the amount of work that the Privacy Commissioner does, and how seriously she takes her role in protecting individuals' privacy. Having the Privacy Commissioner involved in the process will ensure that this is good legislation and the system that is deployed across New South Wales will be good.

We heard from the Parliamentary Secretary about the consultation that took place with the pubs and clubs industry during the development of this legislation. Driver licences are essential forms of identification. They are not just used by police when they pull somebody over to the side of the road; they are used by clubs and pubs when people seek entry. This legislation has the endorsement of ClubsNSW and the Australian Hotels Association. Those organisations took part in the trial, using the technology to confirm the identify of patrons. This will result in a reduction in fraud and forgeries.

The endorsement of ClubsNSW and the Australian Hotels Association is an indication of the great work that the Minister has done in consulting with industry. Businesses that need to use licences to verify identification will be able to use the new system. It will allow them to more easily comply with the legislation and regulations. This is a very good proposal, not just for drivers but also for those who interact with the holders of driver licences—particularly clubs and pubs across the State. Operators in the Dubbo trial gave the new technology a great reception.

The new scheme provides an option for users throughout New South Wales. All the actions of Service NSW have been about making people's interaction with government easier and about simplifying technology. Some, like me, are keen on adopting a digital driver licence but there will be some who, for whatever reason, may not be interested in taking that path. Those people do not need to transition across to a digital licence. They will still be able to have a plastic licence and use that for identification. Clubs, pubs and other bodies who seek to verify somebody's identity will be able to use the traditional plastic licence as well. The Government is taking an innovative approach but is also making sure that there is a traditional option—the one that is currently available. I am sure that many people will avail themselves of that option. I commend the Minister for introducing this bill. I commend the work of his department. I commend the work of the Parliamentary Secretary in bringing this bill before the House.

The Hon. WES FANG (12:06): I am pleased to support the Road Transport and Other Legislation Amendment (Digital Driver Licences and Photo Cards) Bill 2018. I am excited that this innovative Government is supporting technology and innovation. It shows that New South Wales is a cutting-edge State. New South Wales is adopting world-first technology in respect of security, the ability to identify people and flexibility. This will support the community and ensure that the new technology—technology which will make driver licence information available on a mobile device—is available to the people

This scheme is not compulsory. People can opt in. I love my technology; I am well known for loving technology. I always carry my phone with me and I will now have the ability to store my credit cards, loyalty cards and driver licence on one device. That will reduce the amount of clutter that I need to carry with me every day. This legislation will not remove the ability for people to have regular licences, and that is really important. Not everybody is as comfortable with technology as I am, but this Government is making sure that those who are confident and capable with technology have the flexibility to use it to its full potential.

I congratulate the Minister for Finance, Services and Property on introducing the bill. I congratulate him on embracing innovation. We have already heard today from the Parliament Secretary about the security that is built into this system and how that will provide surety to those who use driver licences as a means of identification.

The holograms and the animations that are built in will ensuring security. This morning we also heard about the exciting potential ability to know whether somebody has logged in and is using a person's digital driver licence.

It is extremely concerning to find out that someone has stolen your identity or is using your credit card overseas. We have all heard stories about banks informing customers that their credit card is being used overseas. Of course, the time differences mean there can be delays in reporting the theft and cancelling the card. Being able to track credit cards in real time is important not only for the credit card holder but also for someone whose identity has been stolen. Given that, I am pleased that we are able to make these changes. I imagine that this will be the first step in introducing a raft of innovations. For example, I carry a digital watch.

The Hon. Niall Blair: I wear mine.

The Hon. WES FANG: I acknowledge that interjection.

The Hon. Dr Peter Phelps: He has a digital fob.

The Hon. WES FANG: Yes, I also wear my digital watch.

The Hon. Dr Peter Phelps: Table it.

The Hon. WES FANG: Of any brand. I have a specific brand, but there are many. The ability to carry my loyalty cards on my phone was transformative because it reduced the number of cards I had in my wallet. However, today's technology allows me to double tap on my watch to have my loyalty card appear and to conduct a transaction. Credit cards and loyalty cards are now moving from digital devices and phones to watches. This innovation is being supported by the Government, which is examining the world's best technology and adapting it for use in this State.

That is important and it demonstrates that New South Wales is leading the way in innovation in this country. It is also leading the way in its interactions with not only government organisations but also industry stakeholders. Of course, the police will also use digital licences for identification purposes. As the Hon. Scott Farlow pointed out, the Australian Hotels Association supports the Government's digital licence initiative. The executive director of the Liquor Stores Association NSW also supports this move, as do the chief executive officer of the Restaurant and Catering Industry Association of Australia and ClubsNSW. It is important to note that this Government has taken the time to—

The Hon. Dr Peter Phelps: Listen.

The Hon. WES FANG: Yes, to listen and to engage with industry groups. When the former Labor Government tried to introduce a transport card—

The Hon. Dr Peter Phelps: It did not listen.

The Hon. WES FANG: No, it did not listen. What a debacle that was. It took a Liberal-Nationals Government to introduce the innovative and transformative Opal card. We can now tap and pay to travel around this great city. That was done after consultation and by following due process, and that is exactly what has been done with this legislation. Those groups have been very supportive of this digital licence program. It is a testament to the Minister and the Government that they are supporting innovation and engaging with stakeholders. Dr Mehreen Faruqi said that the extremely successful trial being conducted in Dubbo was ongoing. Yes, it is, and it has been a great success and is well supported.

The Hon. Catherine Cusack: People love it.

The Hon. WES FANG: Young people do love it. It shows that the Government is engaging with people in the way they want to engage.

The Hon. Shayne Mallard: Only this Coalition.

The Hon. WES FANG: This is correct; that is what this Coalition Government does. The Liberal-Nationals Government listens and it does so in a way that includes everyone. As I said, this is an opt-in program. People can elect to have a digital driver licence on their phone or to keep their current licence. The Government is giving people flexibility, which is important for everyone. I am pleased to inform the House that nine pubs chose to participate in the Dubbo trial, which provided a wide range of information. The feedback has been generally positive and that is why the Government has introduced this legislation today. Trial participants said that they always have their phone on them. As members have said, we rarely leave the house without our phone. Before I leave home, I always pat my pockets to check whether I have my house keys and my phone. Sometimes I will forget my wallet.

The Hon. Dr Peter Phelps: When you go to the pub with your mates.

The Hon. WES FANG: I do not often go to the pub with my mates without my wallet.

The Hon. Dr Peter Phelps: But when you do they always shout you.

The Hon. WES FANG: They do.

The Hon. Scott Farlow: What about the credit cards you can put on your phone?

The ASSISTANT PRESIDENT (Reverend the Hon. Fred Nile): Order! Members will allow the Hon. Wes Fang to continue his speech.

The Hon. Greg Donnelly: Yes, and it is an outstanding speech. It is the best I have heard all year.

The Hon. WES FANG: I appreciate that interjection.

The Hon. Greg Donnelly: It must have taken hours of preparation.

The Hon. Shayne Mallard: Point of order: The Hon. Greg Donnelly knows better than to interject so loudly. I ask that he be directed to cease.

The ASSISTANT PRESIDENT (Reverend the Hon. Fred Nile): Order! The Hon. Greg Donnelly will allow the member with the call to continue his speech.

The Hon. Greg Donnelly: I apologise. It is such a good speech.

The ASSISTANT PRESIDENT (Reverend the Hon. Fred Nile): Order! The Hon. Greg Donnelly must be careful not to be cynical in his interjections.

The Hon. WES FANG: We may go for a run and leave our wallet at home. In my case, calling it a run might be a bit generous; it is more like a brisk walk. In fact, since I took a tumble it has been a slow walk. It is not often that I leave home without my phone, but I often leave without my wallet. I might need my driver licence when I do not have my wallet and the flexibility of using a digital driver licence on my phone will be extremely helpful. I think many people will appreciate that flexibility, including the people of Dubbo who were involved in the trial. As I said earlier, industry stakeholders in Dubbo supported the trial; in fact, the results have been extremely positive for them. The Australian Hotels Association stated:

The continued expansion of smartphone technology for cardless transactions will see the use of wallets as an option rather than a necessity. Based on this feedback from our Dubbo members, the AHA NSW is supportive of the expansion of the DDL State-wide. Members of the AHA have a stake in identifying their patrons; that is, they need to know they are who they say they are. That industry group is supportive of the program. The Liquor Stores Association has said:

[The LSA] remains supportive of a full statewide rollout of the digital driver licence as it will give packaged liquor retailers, licensees and their staff at the point-of-purchase a safe and efficient digital service control age verification measure.

Again, digital driver licences are an important innovation that will allow us to ensure that people are who they say they are when they purchase alcohol, cigarettes and some medicines. The licences will add flexibility and increase the security of the means we provide to stakeholders to check the identity of people purchasing certain items. The technology will offer additional protections to retailers and that is why industry groups are so supportive of the measures. A Restaurant and Catering Association representative has said:

I am firmly of the view that this project will be of significant benefit to the approximately 14,200 cafe and restaurant businesses in NSW. The addition of the DDL as a valid form of identification will provide patrons with a more seamless method of ordering alcohol in licensed cafes and restaurants. It is for this reason I have no hesitation in supporting a state-wide rollout of the DDL.

Cafes and restaurants will benefit from the ability to check the identification of diners who may have their credit card with them but may have left their licence in the car or at home. Perhaps they felt they would not need to show their licence but they look a little bit younger than their age. Business operators will be able to be certain that they are selling alcohol only to people over 18 because they will be able to verify identities through digital driver licences. Patrons will be freed from having to carry their card with them, and that flexibility is a brilliant part of the program. ClubsNSW has said:

Proper implementation of digital drivers' licences will be a positive development in better equipping clubs for the digital future and the industry is excited for what these changes mean.

Clubs are the lifeblood of the many rural, regional and remote communities that I like to think I represent in this place. The club is where people go to socialise, attend events, relax, have a coffee or a beer and catch up with friends. When people have the flexibility to carry their driver licence on their phone they will be able to present identification when required—for example, if they decide to have a beer even though they were not intending to. In addition, clubs have a sign-in process. Digital driver licences will assist clubs in making sure that people are who they say they are, which is a requirement on clubs.

This is a great initiative by this Government. It involves leading technology that I think no other State could have implemented. It has taken this Liberal-Nationals Government to deliver this measure. It is a wonderful thing and I am so pleased to be part of it. I acknowledge that privacy is of great concern. The Privacy Commissioner has provided ongoing advice and recommendations throughout the trial and during the drafting of the bill. That shows that the Government engages and seeks feedback. We have shown that we are listening to industry and to what people want. We are not being stick-in-the-muds; we are embracing technology and leading the way. The introduction of a bill to enable people in the near future to carry digital driver licences on their phones makes me proud to be a member of this Government. I am really looking forward to opting in to the program. [*Time expired.*]

The Hon. NIALL BLAIR (Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry) (12:26): I support the Road Transport and Other Legislation Amendment (Digital Driver Licences and Photo Cards) Bill 2018. I will add a few other perspectives to the debate and outline why I believe this is a fantastic initiative. In 2017 the Government brought in a requirement for New South Wales cyclists to carry their driver licence or photo identification with them. It also introduced further rules around the distances that cyclists need to maintain on our roads. As part of the package a cyclist could carry either their photo identification or a picture of their photo ID.

As a cyclist, I chose to carry a picture of my photo ID on my smartphone, which I have with me when I cycle. It often links in with other technology on my bike such as my cycle computer. I did not want to have to carry my physical licence with me. Even though it is not cumbersome, I found it easier to keep a photo of my licence on my phone. The method I have been using to carry my ID is not as secure as the Minister's proposal for digital driver licences. As a cyclist I will be embracing this initiative because it will provide a more secure way for me to meet my requirements when I am cycling on the road.

This is one of those times when I wish we were able to see a demonstration in the Chamber. Sometimes it is difficult to explain the way technology will work just by recording a description in *Hansard*. I have had the privilege of seeing Minister Dominello demonstrate the digital driver licence. Anyone who knows anything about the Minister is aware that he loves technology. Last week in Sydney his passion for technology and innovation was on show when he spoke at the CeBIT conference, which is the largest conference of its type in Australia. New technologies and the companies associated with them were well and truly on show.

This was at the International Convention Centre in Sydney. During his presentation, Minister Dominello demonstrated the attributes of the digital driver licence. That was a big hit at the conference. I have seen him deliver a similar presentation. Once everyone has the opportunity to see the security measures within the digital driver licences they will be more than impressed and feel very secure with the inbuilt security provisions. As well as our cyclists being able to meet a requirement, it is exciting that this is also moving into the other areas in which someone needs to carry photo ID on their person.

I relate the role of one of my departments in looking at how we can work with Service NSW particularly to embrace new technologies to meet those requirements. For some time now the Department of Primary Industries [DPI] has had a digital fishing licence available through Service NSW. Admittedly it is not as sophisticated as provided for under the provisions in this bill, but once again we have looked at the ability for fishers in this State to meet the requirement to carry their fishing licence or receipt on their person and incorporated that through the availability to do so on their smartphone. This is something that has been widely taken up.

The member who spoke earlier speaks about what he carries when he is doing certain activities. We know that a lot of our fishers in New South Wales carry their smartphones with them when they fish. I do that. I tend not to keep the fish that I catch—I am more of a catch and release fisher—but I do want a picture to prove I landed that fish, I want a picture of myself in that beautiful part of New South Wales where I have caught that fish and I want those with me to be in that picture as well. So I definitely carry my phone with me when I am fishing, but I also have to carry my fishing licence. This is the type of innovation that will allow us to do the activities we love and not inadvertently leave our fishing licence behind or, when we are out cycling on the roads, inadvertently forget to carry our driver licence.

This is making life easier for the people of New South Wales And we can all be proud this is happening in New South Wales. We are very proud that Minister Dominello is so passionate about embracing this technology. His passion is infectious. Listening to or watching him do these types of presentations makes one want to be a part of what is coming for the people of New South Wales, because he is certainly passionate about what he is doing. This is good innovation for the people of New South Wales. It will be beneficial not only for those who need to carry that ID to access our licence institutions, to show their proof of ID, proof of age or to meet the requirement for drivers on the road; it also meets those requirements for cyclists, providing more security than is available at the moment by just carrying photo ID. We will also start to see this extended into other parts of government.

As Minister for Primary Industries, I place on the record my appreciation of the Minister and Service NSW for the work that they have done in working with my agency to allow DPI to be one of the early adopters in a trial of an earlier version of this digital licence for our fishing receipt. I look forward to where that can progress in future. It is safe, it is secure and it is the way forward. It is part of the future. It allows the good people of New South Wales to get on and do the things they love to do and meet those requirements in a flexible way that fits their lifestyle. It means people will not be inadvertently breaching requirements to carry this ID because it will be with them in their phone. The Hon. Wes Fang spoke about what he does when he heads out the door. I tend to do the same thing. I have a three-tap rule where I look for my phone, my wallet and my keys. That is something I do as I leave the house. Making sure I have my phone on me is certainly going to be an important part of my fishing and my cycling experience in future because I will also have that photo ID safely and securely on my phone.

I absolutely commend the bill to the House. This is just the start of where this technology can take us. Hopefully we will see this being embraced in a range of other areas and by other jurisdictions. The sky is the limit. This is about embracing change and making sure New South Wales is not just following but leading on innovation. In an age in which the capture and analysis of data helps decision-makers in everyday life, this is another example of how this Government is doing that to better the lives of the people of New South Wales. Sometimes we call the Minister responsible "DACman" because he loves his Data Analytics Centre, his innovation and his data. This is another example of how he is bringing that passion into Parliament and into the lives of the people of New South Wales. I thank everyone associated. When it gets through and is up and available, I will very quickly put this on my phone. I commend the bill.

The Hon. SHAYNE MALLARD (12:36): I speak in support of the Road Transport and Other Legislation Amendment (Digital Driver Licences and Photo Cards) Bill 2018. I am going to add some technical context to the digital driver licence which I think members will find helpful. No doubt you will find it helpful, Assistant President Reverend the Hon. Fred Nile, because members will probably be asked some technical questions about how it is going to work in practice. I follow speakers including Minister Blair who are very excited to be part of the digital new age for our State. Australia and New South Wales have been early adopters of new technology throughout recent history. That has been evidenced by multinational companies coming to Australia to test out many of their products before they put them in other markets. I have no doubt that this will be comprehensively embraced by the community once we roll it out. It is a ground-breaking and exciting reform which raises many questions in our minds, not only in New South Wales but in other States. Other States are also watching what we are doing as we become the first State to deliver a completely digital driver licence scheme.

Today in support of this bill I will provide some clarity to those not totally across the content of the bill. Under the Road Transport Act 2013, driver licences are implied to be physical artefacts. I am old enough to recall—most members probably can too—the paper driver licence we had in our wallets. The Hon. Scott Farlow, Parliamentary Secretary, is probably too young to recall, but I certainly remember my paper driver licence which I folded up in my wallet and which over a couple of years almost fell apart as, particularly when I was a young man, I would take it out as ID to get into places. That was a long time ago. We then went to the plastic driver licence and now to the digital. That is how it has evolved. In the Act it is implied it needs to be a physical artefact. The Act does not currently allow for the use of a digital driver licence. The proposed changes are required to establish the digital driver licence as valid evidence of authority to drive, which can be used in place of the physical driver licence card. The Government will continue to issue a physical driver licence card to all New South Wales licence holders. That means that citizens will have the option of carrying and producing either their digital driver licence or driver licence card when driving in New South Wales.

The amendments will also enable the digital licence to be treated as a driver licence for other purposes, such as where there is a requirement to check a person's age or identity. That includes as evidence of age or identity in the liquor and gaming context and other purposes as prescribed by regulation. The regulations will enable a flexible and staged rollout of the digital driver licence for use in situations beyond driving and in the liquor and gaming context. The Minister talked about the need for identification for cyclists. I am a cyclist and have a photograph of my licence on my phone. I do not carry my wallet when I cycle, so this will reinforce that requirement. Because the digital driver licence is displayed on a person's electronic device such as a smartphone, the amendment also addresses practical issues in cases where there is a legal requirement to produce, carry or surrender a driver licence card, or a power under the Road Transport Act 2013 to seize a driver licence.

As the community expects, there are very tight controls around the use and release of licence information and photographs. Those controls are imperative to protect the privacy and rights of the people of New South Wales. Under the Road Transport Act 2013, Roads and Maritime Services [RMS] does not currently have the power to release licence data to the Department of Finance, Services and Innovation and to Service NSW for the purposes of issuing a digital driver licence in the Service NSW app. The proposed amendments under the bill will allow the RMS to do that securely, and for the Department of Finance, Services and Innovation and Service NSW to issue a digital driver licence to those licence holders who choose to receive a digital licence.

Amongst discussions about the bill are questions of whether a police officer or other authorised officer will need to handle a driver's electronic device displaying the digital driver licence in order to check it. That has certainly been a question my mind—I am not sure if others have thought about it. Do drivers have to hand their phone over to a police officer when they are checking the licence? The answer is no. A person's device may be used to display their digital licence but the device is their personal property. To ensure appropriate privacy and a citizen's right to maintain control of their personal electronic device, a driver will only need to display their digital driver licence on their device to the police or authorised officer in order for it to be checked.

Under the proposed amendments in the bill, a driver will not be required to give their device to an officer to display their licence. However, a driver may be required to assist with the reading, copying or scanning of the digital licence. That could include changing the brightness on the screen, angling the device so that it may be scanned, scrolling or tapping on the digital driver licence to show the full details, or refreshing the licence. I am sure those sorts of questions about privacy when one is pulled over will be asked by the community, particularly young people. Visually, the digital driver licence contains several features that can be sighted to ensure that it is not a screenshot or a fake. The licence can be further verified by police using a MobiPol device which scans it to initiate a search against the backend police systems, without the police officer having to manually type in the licence number.

Around 95 per cent of road traffic infringements issued by police are issued through MobiPol devices and the digital driver licence leverages the technology. In network blackspots, where MobiPol is unable to connect to backend police systems, police may still verify the digital licence in the same way as a physical licence, by radioing back to station or using the terminals in their vehicles. I was thinking about that because Katoomba, where I live, is a mobile blackspot. I was wondering how it would work there. Another frequently asked question is what happens when a person's device on which they have their digital driver licence has a flat battery, a cracked screen, is malfunctioning or is in a network blackspot. Dr Mehreen Faruqi raised that concern earlier. As with the driver licence card, it will remain the driver's responsibility to ensure that they are able to produce their driver licence if they are required to do so, whether it be their licence card or the digital driver licence on their electronic device.

Once a person chooses to have the digital licence through the Service NSW app, it is downloaded and may be accessed offline as it is encrypted and stored securely on a person's device. A person does not need a network connection to display the licence. If the driver's electronic device has a flat battery, a cracked screen or is in such a condition that the person checking the licence cannot read, copy or scan it, the driver will not have met the requirement to produce their driver licence. The proposed amendments to the bill make that clear and it is consistent with what happens when a driver forgets their wallet which carries their licence card, loses their licence card, or their card is so worn as to be unreadable. The bill therefore takes a sensible, practical and considered approach to the use of the digital driver licence, giving individuals the choice to use the products and services which best meet their needs.

As other speakers have, I pay tribute to Minister Dominello. I have worked with him in various committees in the Parliament and Government. He is certainly an innovative Minister, looking at innovation as a way to deliver better services to the people of New South Wales. Minister Niall Blair referred to him as someone who is excited about the ability to take information and to interpret it—some could say mine it—to deliver more efficient outcomes for the people of New South Wales. One example was the compulsory third party [CTP] green slip reforms and real-time understanding of claims of CTP. There are many other areas where technology and innovation drive better outcomes for people and the Government. One area where we could do a lot of work is health outcomes. We could get more engagement in digital technology for individuals to manage their own health. My motorcar has a better digital record of maintenance and being looked after than I do. There is a great opportunity to improve the wellbeing of the community if we embrace digital technology for health.

In 2002, when I was in Europe, I first came across the European version of the Opal card—and it was digital. Ours is still not digital, so we need to take that step and move it onto our phone, as we heard from the Hon. Wes Fang. I have all my credit cards and my store loyalty cards in my digital wallet now—I do not need to carry them. I use payWave for all my transactions and virtually do not use cash. This is a brave new world and we should embrace it because it has a lot of opportunities for us.

I also want to speak about apps. I use a lot of apps and the one I really appreciate is the Fires Near Me app of the NSW Rural Fire Service. The app is free. Living in a high fire danger part of the Blue Mountains, we are straight on the app any time we smell smoke. It immediately notifies us what fires are around us and whether they are controlled burns or bushfires. Today is Wear Orange Wednesday and we are acknowledging the people who volunteer for firefighting. It is a tremendous digital application. Parallel to that is My Fire Plan, which I recommend members look at. The technology is there to save lives, to change lives and to drive better outcomes for people and the New South Wales Government. With those comments, I commend the bill to the House.

Debate adjourned.

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

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

*Questions Without Notice***DROUGHT ASSISTANCE**

The Hon. ADAM SEARLE (14:30): My question without notice is directed to the Deputy Leader of the Government, Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry in his capacity as water Minister and representing the Minister for Roads, Maritime and Freight. Given that a number of western New South Wales communities, including Bourke Shire Council, have been forced to delay necessary roadworks as a result of the drought and the increased cost of water carting, what steps is the Minister taking to assist affected areas such as Bourke, Coonamble and Walgett?

The Hon. NIAL BLAIR (Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry) (14:31): This question to me was asked in two parts, one in my capacity as Minister for Regional Water and the second in my capacity representing the Minister for Roads, Maritime and Freight. I am happy to take the part of the question directed to the Minister for Roads, Maritime and Freight on notice and refer it to the Minister. I am sure that the Minister has had some interactions with those councils, in particular, in relation to the impact of the drought on some of the areas mentioned in the question. One of the issues with the drought in the State is that extra fodder is being transported to certain parts of the State, and therefore there may be increased truck movements on some roads. One issue that has been raised directly with the Deputy Premier is the impact of this transport on some roads because of the increased transportation of fodder or moving stock to agistment or sale. I will refer the question to the Minister for further information.

As I have outlined in the House in my capacity as Minister, in a number of areas we have provisions available to local councils for town water supply, particularly emergency town water supply. In a recent question time I updated the House on the emergency assistance that we have provided to Coonamble shire in relation to its water supply. In relation to Walgett shire, work is being done to look at the weir. I have also had conversations about water provision with a number of councils in that part of the world. I am happy to take the part of the question directed to me on notice and come back to the member with specific information in relation to what we are providing to assist drought-affected councils through emergency provisions and which other measures are being provided to those councils through our Safe and Secure Water Program fund.

This fund is available to councils and water utilities right across New South Wales. This Government put \$1 billion into this fund, and one of the first commitments of the program was to provide funding for the Murray to Broken Hill pipeline. Councils and water utilities across the State continue to put in applications for funding through the program. Recently I updated the House on what is happening for Coonamble, but as I do not have the latest information about our assistance to the councils about which the member asked, I am more than happy to take that part of the question on notice and come back to the member with a detailed response.

SOLAR ENERGY PRICES

The Hon. BEN FRANKLIN (14:34): My question is directed to the Minister for Energy and Utilities. Can the Minister update the House on how the Government is ensuring a fair price for solar energy? Are there any alternative policies?

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (14:34): Under this Government, the number of small-scale solar installations is set to rise and the cost of placing a small-scale solar system on rooftops continues to fall. Already we have 408,000 systems installed, and we will see greater take-up of small-scale solar systems installed as rooftop solar becomes economically feasible for even more New South Wales households and businesses. On 8 May 2018, the Independent Pricing and Regulatory Tribunal [IPART] issued the draft report for solar benchmark feed-in tariff for the financial year 2018-19. This is the result of a request from me in 2017 that IPART establish a benchmark price for solar generation fed into the electricity network for the next three years. This is important to ensure that consumers are getting a fair price for their solar, and that retailers are not undervaluing that energy. In my request, I asked IPART to ensure "no resulting increase in retail electricity prices" and that "the benchmark range should operate in such a way as to support a competitive electricity market in NSW".

IPART is proposing a benchmark all-day solar feed-in tariff of 7.5¢ per kilowatt-hour for the next financial year. This benchmark reflects, in IPART's view, the fair value of solar, and is a recommended price that retailers can choose to adopt and customers can shop around to find the best deal for their energy. IPART is also

proposing time-varying feed-in benchmark ranges that reflect the fair value of solar exports at different times of the day. The highest time-varying feed-in tariff is 12.8 to 20.9¢ per kilowatt-hour between 5.30 p.m. and 6.30 p.m., the afternoon peak. This range provides a price signal to customers with batteries, or those considering purchasing batteries, about when they should export their energy to the grid, an exciting new development in our energy mix.

This sensible market-driven approach is in stark contrast to Labor's approach—the old Solar Bonus Scheme of the former Government. It was originally budgeted to cost \$362 million. A 2011 report by the Auditor-General found that by October 2010 the cost was projected to blow out to—wait for it—\$3.98 billion. Before the Labor scheme was cut off, the final cost was \$1.26 billion, another perfect example of how Labor mismanaged this State. This cost had to be borne by families across New South Wales, including those who could not access rooftop solar. Once again, this Government was left to clean up Labor's mess. In the lead-up to the scheme's closure in 2016, the Leader of the Opposition said the Government had "ripped off" households with solar panels by not legislating a minimum price and raising the prospect of a decline in the uptake of rooftop solar. Instead, what did we see? In 2017, the number of small-scale solar installations grew by 10 per cent compared to 2016. Labor has no idea, and now it wants to bring back its economic vandalism. Labor has had this failed policy since 2015, and it wants to bring it back. [*Time expired.*]

ARTS 2025 SUMMIT

The Hon. WALT SECORD (14:38): My question without notice is directed to the Minister for Resources, Minister for Energy and Utilities, Minister for the Arts, and Leader of the Government. In addition to the two-minute pre-taped video message from the Premier, Gladys Berejiklian, what were the practical policy outcomes of the Minister's Arts 2025 Summit, which cost New South Wales taxpayers \$190,394 for the one-day event held on 23 March?

The Hon. Greg Donnelly: It must have been a good red wine.

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (14:39): I acknowledge that interjection from the Hon. Greg Donnelly. There was no alcohol served at that function. That is a disgrace and the sort of pathetic interjection I would expect from him. The New South Wales Government values the enormous contribution the arts, screen and cultural sector makes to the social and economic fabric of our State. To help strengthen the sector's role and the contribution it makes to New South Wales, a blueprint is being developed to guide the Government's investment in arts, screen and culture over the next eight years. Known as Arts 2025, this blueprint will set an ambitious agenda for New South Wales incorporating clear initiatives, along with strategies for program, project and infrastructure investment. It will focus on ways to enrich and enliven communities through cultural programs, best practice investment models, New South Wales as a global creative destination, and recognising Western Sydney and regional New South Wales as priority areas for government investment.

One of the first steps in this journey was the Arts 2025 Summit that was held at Carriageworks on 23 March 2018. This summit was an important opportunity to engage with the sector from small, volunteer-run organisations to our State's cultural institutions to discuss what is working, what is not working and where there is room for improvement. With approximately 500 people from across the sector in attendance, I heard many inspiring ideas and proposals that will help shape the sector's long-term future from 500 people from across the sector. Arts 2025 will help inform the Government's strategic framework, which will be released later in 2018. Some of the initial ideas generated by discussions on the day include building capacity, diversifying business models and income streams, transforming the perception of arts, screen and culture in the community, regulatory reform to better facilitate creative production and presentation, guiding principles for funding, affordable housing for arts practitioners, working more effectively with local government and developing an international engagement strategy that positions New South Wales as a global creative leader in the Asia-Pacific region.

In the coming weeks a series of smaller Arts 2025 workshops for the sector that focus on philanthropy, regional New South Wales, cross-sector opportunities and Western Sydney will be held as a follow-up. The ideas and feedback from the summit and the workshops will contribute to the development of Arts 2025 by articulating the future vision for the arts, screen and culture sector and outlining clear initiatives to achieve this vision.

The Hon. WALT SECORD (14:42): I ask a supplementary question. Would the Minister elucidate his answer about the follow-up workshops that he referred to? What will be the cost of those workshops in addition to the \$191,000 spent so far on the one-day workshop?

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (14:42): This line of questioning just shows how unfit the Hon. Walt Secord is. I am out there

talking to the sector about all of the directions that it wants to see in arts policy. We had an extraordinary attendance at Carriageworks. A very large amount of the expenditure went to Carriageworks itself.

The Hon. Walt Secord: Point of order: My supplementary question was very specific. It related to the extra cost of the follow-up workshops over the \$191,000 spent on the one-day event. I ask that the Minister be brought back to the supplementary question.

The Hon. Niall Blair: To the point of order: Although the Deputy Leader of the Opposition says that his question was specific, the Minister was being generally relevant in his answer.

The PRESIDENT: Order! I agree with the Deputy Leader of the Opposition: His question was specific. I agree with the Deputy Leader of the Government: The answer was generally relevant.

The Hon. Niall Blair: Everyone's a winner!

The PRESIDENT: Everyone is a winner.

The Hon. DON HARWIN: Arts 2025 has been an incredibly well-received initiative. It was a well-structured day and it is all about leading to clear, identifiable costs and objectives that can be pursued.

The Hon. Natasha Maclaren-Jones: Point of order: I ask that the Hon. Walt Secord be called to order. He keeps interjecting and heckling across the table.

The Hon. Walt Secord: To the point of order: I am not heckling. I am trying to get the Minister to answer the question. How much more will this cost? Already \$191,000 has been spent.

The PRESIDENT: Order! The Hon. Walt Secord asked a question. As the Hon. Walt Secord is aware, the Chair has the discretion as to whether or not to allow a supplementary question. I allowed the member to ask his supplementary question. What the member is not allowed to do is repeat the question over and over again. I did not permit him to do that. I warn the Hon. Walt Secord for the final time not to interject. The Minister has the call.

The Hon. DON HARWIN: As I was saying, this has been an extraordinarily well-received initiative in the sector. The work at Carriageworks was structured. There were several different streams, and different policy areas were explored. I outlined earlier in my answer the specific issues, and over the coming weeks we will have a number of workshops for the sector that focus on philanthropy, regional New South Wales, cross-sector opportunities and Western Sydney. Obviously, one cannot engage and get people's ideas without incurring costs. It stands to reason that there will be some costs. There is enormous enthusiasm for this process. The evaluation of Arts 2025—*[Time expired.]*

GREYHOUND RACING INDUSTRY

The Hon. ROBERT BORSAK (14:46): My question without notice is directed to the Hon. Niall Blair, representing the Minister for Racing. Is the Minister aware that cobalt is a substance rarely found in a dog's natural diet and feed supplements and that if a dog is deficient in cobalt it will die? Is the Minister also aware that dog owners, breeders and trainers are being deceitfully accused of doping based on unreasonably low levels used by Greyhounds Australasia to define doping? What science-based evidence does Greyhound Racing NSW have on the use of the 100 nanogram threshold to justify this policy?

The Hon. NIALL BLAIR (Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry) (14:47): I thank the Hon. Robert Borsak for his question, which is directed to me, representing the Minister for Racing in this Chamber. Recently the issue of cobalt in different racing circles has been in the media. However, the member has asked a very specific question regarding the greyhound industry and the scientific evidence that it relies upon to set the levels which it deems to be either inappropriate or appropriate. I do not have that detail with me in the Chamber today. It is a level of detail that would need to be referred to the agency for a detailed response via the Minister. Because of that I am happy to take the question on notice on behalf of Minister Toole, who will refer it to the relevant agency for expert advice on the scientific evidence that it relies upon. Minister Toole will then come back to the member with a detailed response in the appropriate time frame.

NATIONAL SPACE AGENCY

The Hon. NATASHA MACLAREN-JONES (14:48): My question is addressed to the Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry. Will the Minister brief the House on New South Wales' bid to host the recently announced national space agency?

The Hon. Walt Secord: Point of order: The question said very clearly, "Can the Minister brief the House ...?" That indicates that this is a ministerial statement. The Leader of the Opposition, the Deputy Leader

of the Opposition or my colleague the Hon. Mick Veitch—one of the three of us—should have equal time to give a response.

The Hon. Niall Blair: To the point of order—

The PRESIDENT: I will give the Minister the call when his side of the Chamber is quiet. I call the Hon. Lou Amato to order for the first time.

The Hon. Shaoquett Moselmane: He coughed.

The PRESIDENT: I call the Hon. Shaoquett Moselmane to order for the first time. He did more than cough.

The Hon. Niall Blair: To the point of order: Firstly, if this was a ministerial statement it would be convention that the shadow Minister was given time to respond. The Hon. Mick Veitch does not shadow me in trade or industry. I believe the Leader of the Opposition shadows me in that area. That is the first technical point. The member does not even understand who is the shadow Minister responsible. Secondly, this question asks for me to update the House and brief the House on an announcement that has already been made. Therefore, it is not a ministerial statement.

The PRESIDENT: There is no point of order. The Minister has the call.

The Hon. NIALL BLAIR (Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry) (14:50): The New South Wales Government warmly welcomes the decision to create a national space agency.

The Hon. Walt Secord: Get some assistance with writing those questions.

The Hon. NIALL BLAIR: Point of order: I am not even 15 seconds into my response. This is a matter of State importance and the answer should be able to be delivered so that all can hear. The member opposite is interjecting before I have had a chance to commence the substance of my answer.

The PRESIDENT: I remind all members that I am well aware of the Government Business Orders of the Day. I am well aware of the bills to be debated. I doubt that either the Leader of the Government or the Leader of the Opposition would like to see one of their colleagues away from the Chamber when those bills are being debated. I have indicated that I no longer consider it a matter of removing a member simply to the end of question time, as I have the discretion to remove a member for a number of hours or until the end of the sitting. I have been incredibly patient. I have given more than fair warning. There have been as many interjections from Government members as there have been from Opposition members—in fact, the only members not interjecting are those on the crossbench, whom I congratulate. I can assure members that this is the last warning.

The Hon. NIALL BLAIR: The New South Wales Government warmly welcomes the decision to create a national space agency to oversee Australia's space-related industry. The new national space agency will provide a major boost for the science, technology, engineering and maths [STEM] education programs, high-technology research programs and advanced manufacturing businesses that support the space sector. The New South Wales Government knows that our State is the natural home for a national space agency. New South Wales is home to 41 per cent of Australia's current space-related businesses and is the leading high-tech research and advanced manufacturing State. We are working to build on that. New South Wales is the centre of the satellite communications sector, the space finance sector, the space start-up sector and the space consultancy sector in Australia.

Six of the eight satellite operators with offices in Australia have their head offices in New South Wales. Forty per cent of ground station owners and operators are based in New South Wales. Forty-nine per cent of Australia's satellite communications sector is in New South Wales. Sixty-three per cent of Australia's space legal services and 50 per cent of our space financial services are based in New South Wales. New South Wales-headquartered organisations generate 50 per cent to 75 per cent of all space-related revenues generated in Australia. Around 40 per cent to 50 per cent of Australia's space export revenue is generated by companies based in New South Wales. So where better to locate our new national space agency than amongst the nation's largest cluster of existing space-related businesses? That is right: There is no place better than New South Wales. We will highlight to the Commonwealth the compelling case for future Australian space activities to be based in this State.

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

The Hon. NIALL BLAIR: The New South Wales Government has asked Australia's first astronaut, Dr Paul Scully-Power, AM, to lead the New South Wales bid to host the nation's new space agency. Dr Scully-Power flew aboard the National Aeronautics and Space Administration [NASA] space shuttle for eight days in

1984 as a payload specialist, conducting studies on the ocean below. By the end of the mission he had completed 133 earth orbits and logged over 197 hours in space. Dr Scully-Power is internationally recognised as an expert in remote sensing systems and their uses on the ground, at sea and in space. His awards include the United States [US] Navy Distinguished Service Medal, NASA Space Medal, US Presidential Letter of Commendation, US Congressional Certificate of Merit, United Nations Association Distinguished Service Award, and Australia's highest aviation award, the Oswald Watt Gold Medal.

The PRESIDENT: I call the Hon. John Graham to order for the first time.

The Hon. NIALL BLAIR: I cannot think of a better person to lead our bid for the nation's new space agency or to advise us on how to develop the space industry in New South Wales. We already have the people, the skills, the businesses and the supportive government environment to make New South Wales the best choice for the Commonwealth. New South Wales is the logical choice, and with Dr Scully-Power on board to lead our bid we have given it the best possible chance of success. I look forward to updating the House on the progress of the bid and the development of the space industry in New South Wales in the near future. It makes sense: New South Wales has the people and the desire to make sure that we have an advanced aerotropolis in Western Sydney. Now we have the best person, in Dr Scully-Power, leading our bid.

POINT TO POINT TRANSPORT

The Hon. ROBERT BROWN (14:56): My question is directed to the Hon. Don Harwin, representing the Minister for Transport and Infrastructure. During his second reading speech on the Point to Point Transport (Taxis and Hire Vehicles) Bill on 2 June 2016, the transport Minister said:

... a \$250 million package will provide transitional assistance to industry incumbents. This includes a \$142 million fund for taxi licensees facing hardship as a result of the changes.

Is the Minister aware that most banks and other lending institutions are now refusing to lend against the value of their plates, forcing taxi licensees into bankruptcy, an increase in marriage breakdowns and severe health problems? Why has the \$142 million for hardship or the conditions to access this money not been released yet? When will it be made available?

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (14:57): Those are very good questions. I thank the Hon. Robert Brown for them. I will refer them to the Minister for Transport and Infrastructure and obtain an answer for him.

ARTS AND CULTURAL DEVELOPMENT FUNDING

The Hon. PENNY SHARPE (14:57): My question is directed to the Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts. What does the Minister say to arts organisations which made applications for funding last year and are still awaiting the announcement that was due on 6 May? Is the Minister aware that these groups are being forced to try to exhibit without grant support as a result of his delay in decision-making?

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (14:58): I am well aware of the views of arts organisations around New South Wales about the programs of this Government and the enormous enthusiasm for what the Government is doing. That was evident at Arts 2025, when people were thrilled with the initiative to bring the whole sector together. The evaluation was overwhelmingly positive.

The Hon. Penny Sharpe: Point of order: My point of order is relevance. This is a very specific question about arts organisations that are awaiting the Minister's decision. He might have had a nice time rocking around at Carriageworks, but local arts organisations are waiting for him to do his paperwork. I am seeking to know when they are going to find out whether they have been successful or not.

The PRESIDENT: Order! The Minister had only just commenced his answer and he was in fact being generally relevant. The point of order was probably called a little too early. I remind the Minister that he should be generally relevant in his answer to the question.

The Hon. DON HARWIN: As I was saying, there is enormous enthusiasm in the sector for the Government's programs, for the record amount of spending on the Arts and Cultural Development Program [ACDP] for Western Sydney—which has been 40 per cent higher in the past two years than it was previously—and for the \$100 million allocated to regional cultural infrastructure through the Regional Cultural Fund, which is being spent on projects and programs across the State.

The Hon. Penny Sharpe: Applications closed in September last year.

The Hon. DON HARWIN: I hear what the honourable member is saying about the program funding in round two of the Arts and Cultural Development Program. Several allocations from the ACDP will be determined in the next few weeks. There is always some degree of flexibility, particularly in the second half of the year, about the ACDP—

The PRESIDENT: Order! I remind the Hon. Penny Sharpe that she has been called to order once. I remind her also that the Minister is answering her question and that continually interjecting will not allow him to do so.

The Hon. DON HARWIN: At this time of the year, there is often underspending on other—

The PRESIDENT: Order! I call the Hon. Mick Veitch to order for the first time. The fact that I was directing comments to the Hon. Penny Sharpe does not open the door for the Hon. Mick Veitch.

The Hon. DON HARWIN: At this time of year, there is often underspending of the \$52 million across the variety of ACDP categories. There are several different categories of program and project funding so there is sometimes more money available to allocate to project funding, which is what we are talking about. There is a delay because I am determining exactly the level of underspending in other categories and whether there are any matters that should be attended to at this time of the year in terms of other organisations that have particular needs. I am in the process of making those decisions, and I will make them when I have concluded my deliberations. I suggest that the Hon. Penny Sharpe invite all the groups that are concerned to call me so that I can personally take care of their needs.

REGIONAL EDUCATION INFRASTRUCTURE

The Hon. BRONNIE TAYLOR (15:03): I address my question to the Minister for Early Education, Minister for Aboriginal Affairs, and Assistant Minister for Education. Will the Minister update the House on how the New South Wales Government is supporting the future of education in the Monaro?

The Hon. SARAH MITCHELL (Minister for Early Childhood Education, Minister for Aboriginal Affairs, and Assistant Minister for Education) (15:03): I thank the honourable member for her question. As we all know, we live in an ever-evolving digital age and our students need to be equipped with digital-age knowledge and skills to succeed in their studies today and in their lives ahead. To hold digital-age jobs our students need to think critically, to solve problems creatively, to work in teams, to communicate clearly in a range of media, and to continue to learn new and ever-evolving technologies.

That is why last year the Liberal-Nationals Government committed to improving wireless infrastructure and internet services in rural and remote schools through the Connecting Country Schools program. Cooma North Public School and other schools in the Monaro region are among the first in the State to receive the upgraded wireless service and the digital-age teaching and learning opportunities it enables. On Monday the Deputy Premier and member for Monaro, John Barilaro—

The Hon. Scott Farlow: Point of order: The level of interjection unfortunately makes it impossible for Hansard to record what the Minister is saying and for members on this side of the Chamber to hear the Minister's answer. Mr President, I ask that you call members opposite to order.

The PRESIDENT: Order! What is sad about these continual interjections is that there is only one hour permitted for questions, as members are well aware. Notwithstanding that the clock is stopped for a Minister, it in no way stops in relation to that one hour. The result of some members continually interjecting, forcing the slowing down of questions without notice, denies other members who are doing the right thing the opportunity to ask their question. It seems that calling members to order is not resolving the problem. If my having to give two- or three-minute rulings while the clock ticks away is the solution, I may be left with no other option. I am reluctant to do that. Start the clock. The Minister has the call.

The Hon. SARAH MITCHELL: As I was saying, on Monday the Deputy Premier and member for Monaro, John Barilaro, the Hon. Bronnie Taylor and I joined students and teachers from Cooma North Public School, Cooma Public School, Bombala Public School, Adaminaby Public School, Dalgety Public School and Nimmitabel Public School to take part in a hands-on demonstration of some of the latest wirelessly enabled learning tools that can now be used in any part of the school. The good news does not stop with connecting country schools. Thanks to the Liberal-Nationals Government, \$23 million has been invested in the STEM Share Communities project. This project is building on the foundation offered by Connecting Country Schools by providing greater access to new science, technology, engineering and mathematics [STEM] learning resources and support. All schools around New South Wales will have access to STEM kits, which include tools like those on show in Cooma—that is, virtual reality, 3D printing, green screen filmmaking, robotics and other cutting-edge technology.

The STEM technology arrived at Cooma North Public School on Monday morning on the Innovation Trailer, and this was the first time the students had access to it. With that in mind, it was remarkable to see how quickly they adapted to the new equipment. After a few short hours they were able to show off their skills and teach the Deputy Premier, the Hon. Bronnie Taylor and me how it is done. I programmed a robot to dance, we watched on as kids took part in 3D printing, the Hon. Bronnie Taylor and I travelled through space using green-screen technology, and we were given a tour of the solar system using the virtual reality goggles. I wish we had had access to technology like that when I was a student at Gunnedah South Public School, because it was a lot of fun.

As well as being fun, this technology is providing real outcomes for our students. Research estimates that 75 per cent of the fastest growing occupations require STEM knowledge. Thanks to this investment by the Liberal-Nationals Government, our future technology specialists are getting the best possible head start in life. Improved wireless connectivity will give students in country areas such as the Monaro region more chances to connect, to collaborate and to have greater access to online learning tools, databases, streaming media, global educational institutions and experts. I am pleased to say that the benefits of Connecting Country Schools flow on to all members of the school community.

I am sure members remember the days when their mum or dad had to fill out their canteen lunch form and pile loose coins into a paper bag—and, of course, the threat of going hungry if they lost the money. That will no longer be a problem for students at Cooma North Public School because the upgraded wireless service now reaches the canteen. Parents will be able to order lunch online for their children. It was a pleasure to be in the Monaro region to share this Government's vision of the classroom of the future. I thank the great Cooma North Public School Principal Belinda Jamieson for her hard work and for hosting the Deputy Premier, the Hon. Bronnie and me on Monday. [*Time expired.*]

SOLAR ENERGY INITIATIVES

Mr JEREMY BUCKINGHAM (15:09): My question without notice is directed to the Minister for Energy and Utilities. The Minister may be aware that the State of California has recently introduced a mandate that from 1 January 2020 almost all new homes built in California will be required to be fitted with solar panels. Is the Government considering a similar mandate for all new homes and businesses in New South Wales to be fitted with solar panels? If not, why not?

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (15:09): The honourable member has asked a very interesting question indeed. California is pursuing many policy initiatives. It is an interesting idea that is certainly being looked at—along with a number of other ideas about how we can best capture the benefits of the changing solar cost curve. We can do an enormous number of things with small-scale solar. As I said earlier in question time, 400,000 small-scale solar energy systems are installed in New South Wales. That is an impressive result. Despite what the knockers said after we reined in the cost of the previous Government's solar feed-in tariffs, the number keeps increasing. I am proud to say that those 400,000 small-scale solar systems have a generating capacity of 1,200 megawatts.

The Hon. Adam Searle: That is a power station.

The Hon. DON HARWIN: As the Hon. Adam Searle says, that 1,200 megawatts is equivalent to the generating capacity of Liddell—on a good day, frankly. It has seen better days, as many of us know. Across New South Wales more households, schools, community groups and businesses are experiencing the financial and environmental benefits of installing small-scale solar systems. Further, the cost of placing small-scale solar systems on roofs continues to fall. That is great news as well. It means that larger small-scale solar systems will be installed and rooftop solar will become economically feasible for more households and businesses.

Importantly, we need to be looking at solar not only for new builds like in California, which the member referred to in his question. There is enormous demand for rooftop solar for strata buildings. The community also has a general desire for us to see what we can do for people who cannot afford the capital cost of solar panels. Some have argued that the sort of regulation Mr Jeremy Buckingham is talking about will put up the cost of housing and affect affordability. I do not personally believe that is a reason to rule it out, but we have to consider those sorts of arguments. The issues for people from low-income households or people who rent or live in apartments are serious. That is one reason that we are putting some resources— [*Time expired.*]

Mr JEREMY BUCKINGHAM (15:13): I ask a supplementary question. Will the Minister please elucidate his answer by informing the House about how the issue of mandating small-scale solar on all new developments is being "looked at" by the Government?

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (15:13): I am happy to do that. Our officials are doing research and they are talking to

stakeholders—the normal things that are done in public policy formulation. It is not rocket science. As I was saying, the Australian Renewable Energy Agency is funding a feasibility study into something that is very popular in California—that is, the concept of solar gardens that will bring rooftop solar to people who live in strata buildings and to renters.

The Hon. Adam Searle: I think you've done this bit.

The Hon. DON HARWIN: I may have referred to it earlier, but it is precisely relevant to ensuring that we get even more take-up of rooftop solar. It is absolutely critical. We are putting support behind the trials that are happening right now. We are excited to be supporting them because we know that local renewable energy can help consumers to save money on their energy bills. The trials at Byron Bay, in the Shoalhaven and at Blacktown are important because they will help renters, people in apartments and people from low-income households who are currently missing out on the benefits of rooftop solar to share in future in the renewable energy boom that is underway. [*Time expired.*]

STATE ELECTION FUNDING

The Hon. GREG DONNELLY (15:16): My question without notice is directed to the Leader of the Government. Given detailed media reports about Liberal Party internal factional infighting in the lead-up to the 2019 State election, will the Minister guarantee that his involvement does not involve the diversion of ministerial resources, including the use of his office?

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (15:16:2): I do not think I have seen a single media report. If such media reports exist the Hon. Greg Donnelly can show them to me. In any case, what on earth is he referring to? I have no idea. I am completely focused on my job as Leader of the Government, as Minister for Resources, as Minister for Energy and Utilities, and as Minister for the Arts. All of my staff are working on that and are totally consumed by it. They are working hard to keep up with me because it takes up all of my time. By contrast, what happens when the Hon. Niall Blair and I make comments about the member for Kogarah, who is the shadow Minister for Water in the other place? What do we hear from members opposite? They say, "More please." When I have called the Leader of the Opposition "Flip-flop Foley", on at least two occasions the Opposition Whip has complained about me shouting; not about anything I said.

The Hon. Walt Secord: Point of order—

The Hon. Greg Donnelly: Point of order—

The Hon. Walt Secord: I will defer to the Hon. Greg Donnelly. He asked the question.

The PRESIDENT: I have not given anyone the call. I will decide who I give it to without assistance. For the sake of the Hon. Shaoquett Moselmane, I will not scream above everyone else when I give the call to a member. I will hear the Hon. Greg Donnelly on the point of order.

The Hon. Greg Donnelly: Point of order: It is relevance. The Minister is well into his time for answering the question. It was a very specific question with respect to diversion of ministerial resources—a very serious question. We are all well aware of the media reportage. I ask that he be drawn to the question.

The PRESIDENT: I will look at the question.

The Hon. Ben Franklin: To the point of order: The question specifically referred to what functions and actions were being taken within the Minister's office. The Minister was specifically and directly referring to what was being done in his office. I therefore suggest that there is no point of order.

The Hon. Walt Secord: To the point of order: The question is specific. It goes to the diversion of ministerial resources, including use of the Minister's office. That is about the conduct of public affairs in New South Wales. This is about looking at ministerial offices, ministerial staff and use of ministerial resources to engage in factional activity.

The Hon. Scott Farlow: To the point of order: The Minister directly referred to the activities of his office and the work that he was undertaking. He was specifically relevant to the member's question and was continuing to be generally relevant to the member's question. The point of order should be ruled out of order.

The Hon. Catherine Cusack: To the point of order: The initial part of the question referred to unspecified media reports in the lead-up to the 2019 election campaign. I do not agree at all with those submissions that there was some kind of specific question asked. When a question refers to unspecified media reports going through until March of next year, it is a very general question. The Minister was answering entirely as he is entitled to.

The PRESIDENT: Order! The part of the question to which I believe the Minister has been generally relevant since he commenced his answer is, "Will the Minister guarantee that his involvement does not involve the diversion of ministerial resources, including the use of his office?" The Minister was being generally relevant.

The Hon. DON HARWIN: I have already made it very clear in my answer that they are not being diverted—they are not being diverted at all. As we all know, the Hon. Greg Donnelly is a bit grumpy this week because, unlike Opposition members when they have issues of a grave conscience facing them, we have—

The Hon. Walt Secord: You are attacking us from the Left again—the Harwin-Khan Government. Wakey-wakey, Fred!

The Hon. Scott Farlow: Point of order—

The Hon. Catherine Cusack: That is so rude. That is outrageous. You're a disgrace.

The PRESIDENT: Order! I call the Hon. Catherine Cusack to order for the first time.

The Hon. Scott Farlow: The Leader of the Government was trying to address the House and trying to answer the member's question. While he was doing that, the Hon. Walt Secord continually interjected and continually interrupted him. I ask that he be called to order.

The Hon. Greg Donnelly: To the point of order: I was listening closely to the Minister's response and I did not hear anything other than the words from the Minister's mouth. If there was an exchange across the table I have to say I am not cognisant of it.

The Hon. Catherine Cusack: Oh, you are outrageous too.

The Hon. Walt Secord: To the point of order: I do not actually know what the Hon. Catherine Cusack is objecting to. However, to suit the House, I apologise to members if anyone has taken offence at my comments, "the Harwin-Khan Government". If that has caused offence on the other side, I apologise. It is the Berejiklian-Barilaro Government. I made a political point. I apologise to the House if that is a problem.

The Hon. Catherine Cusack: To the point of order: I objected to the Hon. Walt Secord saying, "Wakey-wakey, Fred!" I thought that was extremely rude and inappropriate behaviour and I reacted as a result.

The PRESIDENT: I reserve my ruling. I intend to have a good look at *Hansard* to see exactly what was said, by whom and when. I will take appropriate action when I have had that opportunity. In the meantime, I reserve my ruling on the point of order. I do not want to take up any more of question time. I indicate to the Leader of the Government that he was starting to stray from being generally relevant to the question asked when he started to make certain assertions in relation to the Hon. Greg Donnelly. I ask him to cease that. The Minister has the call.

The Hon. DON HARWIN: I will certainly do that. I have to say in terms of media reports on internal matters this week, all I have seen are reports about the member for Kogarah and his preselection being held up. I have heard about matters to do with the preselections of the member for Prospect and the member for Fairfield. I have seen all sorts of stories about the Coogee Labor preselection and what is happening there—terrible infighting out there and a very good candidate apparently told by the general secretary that he could not stand and all sorts of difficulties. In the very week—

The Hon. Adam Searle: Point of order: The Minister is not being generally relevant. He is really straying from the question.

The PRESIDENT: I will look at the question again. The Minister was asked about preselections, use of his office and use of his resources. The fact that the question directly states "Liberal preselections" means the Minister is being generally relevant if he is talking about preselections. It may well be that the Minister wants to clarify that he is not using his office for Labor preselections or preselections of any other party. The Minister is being generally relevant.

The Hon. DON HARWIN: I was starting to talk about the Coogee Labor preselection. I did know a horse in the race. He is not a bad bloke, but he has been told he cannot run. I assure the House that I will not be letting my staff spend a minute of time helping anyone running for the Labor preselection in Coogee. That is my absolute assurance. I am not facing preselection because I am a continuing member, so there can be no—

The Hon. Shayne Mallard: You would win anyway.

The Hon. DON HARWIN: Thank you. But there will be no requirement to do anything to help me in a preselection, so I really do not honestly know what the member is referring to in the question. In respect of the

rest of the time my staff have, it is entirely taken up helping me with my four portfolios, and that is exactly as it should be.

URBAN GREEN SPACE

The Hon. CATHERINE CUSACK (15:28): My question is addressed to the Leader of the Government. Will he update the House on what the New South Wales Government is doing to create a greener Sydney? Are there any alternative policies?

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (15:28): On behalf of my colleagues the Hon. Anthony Roberts, the planning Minister, and the Hon. Gabrielle Upton, the environment Minister, and as Minister responsible for Sydney Water, I am happy to talk about what we are doing to create a greener Sydney. We all know that Australians have great enthusiasm for the outdoors, parklands, sporting facilities and environmental sustainability. Trees and open space are the life and soul of our communities. This Government has committed more than any other government and is boosting open space and tree canopy across Sydney by committing \$100 million to the development of strategic open spaces, \$20 million to the creation of better playgrounds across New South Wales and \$37.5 million to the 5 Million Trees for Greater Sydney program.

Through these funding initiatives, the Office of Open Space and Parklands is driving the Government's commitment to making Sydney greener. The Office of Open Space and Parklands is working closely with stakeholders in Sydney to plan for the greening of our great city. Funding for 5 Million Trees is being rolled out and details are being finalised now. The program will create opportunities for schools, councils and Sydney communities to support the Government in expanding our city's tree canopy to 40 per cent. Reaching that goal will require all of us, across our local communities and in the public and private sectors, to work together.

Sydney's unique multipurpose parks, open spaces and green landscapes offer social, economic and environmental benefits to all of us. They include community revitalisation and engagement, cleaner air, improved mental health and wellbeing, cooler suburbs and protection of natural ecosystems. We are committed to delivering the policy because we know how important planning policy is to the people of New South Wales. We know also how the Labor Party used the planning system when it was last in government; for example, part 3A—approving developments in secret. Every application got a Sussex Street case manager, deals were done over a sweet and sour pork at Golden Century, and development applications were decided around the lazy Susan. We are at risk of going back to those dark days of the former Labor Government.

The Hon. Greg Donnelly: Eight long years.

The Hon. DON HARWIN: We had 16 long years of the most corrupt Government since Jack Lang took all the State's money and kept it at Trades Hall. That is what the party delivered the last time it was in government. Labor does not want good planning policy—that gets in the way of its dodgy deals. [*Time expired.*]

The time for questions has expired. If members have further questions, I suggest they place them on notice.

Bills

COMPANION ANIMALS AND OTHER LEGISLATION AMENDMENT BILL 2018

First Reading

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

Second Reading Speech

The Hon. NIALL BLAIR (Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry) (15:33): I move:

That this bill be now read a second time.

I ask the House to consider the Companion Animals and Other Legislation Amendment Bill 2018. The bill makes key changes to the Companion Animals Act 1998 and the Prevention of Cruelty to Animals Act 1979. The changes will improve the identification of companion animals to support better traceability of cats and dogs, promote responsible pet ownership and enable more effective enforcement action to be taken regarding animal welfare offences. The bill implements key elements of the Government's response to the inquiry of the Joint Select Committee on Companion Animal Breeding Practices in New South Wales, which was held in 2015, and is an important part of the Government's plan to reform and modernise animal welfare legislation in the State.

This week the Government released the NSW Animal Welfare Action Plan, which outlines a range of policy and legislative activities that we will deliver over the next 12 months and beyond. There are six goals under

the plan, aimed at improving animal welfare outcomes. The goals aim to modernise the policy and legislative framework; implement companion animals breeding practices reforms; improve the effectiveness of compliance and enforcement efforts; ensure that sound research and scientific practices are used to develop policy and legislation; engage with key stakeholders and ensure all views are respected and considered in developing policy and legislation; and invest in our systems and processes.

One of the priority actions under the plan is to implement companion animals breeding practices reforms to crack down on so-called puppy factories through increased transparency about breeders and pet owners, and additional powers for animal welfare enforcement agencies and magistrates. In May 2015 the Government established a Joint Select Committee on Companion Animals Breeding Practices in New South Wales. We did that because we shared the community's outrage at some practices that our enforcement agencies uncovered at puppy factories in the State. Members on all sides of this House were appalled by the stories that came through the inquiry about the exploitation of dogs and cats for profit by unscrupulous breeders. In one such case, the RSPCA NSW seized over 200 dogs from one breeder, who was subsequently charged with aggravated cruelty offences, in addition to more than 35 breaches of the Animal Welfare Code of Practice for Breeding Dogs and Cats. The bill is a direct response to the findings from that inquiry.

The bill strengthens obligations for people owning, breeding and selling cats and dogs and makes it clear to any dodgy breeders out there that mistreatment of animals will not be tolerated in the State. But like any industry, we know also that there are large and small breeders out there who are passionate about their animals and treat them as part of the family. The amendments in the bill support those kinds of breeders by providing a system that allows prospective buyers to work out who the legitimate operators are. The bill also includes amendments to the Companion Animals Act that were recommended from a review of the Companion Animals Regulation last year. That includes the introduction of permits for both cats that are not desexed and dangerous and restricted dogs, increased penalties for repeat offences, increased penalties for refusing entry for assistance animals, and other minor amendments to improve the operation of the Act.

In addition to the bill, the Government has already introduced a range of other measures to improve animal welfare in the State. Following the select committee inquiry, the New South Wales Government teamed up with RSPCA NSW and Animal Welfare League NSW and invested \$200,000 in a joint campaign to raise awareness about the reality of puppy factories. The campaign played a crucial role in educating the community about how to seek, find and support reputable breeders, by asking questions and conducting due diligence before purchasing a pet. The changes in this bill will continue to build on the messages championed during the campaign and deliver a system that will make it easier for pet owners to carry out this due diligence.

To further support animal welfare, the Government has already provided RSPCA NSW with \$7.5 million to modernise its Yagoona Animal Welfare Shelter, which provides a crucial animal welfare service to the community. The Government is also providing an additional \$2 million over four years for an education centre and education programs to promote responsible pet ownership as part of this redevelopment. The Government also recently announced the creation of a NSW Chief Animal Welfare Officer role. This role will play a significant part in implementing activities under the NSW Animal Welfare Action Plan, in partnership with stakeholders and the community.

Dr Kim Filmer has been appointed to this role on an interim basis while permanent recruitment is undertaken. Dr Filmer brings exceptional executive leadership skills and extensive veterinary experience within the not-for-profit, government and private sectors. The Chief Animal Welfare Officer will particularly focus on ongoing reform to improve standards around animal welfare, in consultation with a diverse range of stakeholders. But we are not finished yet. The NSW Animal Welfare Action Plan that was released this week outlines a range of additional activities that we will undertake over the next 12 months and beyond, and I look forward to keeping this House updated as we continue to address animal welfare issues, which we know are so important to the community.

I will now outline the key features of the bill. First, this bill allows for a new and improved Companion Animals Register, through amendments to the Companion Animals Act 1998. This was a key recommendation from the 2015 companion animal breeding practices inquiry. We currently have a New South Wales wide database of information about pet cats and dogs called the Companion Animals Register. An Australian first, the register was first built in 1998 to enable all councils to access the same information to help return lost pets to their owners. It provides a centralised source of data about cats and dogs for their owners and is now used to support local councils and the NSW Police Force to promote responsible pet ownership. The registry also provides free Breeder Identification Numbers to breeders. These numbers were introduced to make it easier for breeders to do the right thing and update their records. Since August 2016 pet owners have had limited access to the register through the NSW Pet Registry website, which allows them to register or transfer ownership of a pet, pay fees, report a pet missing or change their contact details.

There are currently around 2.3 million dogs and 750,000 cats registered in this database. But after 20 years of operation, the register is in need of an upgrade. This bill introduces changes to the information kept in the database and will enable puppies and kittens to be traced from breeder through to owners through a new and improved Companion Animals Register and new advertising requirements. By capturing more information about breeders and pet owners in the new register, the enforcement agencies will, for the first time, be able to trace puppies and kittens throughout their lifetime. This means they will be able to monitor the number of animals coming from each breeder or what happens to them once they are sold or given away, and target their compliance activity accordingly. For example, if dogs or cats from a single breeder are continuously surrendered by new owners because of behavioural issues, it could be a sign of mistreatment by that breeder. The new register will be delivered in stages over the next year, with the key functions needed to support this bill to be released later this year. These changes will deliver on the Government's commitment to improve traceability and transparency about breeding practices and will implement a key commitment arising from the inquiry.

The bill also amends the Prevention of Cruelty to Animals Act to introduce a requirement for people advertising dogs and cats to include an identifying number. Until now, there has been no legal requirement to include an identifying number when advertising a cat or dog in this State. This was another of the Government's key commitments in response to the companion animals breeding practices inquiry. The identifying number can be either a microchip number, a breeder identification number, or a rehoming organisation number issued to agencies such as local councils or other shelters looking to find safe new homes for animals. These changes will not increase costs for breeders, as the advertising requirement will apply only to cats and dogs who are already required to be microchipped. As of July 2016 breeder identification numbers were made available for free through the NSW Pet Registry. We are now simply allowing breeders to use this single number when they advertise any animal for sale.

To support rehoming organisations in their important work, the Office of Local Government will provide them with a single, unique identifying number. The Government is committed to supporting animal rehoming organisations, and providing a unique identifying number will assist these organisations when they are advertising large numbers of cats and dogs for rehoming. The bill makes it clear that failure to include or to falsify such a number in an advertisement will be an offence. This provision will come into effect in 2019 to allow pet owners to become familiar with this change to the responsible pet ownership framework before it becomes a legal requirement. These changes will also empower animal welfare enforcement agencies to perform their functions more effectively. The information captured by the new register will allow enforcement agencies to identify breeding and selling patterns to better target compliance activities and to enforce animal welfare laws. Enforcement agencies will be able to link breeders to their litters, allowing them to identify any potentially cruel animal welfare practices such as overbreeding.

The bill also amends the Companion Animals Act to extend the range of authorised persons who can obtain access to the register. Since 2016, pet owners have had some direct access to their own records in the database through the online NSW Pet Registry. However, prospective purchasers currently have no way of being able to verify whether the details provided about a cat or dog they are considering buying are correct. This bill enables potential buyers to use the identifying number to check the NSW Pet Registry for certain details about that cat or dog, allowing them to make more informed purchasing decisions. This includes the animal's breed, sex, age, whether it is desexed, whether it is already registered and whether any annual permits are in place. The potential buyer will also be able to find out a breeder's business name if they have one and have chosen to record that on the register.

The bill also provides for vets to have appropriate access to the register for the purpose of returning lost pets to their homes. Currently, vets need to go through councils as a way of connecting lost pets to their owners. By providing vets with direct access to these parts of the register, this process will be made easier and allow pets to be returned to their owners sooner, minimising distress for pets and their owners. Steps have been taken to ensure that the New South Wales Government continues to protect the personal information contained within the register. Importantly, the personal information of breeders and pet owners will be protected and will not be available to the public. The Office of Local Government is responsible for administering the register, and will continue to provide authorised users with different levels of access depending on their exact role and function. Authorised users will be able to access only information they need to do their job.

The bill also introduces changes to the Companion Animals Act 1998 to more readily identify desexed female cats and dogs. Desexing is difficult to confirm visually—the Government has heard from pounds and shelters that a significant number of animals they care for are being unnecessarily placed under anaesthetic only to discover that they have already been desexed. To address this issue, the bill provides for vets to be required to tattoo the ears of female cats and dogs while the animal is under anaesthetic for the desexing procedure. This can be undertaken only when the vet considers it is safe and humane to do so, and with the owner's consent. I understand that tattooing the ears of desexed female cats and dogs is an historical custom that was once

undertaken almost universally. However, in recent years this practice has declined in some parts of the State. The Government has consulted with representative veterinary practitioners and the bill recognises the capacity of vets to exercise their own judgement about whether tattooing is safe and humane in each case. Importantly, there will be no obligation on pet owners to have their pet's ear tattooed. This change will come into effect on 1 July 2019 to allow sufficient time for the new provision to be communicated.

In addition to delivering on the Government's commitments to address puppy factories, the bill also introduces changes to the Companion Animals Act, following a review of the Companion Animals Regulation last year. That review found that there were opportunities to strengthen the existing framework that supports responsible pet ownership. At present, pet cats and dogs are lifetime registered and a fee is paid by six months of age, or prior to being sold for the first time. Registration fees are discounted if a pet is desexed by four months for cats and six months for dogs. Cats are more likely than dogs to produce unwanted litters as they can breed at a younger age and have more litters. At the same time, many pet owners in New South Wales are not desexing their cats. Taken together, this is leading to many unwanted litters of kittens being surrendered for rehoming, with more available than can be rehomed. Sadly, this drives euthanasia rates for cats that are higher than necessary.

To address this problem and to encourage responsible pet ownership, the bill amends the Companion Animals Act to introduce annual permits for cats that are not desexed by four months of age, in addition to the current lifetime registration fees. If the cat is not desexed by four months of age then the owner will be required to obtain an annual permit before the cat turns six months of age. Should the owner have the cat desexed when between four and six months of age, the owner will still have to purchase the annual permit, but only for one year. The inquiry into Companion Animal Breeding Practices in New South Wales recommended that we consider further means to encourage desexing and annual registration. These amendments deliver on this recommendation. The new permits will come into effect in 2019, and are anticipated to be set at around \$80 per annum and will be adjusted relative to the consumer price index [CPI].

We understand that this is a significant change for some cat owners, but these changes will not be retrospective. Cats that are already registered in New South Wales will not require an annual permit, as the requirements will apply only to new cat registrations. The bill also amends the Companion Animals Act to introduce new annual permits for dogs that are restricted breeds or declared dangerous. There are around 1,500 restricted dogs and 1,390 dangerous dogs in New South Wales, including 24 dogs that fit both categories. The community continues to express strong concern about the incidence and impact of dog attacks, particularly those involving children. In 2017, 2,663 dog attacks were reported in New South Wales. This is an unacceptable number of incidents and the Government is committed to taking further steps to make sure that dog owners manage the risks their pets can pose to community safety.

The bill introduces an annual permit for restricted breeds of dog, which are already banned for import into Australia, and for individual dogs that have been declared to be dangerous by a council or a court. The new permits are expected to be set at \$195 per annum, which will be adjusted for CPI. This measure will create a further disincentive to owning problem dogs and encourage owners to manage their dog's behaviour. It will also allow councils and the NSW Police Force to keep better track of the location of these animals, which are subject to special controls to reduce the risk they pose. Unlike annual permits for cats, however, this new requirement for an annual permit will apply to dangerous and restricted dogs that are already registered in New South Wales. These new permits will be introduced in 2019. The bill makes important changes that will strengthen our framework for managing dangerous and restricted dogs in New South Wales. The changes in the bill send a clear message that people must take responsibility for the control, management and wellbeing of their pets.

The Government recognises the important role that assistance animals can play in providing a service to people with a disability. Assistance animals can help people to more fully participate in personal and public life with confidence and independence. In general, animals are prohibited from entering certain public places. However, a person with a disability is entitled to be accompanied by an assistance animal. The current penalties for assistance animal offences have not changed since 2005, and the Government has heard that they no longer provide a meaningful deterrent. This bill therefore amends the Companion Animals Act to increase penalties from \$880 to \$1,650 for unlawfully refusing to permit a person with a disability to take an assistance animal into a public place. This change reinforces the Government's commitment to eliminate discrimination against people with a disability and will come into effect on 1 July 2018.

From time to time our animal welfare enforcement agencies come across animal cruelty cases that leave them no choice but to seize the animals and to look after them while a prosecution is brought forward or before they are rehomed. The costs of caring for these animals can be significant, and the enforcement agencies currently need to pay these costs out of their own pockets. For example, since 2012, RSPCA NSW has commenced 11 separate proceedings against a single defendant charged with animal cruelty offences, including failing to provide sufficient food or necessary vet treatment for 65 horses. The defendant continued to appeal the charges

over a period of five years, and as a result those 65 horses remained in the custody of RSPCA NSW for that period. RSPCA NSW continued to bear the costs of caring for these animals during proceedings, amounting to an accumulated cost of approximately \$1.7 million.

The bill amends the Prevention of Cruelty to Animals Act to authorise magistrates to order a defendant to pay the costs incurred in providing for the care and maintenance of animals that have been seized as the result of an alleged offence, or in connection with the court proceedings. Magistrates will be given scope to order costs be paid before court proceedings have finalised, whether or not the person is later convicted. This will minimise the out-of-pocket expenses incurred by those who nurse sick or injured animals back to health, or to find them a new home. This important change will come into effect on 1 July 2018.

Finally, this bill also implements the inquiry into Companion Animal Breeding Practices in New South Wales recommendation to take further steps to prevent future acts of cruelty by a person who has been disqualified from owning or possessing animals. Currently, under the Prevention of Cruelty to Animals Act, while a disqualified person is not allowed to own or possess animals, he or she is still able to take care of animals owned by others, such as a relative or by their employer. This means they are still able to exercise control over animals or influence the way animals are cared for. There have been several instances where an enforcement agency has successfully prosecuted offenders for animal welfare offences, with the courts applying extended or lifetime bans on the offender having possession of animals. The offenders have then gone on to formally transfer ownership of animals to a relative or partner, while in practice still allowing them to exercise control over the animals.

The bill closes this loophole and will prevent a disqualified person from exercising control or influence over the way animals are cared for, irrespective of who owns them. This change will come into effect on 1 July 2018. The Government undertook extensive consultation with a range of stakeholders in developing its response to the companion animals breeding practices inquiry and through the review of the Companion Animals Regulation. This includes the RSPCA NSW, Animal Welfare League NSW, the Australian Veterinary Association, the NSW Farmers Association, local councils, the Responsible Pet Ownership Reference Group, and the Animal Welfare Advisory Council.

The bill amends the Companion Animals Act and the Prevention of Cruelty to Animals Act to improve responsible pet ownership and animal welfare outcomes in New South Wales. It strengthens the legislative framework for owning and breeding cats and dogs and introduces better enforcement arrangements for people who do the wrong thing in this State. These amendments support a new package of animal welfare reforms that confirm the Government's continuing, strong commitment to improving animal welfare and to promoting responsible pet ownership. Importantly, they also reflect the importance of animal welfare to the community and the value of pet ownership. I commend the bill to the House.

Debate adjourned.

MISCELLANEOUS ACTS AMENDMENT (MARRIAGES) BILL 2018

First Reading

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

Second Reading Speech

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (15:59): I move:

That this bill be now read a second time.

I am pleased to introduce the Miscellaneous Acts Amendment (Marriages) Bill 2018. The bill follows the amendments to the Commonwealth Marriage Act 1961 passed by the Commonwealth Parliament in December 2017 that extended the right to marry to any two adults, including same-sex couples in Australia, and recognised marriages solemnised overseas that were not previously recognised. The changes to the Marriage Act made by the Marriage Amendment (Definition and Religious Freedoms) Act 2017 commenced on 9 December 2017 with the recognition from that date of overseas same-sex and gender-diverse marriages not previously recognised.

Marriage is included under article 51, subsection (xxi) of the Australian Constitution as a subject with respect to which the Commonwealth may make laws. The rules regarding such matters as who may or may not marry under Australian law and who may solemnise marriages are set by the Commonwealth in accordance with the Marriage Act. However, there are a number of flow-on effects from the changes to the Marriage Act that give rise to the need for consequential amendments to a number of New South Wales Acts and regulations. New South Wales is the first Australian State or Territory to introduce a bill that makes comprehensive consequential amendments to its laws since the amendments to the Commonwealth Marriage Act. If I may be permitted to add a personal observation: Compared with the drama of 2017 and the joy I felt when the Commonwealth made those

amendments, this is a somewhat more subdued occasion. Nevertheless, it is a great privilege to be able to introduce this bill to the House.

These consequential amendments are predominantly technical in nature. Many of the amendments are designed to ensure that terms related to marriage and married people are capable of encompassing married couples regardless of sex through the use of gender-inclusive or gender-neutral language—for example, terms such as "spouse", "surviving spouse" and "parent". Existing references to "wife", "husband", "widow", "widower", "mother" and "father" will generally be retained. The policy intent behind the amendments is to accommodate all married and widowed people, including individuals who do not identify with those existing terms. It is not intended to change rights, obligations or entitlements beyond the changes conveyed by the amendments to the Commonwealth Marriage Act.

Other amendments include the following: removal of restrictions on married people registering a change of sex; amendments to provisions whereby a revocation of a guardianship order or the registration of a relationship is triggered by marriage to ensure those provisions apply correctly with respect to same-sex marriages; and transitional provisions to ensure the rights of all married couples are recognised in the intervening period between 9 December 2017 and the commencement of the consequential amendments in this bill.

I will now outline the details of the bill. Schedule 1 sets out amendments to 44 New South Wales Acts and regulations updating the terminology of the definitions for terms related to marriage, wherever they appear, as follows: first, amend the definition of "spouse" by replacing the term "the husband or wife of a person" with "the person to whom a person is legally married (including the husband or wife of a person)"; amend the definition of "dependants" by replacing the term "the husband or wife of the claimant" with "the person to whom the claimant is legally married (including the husband or wife of the claimant)"; replace other references to "husband, wife" or "husband or wife" with "spouse (including husband or wife)" and other references to "wife, husband" or "wife or husband" with "spouse (including wife or husband)"; replace the term "widow or widower" with "surviving spouse (including the widow or widower)"; and ensure that provisions that prevent female electors being disqualified from voting if they have changed their surnames on marriage apply to electors generally.

Schedule 2 sets out amendments to the Adoption Act 2000, the Adoption Regulation 2015, the Guardianship of Infants Act 1916, and the Status of Children Act 1996. These New South Wales laws govern adoption, guardianship and custody of children. The changes deal with terms related to parentage, as follows: First, where provisions apply separately and equally to each parent, replace the terms "mother" and "father" with "parent (including the mother or father)"; secondly, where provisions apply jointly to both parents, replace the term "mother and father" or "father and mother" with "the parents (including father and mother)"; and, finally, where provisions apply to any living parent, replace the term "mother or father" with "the surviving parent (including the mother or father)".

Schedule 2 also amends the Adoption Act as follows: In the definition of "married", replace "a man and woman who are actually married" with "two persons who are legally married to each other" or "two Aboriginal or Torres Strait Islander persons who are living together in a relationship that is recognised as a marriage according to the traditions of an Aboriginal community or Aboriginal or Torres Strait Islander group to which they belong"; secondly, in the definition of "step parent" replace "is not a birth parent or adoptive parent of the particular person" with "is not a birth parent, parent or adoptive parent of the particular person"—this is to avoid the same-sex spouse or partner of the birth parent being included in the definition—and, finally, replace references to "the mother, the father" with "the parent (including the mother or father)".

Schedule 2 also includes the following amendments related to parentage presumptions at sections 9 and 14 of the Status of Children Act 1996: First, ensuring that parentage presumptions arising from marriage under section 9 apply equally to same-sex marriages by replacing the word "husband" with "spouse"; and, secondly, ensuring that parentage presumptions arising from the use of fertilisation procedures under section 14 apply to same-sex marriages by clarifying that subsections (1) and (6) apply only to a woman married to a man and clarifying that subsections (1A) and (5A) apply to a woman either married to or in a de facto relationship with another woman.

Schedule 3 sets out amendments to part 5A of the NSW Births, Deaths and Marriages Registration Act 1995 with respect to change of sex. The Births, Deaths and Marriages Registration Act currently provides for a person who has undergone a sex affirmation procedure to have their registered sex altered on the Register of Births, Deaths and Marriages—or BDM register. However, the relevant provisions are restricted to persons who are not married. The reason for this restriction is that amending the sex of a married person would have resulted in the marriage becoming a same-sex marriage. Until 9 December 2017, this would have conflicted with the previous definition of marriage in section 5 of the Commonwealth Marriage Act; that is, "between a man and a woman". This would have given rise to an inconsistency between State and Commonwealth law.

Schedule 2 to the Commonwealth Marriage Amendment (Definition and Religious Freedoms) Act 2017 will commence on 9 December 2018 and repeal section 40 (5) of the Commonwealth Sex Discrimination Act 1984, which currently has the effect of exempting from the discrimination prohibitions in the Commonwealth Sex Discrimination Act a refusal required by State or Territory law to alter an official record because a person seeking the alteration is married.

The States and Territories were given 12 months, until 9 December 2018, to change their own laws to ensure they are consistent with Commonwealth legislation. After that date, any legislation that denies married people the right to change their sex will be inconsistent with the Commonwealth Sex Discrimination Act, and the Registrar of the Registry of Births Deaths and Marriages may be in breach of the Sex Discrimination Act if the registrar denies such an application to register a change of sex. Accordingly, the requirement that a person must be unmarried to have their sex changed on the register will be removed from part 5A of the Births, Deaths and Marriages Registration Act, wherever it appears. All other requirements for change of sex will remain the same.

Schedule 4 makes two minor amendments to the Evidence Act 1995, as follows: Firstly, the exception to the hearsay rule at section 73 includes evidence of reputation as to relationships. Currently, the hearsay rule does not apply to evidence of reputation concerning whether a man and a woman cohabiting at a particular time were married to each other at that time. The bill extends this exception to evidence of reputation concerning any two people who were cohabiting. Secondly, the bill inserts a transitional provision to ensure the amendment applies to evidence adduced immediately after commencement in all proceedings, including those already on foot.

Schedule 5 deals with amendments to the Guardianship Act 1987 which provides, at section 6HA, that the appointment of an enduring guardian is automatically revoked if the appointor marries a person other than the appointee after the date of appointment. Same-sex marriages solemnised overseas, including by a foreign diplomatic or consular official in Australia before the amendments to the Commonwealth Marriage Act, were recognised in Australia from 9 December 2017. Thus an appointment of an enduring guardian by a party to a same-sex marriage solemnised overseas before 9 December 2017 would be revoked on that date if the appointee is not the person's spouse, regardless of whether the appointment was made before or after the marriage. This situation is at odds with the intent of the Guardianship Act.

The bill adds a new section to address this anomaly, by reversing the revocation of any appointment made by a person if the appointment was made after they entered a same-sex marriage that was solemnised overseas before 9 December 2017. This will ensure that the provision in section 6HA applies equally to all married people. Transitional provisions will validate any actions taken by the enduring guardian in respect of a guardianship order made after entering into a same sex marriage, even though the order was revoked between 9 December 2017 and the commencement of the amendments in this bill.

Schedule 6 makes minor amendments to the Married Persons (Equality of Status) Act 1996, as follows: First, it replaces references to "a husband and wife" with references to "spouses (including a husband and wife)". Secondly, it includes a regulation-making power to allow a regulation of any Act that this bill amends to include a savings or transitional provision where that provision is consequent on this bill. Schedule 7 makes amendments to the Relationships Register Act 2010 with regard to the automatic revocation of the registration of relationships on the relationships register on the marriage of a person in the relationship. The bill will insert a clarifying provision that the registration of any such relationship was revoked when the marriage was recognised in Australia on 9 December 2017.

This bill amends New South Wales legislation in conformity with the changes to the Commonwealth Marriage Act, ensuring that all married couples have the same rights, obligations and entitlements. The amendments will commence on the date of assent. I make one concluding observation by quoting a section from a book by Mr Paul Ritchie entitled *Faith, Love and Australia: The Conservative Case for Same-Sex Marriage* on page 30:

Allowing same-sex couples to marry is not just a matter of law. It's also a matter of heart and soul...

The institution of marriage affirms us as people; gives standing to our most significant relationship; and changes our families... It is an institution that points to a better life and helps us to answer the deepest question: can I selflessly love another and find meaning and purpose in that love?

This quote is worth reflecting on at the time of introducing this bill to this Parliament. I commend the bill to the House.

Debate adjourned.

*Visitors***VISITORS**

The DEPUTY PRESIDENT (The Hon. Trevor Khan): I welcome into the President's gallery two members of my staff, Matthew Yeldham and Richard Karaba.

*Bills***STATUTE LAW (MISCELLANEOUS PROVISIONS) BILL 2018****First Reading**

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

Second Reading Speech

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (16:16): I move:

That this bill be now read a second time.

The Statute Law (Miscellaneous Provisions) Bill 2018 continues the statute law revision program that has been in place for more than 30 years. Bills of this kind have featured in most sessions of Parliament since 1984 and are an effective method for making minor policy changes and maintaining the quality of the New South Wales statute book. Schedule 1 to the bill contains policy changes of a minor and non-controversial nature that are too inconsequential to warrant the introduction of a separate amending bill. It contains amendments to 20 Acts and related amendments to four instruments.

I will give an outline of some of the amendments that are included in this schedule. Schedule 1 amends the Motor Dealers and Repairers Act 2013 to extend transitional arrangements relating to tradesperson certificates that were granted under the former Motor Vehicle Repairs Act 1980 and continued in force under the 2013 Act. Under the extended arrangements, tradesperson certificates that have expired will be taken to have continued in force from their expiry date. They will not expire again until the anniversary in 2019 of that previous expiry. The changes will enable the affected repairers to work lawfully in their trade until that date without having to apply for fresh certification.

Schedule 1 makes another amendment in relation to motor vehicle repairers. The schedule amends the Road Transport and Related Legislation Amendment Act 2017 to extend a definition of "licensed repairer" that is to be inserted by that Act into the Road Transport Act 2013. The amendment will enable a person who is prescribed by regulations under the Road Transport Act 2013 to exercise the function of issuing certificates of compliance in relation to the repair of damaged vehicles. Schedule 1 amends other Acts in the portfolio of the Minister for Innovation and Better Regulation, including the Home Building Act 1989. The amendment to that Act will extend disclosure requirements relating to contracts for residential building work and specialist work. Currently, the requirement for a contractor to give the other party to the contract information about the operation of the Act and related dispute resolution procedures applies only to contracts that exceed a price of \$20,000. The amendment will extend the requirement to small job contracts priced between \$5,000 and \$20,000.

An amendment in Schedule 1 to the Road Transport Act 2013 extends an existing requirement for a court dealing with a traffic offence to consider the period of licence suspension applicable to the offence when determining the period for which the licence is to be disqualified. The requirement will be extended so that the court is also required to take into account the suspension of other types of authority to drive. For example, this would include the authority of a visiting driver who does not hold a driver licence in New South Wales. Schedule 1 also includes an amendment to the Aboriginal Land Rights Act 1983 that will remove an impediment to giving effect to an Aboriginal Land Agreement. That Act currently requires dealings in land pursuant to an Aboriginal Land Agreement to be approved by the holder of the interest in land. The approval is required even if the holder's interest remains in force despite the dealing—for example, in the case of an easement. The amendment will remove the need for approval where the holder's interest remains in force or is substantially restored following the dealing. The approval requirement will also be removed for interests that can lawfully be terminated or transferred by the crown lands Minister without the holder's approval.

The last schedule 1 matter I will mention is the amendments to the Crown Land Management Act 2016, which relate to land subject to the Moree and District War Memorial Educational Centre Act 1962. The amendments provide for the transfer, management and use of the land, and the abolition of the trustees of the Moree and District War Memorial Educational Centre. The amendments will enable the repeal of the Moree and District War Memorial Educational Centre Act 1962, which is included in schedule 6 to the bill. Schedule 2 makes amendments to various Acts relating to the publication of notices. Schedules 3 to 5 deal with matters of pure

statute law revision consisting of minor technical changes to legislation that the Parliamentary Counsel considers are appropriate for inclusion in the bill. Examples of amendments in those schedules are corrections of cross-references, typographical errors and terminology, and amendments arising out of the enactment of other legislation.

Schedule 3 contains amendments consequent on the enactment of the Biodiversity Conservation Act 2016 and the Local Land Services Amendment Act 2016. Schedule 4 includes amendments consequent on the enactment of the Environmental Planning and Assessment Amendment Act 2017 and schedule 5 contains miscellaneous amendments. Schedule 6 continues the program of repealing Acts and instruments that are redundant or of no practical utility. The schedule includes the repeal of the Moree and District War Memorial Educational Centre Act 1962 I mentioned earlier. Schedule 7 contains general savings, transitional and other provisions. These include provisions dealing with the effect of amendments on amending provisions, and savings clauses for the substituted provisions. The various amendments are explained in detail in explanatory notes set out at the beginning of the bill, beneath the amendments to each of the Acts and statutory instruments concerned or at the beginning of the schedule concerned.

I am sure that honourable members will appreciate the straightforward and non-controversial nature of the provisions contained in the bill. However, if any amendment causes concern or requires clarification, it should be brought to my attention. If necessary, I will arrange for government staff to provide additional information on the matters raised. If any particular matter of concern cannot be resolved and is likely to delay the passage of the bill, the Government is prepared to consider withdrawing the matter from the bill. Withdrawn proposals can also be dealt with in a second bill, using the procedure for splitting bills in the Legislative Council—as I recall, an example of which we had quite recently—which can be dealt with in each of the Houses in the same way as an ordinary bill. I commend the bill to the House.

Debate adjourned.

JUSTICE LEGISLATION AMENDMENT BILL (NO 2) 2018

First Reading

Bill introduced, and read a first time and ordered to be printed on motion by Mr Scot MacDonald, on behalf of the Hon. Don Harwin.

Second Reading Speech

Mr SCOT MacDONALD (16:24): On behalf of the Hon. Don Harwin: I move:

That this bill be now read a second time.

The Government is pleased to introduce the Justice Legislation Amendment Bill (No 2) 2018. The Government introduces this kind of legislation on a regular basis as part of a program of continuous improvement of Justice portfolio legislation. These bills make miscellaneous amendments that are critical for the New South Wales justice system to function efficiently and effectively. The bill makes a range of amendments which will improve the operation of the justice system by addressing emerging issues, closing gaps, and clarifying and updating legislation affecting the courts and Justice cluster agencies. Specifically, the bill will make amendments to a number of Acts in order to: improve criminal investigation and enforcement; improve court processes in criminal proceedings; support victims of crime; improve civil procedure; and support the management of offenders and young people in custody and following release.

The bill also introduces important amendments to the scheme protecting the community from offenders who have reached the end of their prison sentence and who pose an unacceptable risk of committing a future serious terrorism offence. Schedule 1 contains the main amending provisions. Schedule 2 contains consequential and statute law revision provisions which make minor amendments to various Acts. Some of these are required as a result of the substantive amendments of schedule 1. Others update legislation to reflect the re-engineering of the NSW Police Force, which involved consolidating local area commands into police area commands, or to make other minor updates to legislation. Turning to the detail of schedule 1, I will now outline the substance of each of the amendments.

Schedule 1.1 amends the Children (Criminal Proceedings) Act 1987 to provide that Juvenile Justice NSW can make arrangements with Corrective Services NSW for the appropriate supervision of a person who has entered into a good behaviour bond or been released on probation under the Act. Schedule 1.2 amends the Children (Detention Centres) Act 1987 to provide that an offender detained in a juvenile detention centre who is over the age of 18 years and who becomes eligible for release on parole is to be dealt with under the juvenile parole provisions of the Act. These amendments will promote operational efficiency at the interface between juvenile and adult parole systems.

Schedule 1.3 amends the Court Suppression and Non-publication Orders Act 2010. The Act allows the court to make an order that prohibits or restricts the disclosure or publication of information. Section 8 of the Act outlines the grounds for making an order. In criminal proceedings involving an offence of a sexual nature, the court may make an order on the grounds that it is necessary to "avoid causing undue distress or embarrassment to a party or witness". The defendant in proceedings for a sexual offence should not be able to have their name suppressed merely to avoid distress and embarrassment. Item [1] of schedule 1.3 amends the Act so that the court cannot make an order to avoid distress or embarrassment to the offender unless there are exceptional reasons for doing so.

Schedule 1.4 amends the Crimes Act 1900 in two key areas. The Act uses the concept of "private parts" in the context of child abuse material offences, voyeurism offences and offences covering non-consensual sharing of intimate images. At present, the definition used in the context of the child abuse material offences is not the same as the other definitions. Schedule 1.4 [1] to [2] will make the definitions uniform.

Schedule 1.4 [3] to [4] clarifies that the definition of "private parts" includes the breasts of a female person, or transgender or intersex person identifying as female, whether or not the breasts are sexually developed. The clarification is required following the Court of Criminal Appeal's recent decision that an image may not be considered to depict "breasts"—and may not, therefore, be "child abuse material"—where the subject is prepubescent. That interpretation does not align with the intention of the provision, and would seriously undermine the application of the relevant offences.

The second change to the Crimes Act 1900 relates to section 193C, which makes dealing with property reasonably suspected of being proceeds of crime an offence. "Proceeds of crime" is defined as "property that is substantially derived or realised, directly or indirectly, by any person from the commission of a serious offence". Schedule 1.4 [5] amends the definition of a "serious offence" so offences against a law of the Commonwealth that may be prosecuted on indictment are included, as well as New South Wales offences.

Schedule 1.5 makes various amendments to the Crimes (Administration of Sentences) Act 1999. Item [1] amends the definition of "governor of a correctional centre" to enable the Commissioner of Corrective Services to authorise a person to be in charge of a correctional centre. Item [2] gives the State Parole Authority discretion to refer an offender for a suitability assessment before reinstating a revoked intensive correction order, rather than being required to do so. This promotes operational efficiency by not requiring an assessment to be obtained where the authority already has sufficient information to make its decision.

Item [3] provides that if an inmate is issued a local leave permit to be absent from a correctional centre, such as where participating in work or a program, or is to be released from custody under the Royal Prerogative of Mercy, the commissioner may disclose that information to the inmate's victim. This complements other provisions in the Act which authorise the commissioner to provide information to victims. Item [4] similarly provides that the commissioner may notify a victim of a high-risk offender who is subject to an extended supervision order or continuing detention order under the Crimes (High Risk Offenders) Act 2006 or the Terrorism (High Risk Offenders) Act 2017 if the offender is released from, or returned to, custody.

Schedule 1.6 amends section 41 of the Crimes (Domestic and Personal Violence) Act 2007 to provide that, in proceedings in which an apprehended violence order against a child is sought or proposed to be made, varied or revoked, the proceedings should be heard in the absence of the public.

Schedule 1.7 amends the Crimes (Sentencing Procedure) Act 1999. Section 21A (2) of the Act includes a list of aggravating factors to be taken into account in determining the appropriate sentence for an offence. Section 21A (2) (a) currently provides that it is an aggravating factor if the victim was, among other professions, a police officer, emergency services worker, or health worker, or other public official, exercising public or community functions and the offence arose because of the victim's occupation or voluntary work. Section 21A (2) (l) provides a non-exhaustive list of other vulnerable occupations, including taxi driver, bus driver or other public transport worker, bank teller or service station attendant.

Schedule 1.7 amends the Crimes (Sentencing Procedure) Act 1999 to add "person working at a hospital (other than a health worker)" to the list of vulnerable occupations. This will ensure that the vulnerability of people who work in a hospital but who are not health workers, such security guards and support staff, is recognised in sentencing. The amendment implements a recommendation made by the Law and Safety Committee in its report "Inquiry into violence against emergency services personnel" to recognise that these workers can be at higher risk due to their occupation.

Schedule 1.8 contains a number of amendments to the uncommenced Crimes (Sentencing Procedure) Amendment (Sentencing Options) Act 2017, which enacts significant reforms to community-based sentences in New South Wales. As part of its preparation to roll out the reforms later this year, a number of provisions have

been identified to require amendment. These amendments are proposed to come into force with the whole Act on commencement.

Item [1] provides that courts may request assessment reports at any time during sentencing proceedings before a sentence is imposed and at other specified times during proceedings. Item [2] provides that the court is not required to obtain an assessment report before making an intensive correction order if satisfied it has sufficient information before it. Items [3] to [8] and item [20] amend provisions relating to the imposition of intensive correction orders in sentencing proceedings and variations of conditions of these orders by the State Parole Authority. Items [3] and [4] enable a sentencing court to have regard to any assessment report before it in relation to an offender, evidence from a community corrections officer, and any other evidence it considers necessary when deciding whether to make an intensive correction order.

Item [5] provides that an intensive correction order may not be made in respect of an interstate offender unless the State or Territory is an approved jurisdiction under the regulations. This amendment addresses an issue that often arises in border areas of New South Wales where community-based sentences are imposed on offenders who reside in a neighbouring jurisdiction.

Item [6] provides that a sentencing court may decline to impose an additional condition on an intensive correction order in exceptional circumstances. The new intensive correction order is structured to require all offenders to submit to supervision and for courts to impose at least one of a range of additional conditions on the offender to ensure that the order tackles the causes of offending and holds the offender accountable. However, there may be exceptional circumstances where it is appropriate not to impose one of the additional conditions on an offender and this amendment gives courts discretion not to impose an additional condition in exceptional situations.

Relatedly, item [20] provides that when the State Parole Authority revokes an additional condition of an intensive correction order, it will not be required to impose an additional condition on the order to replace the revoked additional condition if there are exceptional circumstances. Item [7] enables the regulations to prescribe the number of hours of community service work that may be imposed as a condition of an intensive correction order. Item [8] also provides that the period during which a community service work condition requiring the performance of a specified number of hours of community service work is in force for an intensive correction order must not be less than the period prescribed by the regulations.

Items [9] to [13] amend provisions relating to the imposition of community correction orders by courts and their administration by Corrective Services and Juvenile Justice officers. Item [9] enables the regulations to prescribe the number of hours of community service work that may be imposed as a condition of a community correction order. Items [10] to [12] provide that the functions of a community corrections officer under a supervision condition imposed on a community correction order may be exercised by a Juvenile Justice officer and vice versa in accordance with any arrangements between Corrective Services NSW and Juvenile Justice NSW. This enables the type of officer supervising an offender to be changed without an application being made to the sentencing court to vary the supervision condition.

Item [13] makes a similar amendment to the amendment in item [5] in relation to supervision of offenders who reside interstate on community correction orders. Item [13] also makes a similar amendment to the amendment in item [8] in relation to the period during which a community service work condition on a community correction order may require the performance of a specified number of hours of community service work. Item [13] also provides for courts to impose a community service work condition on a community correction order for an offender who resides interstate where the offender is able and willing to travel to New South Wales to complete the work or who resides in an approved jurisdiction. Items [14] to [17] amend provisions relating to the imposition of conditional release orders by courts and their administration by Corrective Services and Juvenile Justice officers. Items [14] to [16] make similar amendments in relation to supervision of an offender on a conditional release order as items [10] to [12] make in respect of community correction orders.

Item [17] provides that a sentencing court may not impose a supervision condition on a conditional release order in respect of an interstate offender, unless the State or Territory is approved under the regulations. Items [18] and [19] make the same amendments as items [10] to [12] and items [14] to [16] in relation to supervision of offenders under the savings and transitional provisions for existing good behaviour bonds after the reforms commence. Item [13] provides that the sentencing court may not impose a supervision condition on a community correction order in relation to an interstate offender unless the State or Territory is an approved jurisdiction under the regulations.

Schedule 1.9 amends the Criminal Assets Recovery Act 1990. Where the Supreme Court finds that a person has more probably than not engaged in serious criminal activity, the NSW Crime Commission can bring proceedings to confiscate the person's assets under the Act. These matters may be settled before court based on a

statement from the defendant outlining all of their interests in property. If the commission subsequently discovers that the defendant did not disclose some interests, the commission can apply for an order requiring the person to forfeit the interests, or the value of the interests, in property. This is known as a "non-disclosure order". At present, when the commission applies for a non-disclosure order, it cannot apply for a "restraining order" to prevent the person from disposing of the interest in property. This order is available in relation to other types of orders under the Act. Schedule 1.9 amends the Act so that the Supreme Court can make a restraining order in respect of a person's interest in property where the person did not disclose the interest.

Schedule 1.10 amends the Criminal Procedure Act 1986 to make five main changes. The first relates to the chain of custody for evidence. Police officers use a software package called the Exhibits Forensics Information and Miscellaneous Property System to track evidence and information gathered in investigations. The system can produce a report that details how evidence has been handled when in the custody of police. Where the evidence is used as an exhibit in criminal proceedings, schedule 1.10 [1] will amend the Criminal Procedure Act 1986 to enable a report of this kind to provide prima facie evidence of the handling of the exhibit if certified by a member of the NSW Police Force. This amendment will mean that reports can be used to establish the chain of custody, instead of police officers being required to prepare statements or to testify in court about how an exhibit has been handled, unless the chain of custody of the exhibit is in issue in the proceedings, in which case the details of the report may be the subject of questioning.

The second key change to the Criminal Procedure Act 1986 made by schedule 1.10 aims to protect family members of the accused from being unduly influenced into not giving evidence for the prosecution in child assault and domestic violence prosecutions. Section 279 of the Act currently covers the compellability of an accused person's spouse to give evidence in proceedings for a domestic violence offence or a child assault offence committed on a child who is living in the household of the accused person or who is a child of the accused person and the spouse. It provides that the spouse may object to giving evidence against the accused only in limited circumstances. Schedule 1.10 [2] to [13] will broaden the application of section 279 also to cover the accused person's parent or child. Close family members are vulnerable to pressure from the accused not to give evidence in the same way as his or her spouse may be. Section 279 applies only in proceedings for certain serious offences relating to child assault or domestic violence, where the risk of pressure from the accused may be heightened.

The third key amendment to the Criminal Procedure Act 1986 is made by item 14 of schedule 1.10. It introduces a new part into the Act to provide that, where terrorism evidence comprises part of a brief against a person accused of a criminal offence, they are not entitled to possess that evidence. Terrorism evidence is proposed to be defined as anything that: advocates support for engaging in any terrorist acts or violent extremism; relates to planning or preparing for, or engaging in, any terrorist acts or violent extremism; or advocates joining or associating with a terrorist organisation. It is critical that accused persons do not possess this kind of material, which can prevent efforts to divert the person away from violent extremism and, in a custodial setting, may be shared with other inmates in an attempt to radicalise others.

The new part is modelled on chapter 6, part 2A of the Act, which prevents accused persons from possessing "sensitive evidence", including evidence that depicts obscene, indecent or private images. Under those provisions, the prosecuting authority is required to make the evidence available to the accused person and their lawyer, if they are represented, to view. These amendments will enable an accused person's lawyer to possess the terrorism evidence, and the defendant will be able to view the material in the presence of their lawyer. This ensures that the defendant can effectively prepare for the proceedings, even though they are not permitted to possess the evidence. Where an accused person already has the material in their possession, they will be required to return it to the prosecuting authority. These amendments are necessary to prevent evidence in criminal proceedings inhibiting diversion efforts.

The fourth key amendment to the Criminal Procedure Act 1986 is made by item 15 of schedule 1.10. It amends the Sexual Assault Communications Privilege scheme to provide that a victim or alleged victim of a sexual assault offence cannot be compelled to reveal the identity of their counsellor. The scheme protects the counselling records of sexual assault complainants from being subpoenaed by defendants and adduced in criminal proceedings without leave of the court. Subpoenaing a complainant to gain the name of their counsellor does not adhere to the spirit of the scheme, and will be prevented by this amendment.

The fifth group of amendments to the Act relate to the Child Sexual Offence Evidence Pilot. The pilot is an important trial of specialist measures to assist child complainants and witnesses in child sexual assault proceedings. It enables the child to give their evidence at a pre-recorded evidence hearing. Schedule 1.10 [16] amends the Act to make clear that a witness who is the subject of a valid pre-recorded evidence hearing can give evidence by pre-recorded hearing, in accordance with that order, even if they turn 18 before the pre-recorded hearing is held or completed. Schedule 1.10 [17] amends the Act to clarify that, in pilot proceedings, an indictment

that has been presented at a pre-recorded evidence hearing can be amended only in accordance with section 20 of the Act.

Schedule 1.11 amends the Criminal Records Act 1991. Section 7 of the Act details what convictions are capable of becoming spent. Convictions for which a prison sentence of more than six months has been imposed cannot become spent. Where an offender is convicted of multiple offences and an aggregate sentence of more than six months imprisonment is imposed under section 53A of the Crimes (Sentencing Procedure) Act 1999, the conviction is not capable of being spent even if the sentences for the individual offences would have been less than six months each. The amendment in schedule 1.11 will mean that, if an aggregate sentence is imposed for multiple offences, the criminal record of the offender is still capable of becoming spent as long as the indicative sentences for each of the individual offences were of less than six months each.

Schedule 1.12 makes two amendments to the Drug Misuse and Trafficking Act 1985. Item [1] makes clear that when the NSW Police Force seizes drugs, a representative sample of the drugs can be tested, rather than testing the entire amount seized. This practice is already recognised in the Drug Misuse and Trafficking Regulation 2011. Schedule 1.12 [2] amends the list in schedule 1 to the Act to clarify that cannabis leaf is not prohibited if it complies with standard 1.4.4 of the Australia New Zealand Food Standards Code to allow low-tetrahydrocannabinol [THC] hemp as food. This is necessary to ensure that cannabis seeds for human consumption are not captured by the list of prohibited plants and substances in contravention of the Food Regulation Amendment 2008 to which New South Wales has agreed.

Schedule 1.14 amends the Guardianship Act 1987. The Act outlines persons who are parties to proceedings under the Act, including proceedings where the NSW Civil and Administrative Tribunal is reviewing a guardianship order or an appointment, or purported appointment, of an enduring guardian under the Act. Schedule 1.14 [1] amends the Act to provide that the Public Guardian is a statutory party to all guardianship reviews. Schedule 1.14 [2] amends the Act to provide that the Public Guardian and Trustee and Guardian are statutory parties to all enduring guardian reviews. Schedule 1.19 makes a related amendment to the Powers of Attorney Act 2003 to provide that the NSW Trustee and Guardian is a statutory party to reviews of an enduring power of attorney.

Schedule 1.15 amends the Industrial Relations Act 1996 to provide that the Civil Procedure Act 2005 applies in proceedings in the Local Court before the Chief Industrial Magistrate or other industrial magistrate. This means that such proceedings will be covered by the court rules under the Civil Procedure Act 2005. Schedule 1.16 amends the Land and Environment Court Act 1979 to provide that the court has jurisdiction in respect of proceedings under the Coal Mine Subsidence Compensation Act 2017, as a planning or environmental law, and can hear and dispose of these proceedings summarily.

Schedule 1.17 makes five important amendments to the Law Enforcement (Powers and Responsibilities) Act 2002. The first change relates to part 4 of division 2 of the Act. The amendment makes clear that police officers have the power to stop, search and detain a person who is in a public place or a school, and anything in the possession of or under the control of the person, if the police officer suspects on reasonable grounds that the person has a dangerous implement unlawfully in the person's possession or under the person's control. The police officer may seize and detain a dangerous implement found as a result of a search. At present, police officers can require a person to submit to a search where an officer suspects on reasonable grounds that the person has a dangerous implement, other than a laser pointer, in his or her custody. However, the division does not provide a clear search power and the amendment rectifies this. The power is appropriately limited to circumstances where the police officer suspects on reasonable grounds that the person has a dangerous implement in their possession unlawfully.

The second change to the Act relates to police officers' powers to enter a dwelling to respond to a domestic violence offence. Police officers can enter a dwelling if they have a warrant issued under section 83, or on the invitation of someone who apparently resides there, under section 82 (1). If an occupier of the dwelling refuses entry, police can enter and remain in the dwelling if an invitation is given by a person who apparently resides in the dwelling and whom the police officer believes to be the victim of a domestic violence offence, under section 82 (3). However, if a police officer who is invited into a dwelling observes evidence of the commission of a domestic violence offence, they can preserve that evidence only if they were invited into the dwelling under section 82 (1). Item [3] of schedule 1.16 amends the Act so that police officers can preserve evidence if they entered and remained in the dwelling upon the invitation of someone they think was the victim of a domestic violence offence, even if another occupier of the dwelling has refused his or her entry.

The third amendment to the Act made by schedule 1.17 relates to crime scene warrants. Items [4] and [5] amend section 94A so that where an occupier of private property makes an application to review a crime scene warrant the warrant must be reviewed by a magistrate. The fourth amendment relates to forensic procedures. Schedule 1.16 [6] amends section 117 of the Act to provide the time taken for a person to undertake a breath test

or breath analysis or to provide a blood or urine sample under division 4 of part 10 is not to be included when calculating the investigation period—that is, the period of time a person is detained after arrest for the purposes of investigation. The permitted investigation period is limited by the Act.

Division 4 of part 10 provides police with powers to compel a person under investigation for committing an assault occasioning death, which is an offence under section 25A (2) of the Crimes Act 1900, or which may occasion death, to provide a breath, blood or urine sample for the purpose of confirming whether the person had consumed or taken alcohol, a drug or other intoxicating substance, and the likely amount consumed or taken, before the assault. The time spent taking those samples will be disregarded in calculating the investigation period in the same way time taken to carry out comparable forensic procedures is already disregarded.

The fifth change relates to move-on directions. When a police officer gives a move-on direction to a group of intoxicated persons pursuant to section 198 of the Act, he or she is not required to repeat the direction to each person. Schedule 1.16 [7] makes clear that the police officer is also not required to repeat the associated warning that "it is an offence to be intoxicated and disorderly in a public place at any time within six hours after the direction is given" to each member of the group.

Schedule 1.18 amends the Mental Health (Forensic Provisions) Act 1990 to clarify the powers and functions of correctional officers and juvenile justice officers who transport defendants between courts and mental health facilities pursuant to orders made by magistrates and authorised officers under section 33 of that Act. Item [2] provides that a juvenile justice officer or correctional officer who is ordered to take a defendant to or from a mental health facility for a mental health assessment under section 33 of the Act has the same functions in respect of the defendant as the officer otherwise has in respect of a juvenile detainee or adult inmate. Item [3] enables a defendant required to be returned to court by an order under section 33 (1) (b) or (1D) (b) of the Act to be taken to a police station after being found not to be mentally ill or a mentally disordered person for a police officer to decide whether or not to grant bail. This power will be used where a defendant is discharged from a mental health facility and cannot immediately be brought back to court.

Item [4] inserts definitions relevant to the amendments in items [2] and [3] and item [1] is a consequential amendment. Item [5] removes an unnecessary requirement in section 39 (3) of the Act for the District Court or Supreme Court to notify the Minister for Health of the making of an order detaining or releasing an accused person following a jury's return of a special verdict that the person was not guilty of an offence by reason of mental illness. The requirement for the Mental Health Review Tribunal to be notified will be retained.

Schedule 1.20 makes two amendments to the Succession Act 2006. Under section 22 (e) of the Act, the court must refuse leave for an application for a will to be made, altered or revoked on behalf of a person who lacks testamentary capacity unless it is satisfied that "adequate steps have been taken to allow representation of all persons with a legitimate interest in the application, including persons who have reason to expect a gift or benefit from the estate of the person in relation to whom the order is sought". Schedule 1.20 [1] amends that provision so that the court is not required to refuse leave where adequate steps have been taken to allow representation of persons as the court considers appropriate.

Schedule 1.20 [2] amends section 91 of the Act to provide that, when there is an application before the court for a family provision order or a notional estate order in respect of an estate, the court may grant interim administration of the estate to any person the court considers appropriate for the purposes only of dealing with the application. Schedule 1.21 amends the Supreme Court Act 1970 to enable the court to finally determine proceedings in circumstances where the court finds that, as a matter of law, only one particular determination should have been made by the lower court or tribunal. This amendment prevents the inefficiency caused by the requirement for the court to remit the matter back to the lower court to dispose of the proceedings.

Terrorism continues to present a serious and ongoing threat to the safety and security of New South Wales, the country and the international community. New South Wales has taken a leadership role in ensuring that Australia's counterterrorism framework remains responsive to this evolving threat. The Terrorism (High Risk Offenders) Act 2017, which the Government introduced last year, enables the State to apply for the post sentence supervision in the community or detention in a correctional centre of offenders who pose an unacceptable risk of committing a future serious terrorism offence at the completion of their sentence. An application for a post-sentence order is supported by information from a range of State and Commonwealth enforcement and intelligence agencies. This material is sensitive and sourced from agencies tasked with undertaking complex investigations to protect our community from harm, so it must be protected to avoid jeopardising active investigations.

The amendments proposed in this bill will clarify that the Act is not intended to abrogate public interest immunity, clarify the use and disclosure of terrorism intelligence, enable the State to withdraw material from proceedings if the court does not grant information protections and immunities, and align order requirements more closely with the equivalent scheme for sex or violent offenders. Schedules 1.13, 1.22 and 2.6 amend the Terrorism

(High Risk Offenders) Act 2017, the Criminal Procedure Act 1986, and the Government Information (Public Access) Act 2009 to facilitate implementation of the scheme.

Part 6 of the existing Terrorism (High Risk Offenders) Act 2017 confers functions on the High Risk Offenders Assessment Committee. This committee exercises functions including reviewing risk assessments of eligible offenders and making recommendations about whether to seek a post-sentence order for an offender nearing the end of their sentence. The committee considers a range of sensitive material that may go to establishing that the offender poses a terrorism risk. There are two key categories of sensitive information; that is, information that is to be dealt with as terrorism intelligence and information over which there is a claim of public interest immunity.

The Government Information (Public Access) Act 2009 governs the process for giving the public access to information from New South Wales public sector agencies and public release of government information. Schedule 1.13 seeks to protect this sensitive information from public disclosure. Schedule 1 (7) of the Government Information (Public Access) Act 2009 lists documents for which it is to be conclusively presumed that there is an overriding public interest against disclosure. Schedule 1.13 adds information contained in any document prepared for the purposes of the high-risk offenders committee or any of its subcommittees to that list.

Items [1], [2], [3] and [7] of schedule 1.22 make provision for dealing with information that is terrorism intelligence. Section 60 of the existing Act enables the Attorney General or a prescribed terrorism intelligence authority to apply to the Supreme Court to request that information be dealt with as terrorism intelligence. If material is terrorism intelligence, the Supreme Court must take steps to maintain the confidentiality of that material, including hearing evidence about the intelligence in private or restricting access to the terrorism intelligence. Despite this, the Supreme Court must provide either the offender or the offender's legal representative, or both, access to or a copy of the terrorism intelligence. That is, while terrorism intelligence material must be provided to the offender and/or their legal representative, the court can prevent wider circulation.

The existing definition of terrorism intelligence does not specifically refer to information sourced from intelligence agencies, as opposed to information sourced in or for criminal investigations. Items [1], [2] and [3] of schedule 1.22 clarify that the definition of terrorism intelligence includes information relating to actual or suspected terrorism activity, whether in the State or elsewhere, the disclosure of which could reasonably be expected to have certain impacts on the operations of intelligence agencies. This broadened definition of terrorism intelligence ensures that material sourced in intelligence operations that might, for example, go to establishing that an offender is appropriate to be subject to an order under the post-sentence framework can be appropriately protected by the court in line with proposed section 60 (9). [*Extension of time*]

Item 7 of schedule 1.22 seeks to create a process for managing material over which a claim of terrorism intelligence is made. The effectiveness of the Terrorism (High Risk Offenders) Act 2017 hinges on information sharing between State and Commonwealth enforcement and intelligence agencies. These agencies need confidence that their sensitive material will be appropriately protected from broad dissemination. Proposed section 60 (3) would enable material not meeting the terrorism intelligence definition to be withdrawn by the applicant for the terrorism intelligence application or by any prescribed terrorism intelligence authority that provided that information. That is, before determining a terrorism intelligence application, the court is required to give the applicant to the terrorism intelligence application or the agencies that provided the information the opportunity to withdraw that material. This will avoid wider circulation of material that the State or a particular agency seeks to protect from disclosure.

Proposed section 60 (4) provides that any material that is withdrawn from consideration by the Supreme Court cannot be disclosed to the eligible offender or their counsel. Further, this material cannot be taken into consideration by the Supreme Court in determining the proceedings. This amendment seeks to balance the competing considerations of ensuring protection of sensitive material, facilitating agency cooperation with the scheme and ensuring due process for an offender in proceedings. The Supreme Court may order protection of terrorism intelligence on a cascading basis of access. The highest level of access enables the offender to have a copy of the terrorism intelligence. The lowest level of access enables the offender's legal representative to view but not have a copy of the material.

There may be occasions where offenders are unrepresented, which could pose a challenge for a court in seeking to apply the cascading access regime. Item [7] of schedule 1.22 introduces new section 60 (5), which addresses this issue. The amendments provide that in circumstances where an offender is unrepresented in substantive proceedings under the Act, the court is required to appoint a qualified person to act as an independent third party to assist the offender in relation to the terrorism intelligence application. Proposed section 60 (6) of item [7] provides that an independent third party is a qualified person if they are a person of a kind prescribed by the regulations as being qualified to provide independent and impartial representation for the offender for the purposes of the terrorism intelligence application.

The intention is that the independent third party would be a retired judicial officer or a person qualified to be appointed as a judicial officer who would be allowed access to the information or terrorism intelligence and who may make submissions in relation to it in the interests of the self-represented litigant. Item [7] inserts new section 60 (7), which will provide for the scope of the role of the independent third party. It is anticipated that this person would test and make submissions to the Supreme Court about whether material is terrorism intelligence, test the appropriateness and validity of material not provided to a self-represented offender, and make submissions in relation to a higher level of access to the material for the offender—for example, that the material should be subject to fewer redactions and that there should be a more detailed summary, et cetera.

New section 60 (8) will provide that the costs associated with the appointment of the independent third party are to be covered by the applicant to the terrorism intelligence application. This amendment ensures that even though the Supreme Court may order protection of terrorism intelligence by restricting offender access to that material, there is an independent third party who can test that material in the interests of the self-represented litigant. In these circumstances, the Supreme Court might deem that the offender should be granted a copy of or access to the terrorism intelligence—that is, the Supreme Court may consider that the unrepresented offender should be granted access that aligns with the disclosure obligations of new section 60 (10).

Item [7] inserts new section 60 (11), which clarifies that the Supreme Court may also limit disclosure of the terrorism intelligence for unrepresented offenders. For example, the Supreme Court may limit disclosure to the unrepresented to access to or a copy of the document with the terrorism intelligence deleted; access to or a copy of the document with the terrorism intelligence deleted and a summary of the intelligence attached to the document; or access to or a copy of the document with the terrorism intelligence deleted and a statement of facts that the information would or would be likely to prove attached to the document.

In addition to terrorism intelligence, there is a second category of sensitive material. This is material which may be subject to claim of public interest immunity. Public interest immunity is an existing doctrine under the common law and section 130 of the Evidence Act 1995 that creates a balancing exercise which operates to limit production of evidence. Production is limited where the evidence relates to matters of State and the public interest in its disclosure in the legal proceeding is outweighed by the public interest in preserving the secrecy or confidentiality of that evidence.

Item [4] of schedule 1.22 clarifies that the Act does not abrogate public interest immunity—that is, the terrorism intelligence provisions do not seek to displace the existing doctrine of public interest immunity. This doctrine enables a party to raise an objection to producing or admitting into evidence sensitive material that would prejudice the ability of the Government to continue to fulfil an essential function. Significantly, a successful claim of public interest immunity has the effect of entirely removing material from proceedings. Once the material is determined to be subject to public interest immunity, it cannot be relied upon by any party and the court cannot take the material into account.

Item [8] of schedule 1.22 provides a process for information over which the State or a prescribed terrorism intelligence authority claims public interest immunity. New section 60A (2) provides that where the Supreme Court is not satisfied that the document or report is subject to public interest immunity, the claimant must be afforded an opportunity to withdraw that material from proceedings. This would ensure particularly sensitive material is not provided to an offender under the Act's disclosure obligations at section 60 (10) and section 60 (11).

New section 60A (3) requires the court not to allow material to be withdrawn from consideration where its withdrawal would be manifestly unfair to the eligible offender. Under the existing doctrine of public interest immunity, if the public interest in admitting material into evidence is outweighed by the public interest in preserving the secrecy or confidentiality of that material, the court may direct that the information or document not be adduced as evidence. However, if the public interest in admitting the information into evidence does outweigh the interest in granting the public interest immunity claim, it is assumed the evidence can be admitted.

New section 60A (2) enables the claimant to withdraw the document or report from consideration by the court in these circumstances. In the unlikely event that there is material that would assist a defendant that is sought to be withdrawn by the State under this provision, the common law would provide the opportunity for the case to be stayed rather than to risk unfair proceedings. However, new section 60A (3) clarifies this course of action by providing that the State cannot withdraw the material where it would be manifestly unfair to the offender.

Once the material is withdrawn, new section 60A (4) provides that the material must not be disclosed to an offender or their counsel and cannot be taken into consideration by the Supreme Court in determining proceedings under the Act. This amendment seeks to balance the competing considerations of ensuring protection of sensitive material, facilitating cooperation with the scheme by intelligence agencies, and ensuring due process for an offender in the proceedings.

Items [5] and [6] of schedule 1.22 seek to align orders under the Terrorism (High Risk Offenders) Act 2017 more closely with the equivalent post-sentence scheme that applies to high-risk sex and violent offenders under the Crimes (High Risk Offenders) Act 2006. Under the scheme applying to high-risk sex and violent offenders, the court can make a final order provided that, at the time of application, the offender was a supervised or detained offender. The existing equivalent terrorism provision requires the offender to continue to be a supervised or detained offender at the time the court makes the final decision. The effect of the existing Act is that the Supreme Court may make a final order under the Act only when an offender is in custody or is under supervision. [*Extension of time*]

There may be circumstances in which interlocutory applications or separate proceedings such as appeals that reduce an offender's head sentence result in the offender no longer being deemed in current custody. Items [5] and [6] amend section 20 and section 34 to provide that an extended supervision order or a continuing detention order can be made in respect of an eligible offender who was in custody or under supervision at the time the application for the order was filed, including where the offender has since ceased to be in custody or under supervision.

Schedule 1.23 amends the Young Offenders Act 1997. The Act restricts the release of information about the diversionary measures available for young offenders, with a number of exceptions. Schedule 1.23 adds de-identified statistical data to the list of exceptions, so statistical information can be used to inform the work of policy makers, including Ministers and Parliament. Most amendments in the bill will commence on the date of assent. Clause 2 provides that schedule 1.10 [14], schedule 1.14, schedule 1.16, items [1] to [4] and [8] of schedule 1.17, items [1] to [4] of schedule 1.18, schedule 1.19 and schedule 1.20 will commence upon proclamation, so that the affected agencies can prepare for implementation.

Overall, this bill will improve the operation of courts, law and enforcement agencies, and the civil and criminal justice system. The amendments to the Terrorism (High Risk Offenders) Act 2017, in particular, demonstrate that the protection of the community from the ongoing threat of terrorism is of paramount importance to the New South Wales Government. We will do whatever we can to ensure our intelligence and law enforcement agencies have effective powers at their disposal to keep the public safe, including continuing to monitor our terrorism-related legislation to ensure the Government's strong focus on community protection is supported.

Debate adjourned.

ROAD TRANSPORT AND OTHER LEGISLATION AMENDMENT (DIGITAL DRIVER LICENCES AND PHOTO CARDS) BILL 2018

Second Reading Debate

Debate resumed from an earlier hour.

The Hon. SARAH MITCHELL (Minister for Early Childhood Education, Minister for Aboriginal Affairs, and Assistant Minister for Education) (17:18): I am pleased to speak in support of the Road Transport and Other Legislation Amendment (Digital Driver Licences and Photo Cards) Bill 2018. It is a great piece of legislation. It is a sign of the Government moving with the times. This Chamber is quite old-fashioned in many ways. As I look at the busts on the walls, I wonder what some of the first members of this place might think about us in 2018 and the types of issues we debate. Today we are debating digital driver licences—the reality is that we live in a digital age.

We were talking about this in question time today. One of my questions was in relation to science, technology, engineering and mathematics [STEM] and the importance of science and technology in the future. People are adapting to living in an ever-evolving digital age. Recently I spoke to the principal of Cooma North Public School, who told me about a child in kindergarten who tried to turn the page of a book by swiping and did not understand why the page would not turn.

That is the reality of kids today and in the future. Digitised cards are the way to go and this is a great piece of legislation that will help to make that a reality. Earlier we were saying that so much of our lives is already on our phones. Before I came down to the Chamber today, I looked at all the apps and different things that I have on my iPhone. Banks offer digital-wallet apps; there are services such as Apple Pay, Uber and store rewards; and, thanks to the Government, Responsible Conduct of Gambling and Responsible Service of Alcohol licence cards and boat licences can be digital as well. We are moving to digital licences and the reality is that it will not be long until we do not need to carry wallets.

The Minister for Finance, Services and Property, Victor Dominello, will be applauded by a lot of New South Wales mums for this bill. As the mother of two young children, when I do the day-care drop off and am juggling backpacks, lunch boxes and everything else, I have to bring my wallet with me purely because I need

to have my licence when I am driving the car. I do not need cash, any of my credit cards or anything else from my wallet to do the day-care drop off, but I do need my licence, so I have to carry my whole wallet. Having a digital driver licence will mean that I have one less thing to carry. It will make it a little easier for me to get out the door in the morning. It sounds like a trivial thing, but these are the things that matter and making life a little easier for people is exactly what the Government wants to do.

By all accounts, the trial in the regional area of Dubbo was hugely successful and the Minister in the other place went into some detail about that in his second reading speech. To remind members, more than 1,400 participants took part in the trial and the independent research evaluation came back with some very positive results. Participants expressed very high satisfaction with the product with regard to convenience, ease of use, likely adoption and likely recommendation to others. There was a customer satisfaction rating of 83 per cent, which is a pretty good score. That tells me that people in the Dubbo region who were part of this trial liked it and wanted to be involved. I am sure that the same positive feedback will come from across the State as this is rolled out and more people move to a digital driver licence and New South Wales photo card, which is also part of this bill.

The Minister has made it clear that there will be a comprehensive implementation plan and that it will be an opt-in service. That is important. Not everyone will want a digital driver licence, particularly some of the older drivers. I acknowledge my grandmother Meg Smyth, who is 90 tomorrow. While I have the call, because I often do not, I wish Meg a happy birthday for tomorrow. I look forward to celebrating with her. My grandmother still drives, but she does not have a mobile phone, so she probably would not be someone who would go to a digital driver licence. However, I know she would appreciate the technology being made available to younger drivers. Having it as an opt-in service is a good way to go, particularly during the initial stages.

Measures will be in place to ensure security and to provide for certain circumstances, such as a technological failure beyond the driver's control. When a driver is required to show their card to a police officer, police will have the discretion to otherwise verify the driver's authority to drive. I am informed also that connectivity is not required to show the driver licence, which is important, particularly in regional areas. Unfortunately, there are still some blackspots, even though we are making headway in telecommunications. That will not be an issue. I support the bill. It is a good bill and Mr Victor Dominello is a good Minister who is forward thinking. This is great legislation. I congratulate the Minister, his team and his staff—some of whom are with us in the Legislative Council this evening—on this great piece of legislation. This is exactly what we should be doing in Government—making life easier for people and moving with the times. I am happy to support the bill.

The Hon. NATALIE WARD (17:23): I am pleased the Government has introduced the Road Transport and Other Legislation Amendment (Digital Driver Licences and Photo Cards) Bill 2018. The bill enables the New South Wales Government to digitise two important documents, the New South Wales driver licence and photo card, which, as we have just heard, most people in New South Wales have in their wallets. I underline and support the comments of the Hon. Sarah Mitchell that juggling a whole lot of documents and wallets is not an easy thing in this day and age. It is much easier to have it streamlined and to have one easy-to-reach digital format that makes all of our lives easier. I commend her comments to the House. By offering the driver licence and photo card in digital formats, the bill provides citizens with greater convenience, choice and security. Citizens will be able to choose to use either their physical card or the digital version, depending on what is easiest for them to access when and where they need it.

The New South Wales Government recognises that people want choice. If they want to carry a digital card they can; if they prefer to stick with their physical card they can do that too. I confess to the House that I recently lost my wallet and driver licence. I am in the process of applying for a digital licence in its place, which is much easier. The Government understands the need to continually improve and to deliver quality services to the people of New South Wales. The community is increasingly expecting to be able to access digital products and services. We have already seen this with the advent of mobile payment apps as a complement to traditional bank or credit cards. My daughter is particularly au fait with the tap-and-go service. She has it on her phone and makes the most of the service when it is available for her shopping needs. The bill will bring government services in line with the rising citizen expectations for digital products and services.

Legislation is a key enabler in delivering the digital driver licence and digital photo card. Overall, the bill will make amendments to the Road Transport Act 2013, the Photo Card Act 2005 and liquor and gaming legislation to achieve this. Amendments in the Road Transport Act 2013 will enable the digital driver licence. Currently the Road Transport Act 2013 does not specify the form of the New South Wales driver licence, but there are provisions throughout the Act that imply that a driver licence is a physical thing and can be physically handled. The Act does not and has not—until now—considered a digital driver licence. The bill will amend the Road Transport Act 2013 to allow a digital driver licence to be used in place of the physical driver licence.

First, it is important to understand that this bill does not change what currently happens with the physical driver licence. For example, when a driver has their licence suspended or is disqualified, they must surrender their physical driver licence to the authorities. This will not change. The bill will establish a separate part in the Act that defines what a digital driver licence is and how it may be used. It will clarify how the provisions that currently imply a physical handling of the driver licence will apply with the digital driver licence. The bill will enable a person to display their digital driver licence in place of holding, carrying and producing their physical driver licence when doing so for a purpose set out in the bill or subsequently set by regulation.

The primary function of the driver licence, for driving, is prescribed as one such purpose. Another is for evidencing a person's age or identity in the liquor and gaming industry. Other purposes, as they become ready, will be further prescribed by regulation. There are more than 150 situations where a driver licence is currently used. Some uses are legislatively supported, such as driving and opening a bank account. Other uses having developed through business and community practice, such as picking up a parcel at the post office or exchanging licence details with another driver after a car accident. In instances where there is a legislatively supported use, the regulation will prescribe that the digital driver licence is a legal equivalent of the physical licence or card for that use.

Secondly, in displaying a digital driver licence, this bill importantly provides that a person is not required to hand over the device that holds the digital driver licence to the person asking to check the licence. That is an important consideration for people who are passing over their phone to a third party to ensure that they still have privacy. The Government recognises that there would be a significant privacy risk if a person could be compelled to hand over their phone or other device, which would likely hold not only the driver licence but also a significant amount of information about their personal life, such as photos of their kids. I cannot even imagine what some of the phones in this place might contain.

At the same time, the bill strikes a balance by ensuring that the person displaying a digital driver licence does so in a way that enables an authorised officer to effectively check it without handling the device. For example, a digital driver licence is not considered displayed if it is on a device that is in a condition that it cannot be read. This means a person whose phone has a flat battery or whose screen is significantly cracked—as I have experienced—will not be considered as producing their licence when legally required to do so. There will be checks and balances around the production. Just as it is a person's responsibility to remember to carry their wallet or to ensure that their licence card is not broken or defaced, the bill provides consistency for the digital driver licence.

A person will also be required to comply with a reasonable request to facilitate the digital licence being read, copied or scanned—for example, by increasing the brightness on their digital device or scrolling down to show the full driver licence details. A person must also comply with a reasonable direction to refresh or update the download of their digital driver licence. A person who refuses to do those things will not be considered as having produced their licence when legally required to do so. It is much the same as the physical licence—a person must produce it, it must be legible, it must be in good form and it must be able to be read.

Consistent with this, the bill makes clear that where there is a requirement to surrender a driver licence, it does not mean that the electronic device displaying the digital licence must be surrendered. Instead, a person will be required to update their digital driver licence as soon as practicable. This will ensure that a digital licence displayed on a driver's electronic device reflects its real-time status on the driver licence database. For example, if the licence has been surrendered, the database will reflect so. Checking the validity of a person's driver licence plays a critical part in ensuring a safe and secure New South Wales. That is why, although a person is not required to hand over their device with the digital driver licence, they will still be required to display it in such a way as to enable the licence to be checked.

The bill will make New South Wales one of the leading States in Australia and will offer its people a digital driver licence. It takes a sensible, practical and considered approach to the use of the digital licence. I am pleased to support the bill and commend the great work of Minister Victor Dominello in embracing technology and ensuring that the people of New South Wales are able to do the same thing.

The Hon. TAYLOR MARTIN (17:31): It is a privilege to contribute to the debate on the Road Transport and Other Legislation Amendment (Digital Driver Licences and Photo Cards) Bill 2018. The Government is committed to leading the way and to delivering on its promises to the people of New South Wales. The introduction of the bill speaks to that commitment. The advent of the digital driver licence and digital photo card is a key part of the digital transformation of New South Wales that this Government is proud to be leading. Over the past decade, the everyday lives of people have changed significantly through the advent of technology. How people connect and do business within and beyond New South Wales is now faster and easier. We are using our mobile phones for a large number of purposes, with many products and services now offered digitally or

through an app on many devices. The New South Wales Government recognises the pace and the impact of the change and that, in serving its community, it should be no exception to the transformation.

The NSW Photo Card is a key example of our changing society. As our cities grow and become more connected, fewer people may wish to be drivers. However, they still need a reliable form of photo identification to access everyday services such as entering licensed premises and other uses. The NSW Photo Card was created to fulfil that function. Since March 2017, has been expanded to allow people to hold both a New South Wales driver licence and a NSW Photo Card. Digitising the photo card alongside the driver licence is a step forward, looking at the future of our society. Like the Road Transport Act 2013 that governs the driver licence in the State, the Photo Card Act 2005 was drafted for a physical photo card, with digital cards not yet in mind. As such, changes to the Act are required to enable a digital photo card to be issued and used in place of the physical card. The amendments to the Photo Card Act 2005 mirror those proposed to the Road Transport Act 2013 to enable the digital driver licence. This will ensure a consistent approach throughout our State.

With that in mind, I bring to the attention of the House two key amendments that are common across the changes to the Road Transport Act 2013 and Photo Card Act 2005. First, the bill will authorise Roads and Maritime Services [RMS] to release information and photographs from its driver licensing and photo card databases to the Department of Finance, Services and Innovation [DFS], and to Service NSW. In practical terms, the bill enables a person's driver licence or photo card—and the information and photograph that go along with it—to be securely processed through DFS and Service NSW's digital platforms to create and to issue a digital driver licence or digital photo card in the Service NSW app on a phone, iPad or similar appliance. A person's information and photograph will not be stored by DFS or Service NSW as they pass through their digital platforms.

The people of New South Wales can expect and trust that privacy and security of information are of critical importance to the Government. Privacy laws and the road transport and photo card laws tightly restrict the use and disclosure of the personal information and photographs held on RMS databases. The bill does not detract from those privacy protections. Secondly the bill will provide clarification that, in instances where there is a power to seize a fake or fraudulent driver licence and photo card under Road Transport Act 2013 and Photo Card Act 2005, there will not be a power to seize a person's electronic device such as a mobile phone or tablet upon which a digital photo card or digital driver licence is displayed. This clarifying amendment is also made to the Gaming and Liquor Administration Act 2007, where authorities may have the power to seize a fake ID used by a minor to purchase alcohol.

The bill will make clear that the powers of seizure do not extend to the seizing of a mobile phone or a similar device used to display a digital driver licence, digital photo card or, under the Gaming and Liquor Administration Act 2007, any other digital evidence of age document prescribed by the regulations. I draw the attention of the House to the Government's commitment to ensuring that the law remains relevant and practical as we adopt digital products and services. The Government recognises that seizing a fake licence or photo card can be an effective means of preventing and enforcing the laws against unauthorised driving or underage drinking. But in this digital era seizing a person's mobile phone for that same purpose is neither an effective nor a proportionate solution. In fact, there could be a greater risk to a person's health, safety and privacy if their mobile phone were to be confiscated.

The New South Wales Government understands that the digital driver licence and digital photo card bring with them risks in common with physical documents, such as fraud and misuse. But in the case of the Government's digital version, those risks are presented in new ways and require new solutions. That is why we have been working hard, and will continue to do so, to ensure effective measures to prevent and respond to the risks as they arise in the digital context and as technology develops. It is important to note that the amendments in the bill will not affect powers under other laws—for example, the general powers that police already have to seize evidence, such as a person's mobile phone.

The bill is a significant step towards implementing the digital driver licence and digital photo card in New South Wales. The Government is not afraid to embrace digital transformation, and will continue to work hard to ensure that privacy and security remain central to the work that it is doing. I am pleased to support the bill and commend it to the House.

The Hon. NATASHA MACLAREN-JONES (17:38): I support the Road Transport and Other Legislation Amendment (Digital Driver Licences and Photo Cards) Bill 2018. The bill is another step towards providing the State of New South Wales with much-needed twenty-first century digital infrastructure. With more than six million driver licences in New South Wales and more than 568,000 photo cards in use, this bill—introduced in the other place by the Minister for Finance, Services and Property, the Hon. Victor Dominello—aims and improves the lives of the people of New South Wales. The bill delivers on the New South Wales Government's 2015 election commitment to have digital driver licences—or DDLs—standardised and part of a

statewide issue by 2019. The Government is well on track to having 70 per cent of government transactions conducted by digital channels by 2019. This bill provides an important commitment to the people of New South Wales and will lead this State into a modern era.

The bill aims to digitise the NSW Driver Licence and the NSW Photo Card, which can be used in substitution of a physical driver licence. By digitising both cards, we will be able to provide and establish the DDL as a valid evidence of authority to drive and as evidence of age. This means that drivers will be able to use this digital service to provide a working licence that can also be used as a method of checking a person's age and identity. There are critical changes that will improve security and convenience surrounding driver licence infrastructure in New South Wales. The implementation of the DDL will have benefits that will improve the overall efficiency of the system in New South Wales and also provide further security.

With more than 150 uses for driver licences in New South Wales, the DDL will assist in their efficiency and ease of use. It goes without saying that these days most people carry a mobile phone wherever they go. Whether they go for a walk or out for dinner, most people always have with them their phone or some form of digital communication. Compare this with something like a wallet, which is not always convenient for people to take with them. The DDL will aid in eliminating the need for people to bring their wallets to store their driver licences. The bill ensures that officers will be able to check driver licences. It contains a number of safeguards and there are benefits in their implementation. I will outline some of the security guarantees that are in place for the people of New South Wales.

Importantly, a person does not need to hand over the physical device that holds the DDL when an officer is asking to check their identity. There is a right to privacy, which the New South Wales Government takes very seriously. We understand that a device holds not only a DDL, but also personal information. We are committed to ensuring the privacy and security of all New South Wales citizens. The bill ensures that the officer can effectively check the licence. For example, if there is a cracked screen or flat battery, a licence will not be considered as being effectively produced—the same as if a physical driver licence is defaced or broken. The bill provides consistency so that both the physical driver licence and digital driver licence schemes run parallel to each other.

In many cases, people lose their physical licences. Once it is lost, there is a mechanism to salvage it and to protect their identity from being used by another person who acquires the licence with malicious intent. Not only does this mean that there would be a permanent risk, but also replacing a licence is not an instantaneous process. Losing a physical licence can cause inconvenience because the licence holder cannot drive or easily prove their identity. In contrast, with a DDL, if someone loses their phone, their digital licence is secured to that phone. Furthermore, like with an Opal card, that person will be able to log on to Service NSW to lock off their card and to ensure that their identity is not used. They can then log on to another device and have the DDL transferred instantaneously, which is extremely convenient.

In November 2017, a public trial commenced in Dubbo for the use of DDLs. The trial involved 1,400 participants testing the DDL in roadside police checks and as identity cards at pubs and liquor stores. It also trialled the personal information sections within the MyServiceNSW app. The trial found that participants were largely satisfied with the DDL scheme and found it convenient, easy to use, secure and accessible overall. In fact, 83 per cent of the 1,400 participants recorded a positive customer satisfaction rating and promoted the adoption and recommendation of the DDL. This high satisfaction and support for DDLs is also seen within the private sector, with a variety of prominent industry leaders stating that they would utilise and benefit from the DDL.

Those who have commented on the implementation of the DDL include John Whelan, Chief Executive Officer of the Australian Hotels Association; Michael Waters, Executive Director of the Liquor Stores Association; Juliana Payne, Chief Executive Officer of Restaurant and Catering Australia; and Anthony Ball, Chief Executive Officer of ClubsNSW. Each of the abovementioned industry leaders has given the proverbial green light to the statewide rollout of the DDL. The Australian Hotels Association has stated:

The continued expansion of smartphone technology for cardless transactions will see the use of wallets as an option rather than a necessity, based on this feedback from our Dubbo members. The AHA New South Wales is supportive of the expansion of the digital driver licence statewide.

The Liquor Stores Association stated:

[The LSA] remains supportive of a full statewide rollout of the digital driver licence as it will give packaged liquor retailers, licensees and their staff at the point of purchase a safe and efficient digital service control age verification measure.

The Restaurant and Catering Australia stated:

I am firmly of the view that this project will be of significant benefit to the approximately 14,200 café and restaurant businesses in New South Wales. The addition of the digital driver licence as a valid form of identification will provide patrons with a more

seamless method of ordering alcohol in licensed cafes and restaurants. It is for this reason I have no hesitation in supporting a state-wide rollout of the digital driver licence.

ClubsNSW stated:

Proper implementation of digital drivers' licences will be a positive development in better equipping clubs for the digital future and the industry is excited for what these changes mean.

As members can see, there is wide-ranging support from industry leaders across New South Wales who will be working day to day with the DDL and who are looking forward to it being rolled out statewide. Additionally, the bill will amend the Photo Card Act 2005, the Road Transport Act 2013, the Gaming and Liquor Administration Act 2007 and the Liquor Act 2007. All of the Acts will be amended so that digitised New South Wales photo cards or licences can be used as substitutes for providing evidence of age and for other identification purposes. The amendments are important as they promote consistency in law. It is important to note that the current laws and regulations in relation to the physical driver licence do not change in this bill. The DDL is not replacing the physical driver licence but is providing an alternative. The bill clearly establishes a separate part in the Act defining a DDL and how it can be used.

The Road Transport and Other Legislation Amendment (Digital Driver Licences and Photo Cards) Bill 2018 is a milestone for New South Wales. It is not only increasing efficiency and security for the people of New South Wales but also providing various industries and authorities with the ease of access they need to continue to do their jobs efficiently.

The DEPUTY PRESIDENT (The Hon. Paul Green): I will now leave the chair. The House will resume at 7.30 p.m.

The Hon. CATHERINE CUSACK (19:30): On behalf of the Hon. Don Harwin: In reply: I am pleased to speak in reply on the Road Transport and Other Legislation Amendment (Digital Driver Licences and Photo Cards) Bill 2018. This bill supports the Government's commitment to deliver digital driver licences and digital photo cards to the people of New South Wales. I thank the following members for their contributions to this debate: the Hon. Peter Primrose, who made a very pithy, warm, heartfelt and concise speech; the Hon. Paul Green, who offered the House his insights; Dr Mehreen Faruqi; the Hon. Scott Farlow; the Hon. Wes Fang; the Hon. Niall Blair; the Hon. Shayne Mallard; the Hon. Sarah Mitchell; the Hon. Natalie Ward; the Hon. Taylor Martin; and the Hon. Natasha Maclaren-Jones.

That list of speakers demonstrates the Government's excitement about the strength of this initiative. It appeals to all members, and particularly the younger members who made some great comments. Dr Mehreen Faruqi asked why the legislation is being considered before the completion of the Dubbo pilot. She wanted to know what was happening with the report on the pilot and why members did not have the report before considering the legislation. This bill is an essential part of the legislative architecture required for the rollout of digital licences. It simply puts in place a key building block for the rollout to occur; it is the first step in the implementation plan. A great deal of information and many reports have been provided about the Dubbo pilot, and as it continues it will further to inform the Government's strategy.

The Government does not want to conclude the pilot and take back the digital driver licences that were issued to the people of Dubbo who participated only to start the rollout and reissue them. This is all about maintaining continuity. To achieve that, the Government will put the building blocks in place first. Members can be assured that the Government is being transparent about this process. Dr Mehreen Faruqi need not be concerned because it is a logical approach to implementing the program.

Members raised many issues during the second reading debate. The Hon. Paul Green said that his children have cost him a fortune in repairs to broken phones, and other members have experienced similar difficulties. My solution was to get my young son to pay for repairs to his phone after it had been damaged for the third time. The change in his approach to the care of his phone has been miraculous.

The Hon. Walt Secord: Point of order: The Parliamentary Secretary seems to be giving a second reading speech rather than speaking in reply. She is introducing new material rather than responding to issues raised by members in their contributions. We are being given a history of her children's driving experiences. It is very interesting and could be useful for research down the track, but this is not a speech in reply.

The PRESIDENT: Order! The Hon. Catherine Cusack was responding to matters raised by other members in their second reading debate contributions. I am certain and confident that the member will continue to meet the requirements of a speech in reply. It will last much longer if we have continual points of order.

The Hon. CATHERINE CUSACK: The Hon. Paul Green raised this problem in the context of what would happen if someone lost or broke their phone. The first time a child has difficulty with a phone because it is broken will contribute to better phone care, and having a digital driver licence will also have an impact in that

regard. I reiterate that everyone will still have a hardcopy driver licence. Everyone should have a plan B if they encounter a problem with their phone. Of course, drivers must also take responsibility for producing their licence. Dr Mehreen Faruqi felt that was a little harsh when someone's phone battery was flat. That can happen, but it is why the Government has provided the safety net of drivers also having a hardcopy of their licence. Motorists will have every opportunity to comply with the law, and the police will expect them to comply. The Hon. Wes Fang pointed out—

The PRESIDENT: Order! The Parliamentary Secretary has the call. She should continue with her speech in reply and ignore interjections.

The Hon. CATHERINE CUSACK: He referred to the Opal card and the tremendous difference it has made to him. He said that he hoped that at some point it would also be digitised, which is an excellent suggestion. The thrust of his argument was that this is all about citizen-centric policy. This is about the Government taking a service—the provision of a driver licence—to its citizens rather than expecting them to come to the Government. It is a great option. The enthusiastic response to the Dubbo pilot has demonstrated the potential of this initiative. It is about the Government reaching out to young people rather than expecting them to fit in with the Government regardless of the difficulty it causes.

I also endorse and echo the Hon. Wes Fang's comments about the Minister being passionate about this issue. He is one of the people most across the idea that new technology will give the Government the opportunity to empower consumers and to change the balance of power in favour of our constituents. It is clear from all the social platforms and the way that digital engagement has exploded in this information technology revolution that this is what people want.

I believe that is why the Dubbo pilot has been such a roaring success. As a government it gives us great heart that we have solved many of the technical problems of impacted third parties such as hotels and clubs and, most importantly, the police. This is a big adjustment for the NSW Police Force. I congratulate and thank it for getting on board. Having ironed out those issues, we are confident that the new licences will be popular. However, I again reassure everyone that they can still have a hard copy driver licence. The Hon. Sarah Mitchell spoke about her grandmother, who is turning 90 tomorrow. I wish her a happy birthday. She can rest assured that not having a mobile phone will not be an issue. She will be able to continue on. Nothing will change for her. This policy seeks to meet everybody's needs.

The Hon. Scott Farlow made an enthusiastic speech expressing his excitement for the future. The Hon. Wes Fang talked about going for runs that are more like brisk walks. Being able to access his documentation on his phone will be beneficial to him. Many members reflected on the declining need to carry a wallet. As a female member of Parliament, 10 years ago my handbag was very big and contained a lot of objects. People will now have one less item to carry in their bags. I used to carry an address book, a diary and—believe it or not—a packet of cards for games. I also carried a camera, sometimes a radio and when I was travelling a map. I can find all of those items on my mobile phone, and I can do other things with my phone such as scanning. My phone holds my loyalty cards, my Apple Pay app and my boarding passes when I travel. Phones have condensed many functions. I know that the next generation will marvel at the types of things found in my handbag 10 years ago. Today's ordinary iPhone has more computing power than that which was at the disposal of the entire United States Government for the launch of the Apollo moon mission. That gives us an idea of how powerful technology is.

The amendments in the bill are not about mandating digital driver licences and digital photo cards. The bill is about the Government offering digital products that can provide greater convenience, choice and security to citizens who want them. In this digital era the people of New South Wales can rightly expect that high-quality digital products and services will be available to them not only from business and industry but also from their government. This Government is committed to bringing its public services in line with rising expectations of convenience and customer service. The bill will enable digital driver licences and digital photo cards to be key parts of the transformation.

New technologies have created huge expectations of security and privacy. The technology that Service NSW and the Minister have developed will make us a world leader. Obviously, we are in front of the rest of Australia but we achieved our number one status many years ago. We are now at the cutting edge of the world. The digital driver licence will provide some fantastic options to people who have lost a phone containing their licence. They will be able to simply contact Service NSW to say that their licence has been lost. If it is used illegally they will receive email alerts and the police will be able to track it.

Questions have been raised about opportunities for fraud. I was anxious about that, but what has been put before Parliament today will increase the security of personal identities. For example, when people enter a club they will no longer have to scan a licence that shows their address. They will be able to scan only the licence information that the club needs. That is a big privacy enhancement. I was always uncomfortable with the previous

arrangements. We are living in an age when people expect their personal details to remain secure. All of those boxes have been ticked.

The design of the digital driver licence and digital photo card contains several visual security features that can be sighted to ensure that a card is not a fake or a screenshot. For example, there are animations and a hologram, which I think is a revolving waratah, to deter counterfeiters. There is no way a person could pretend to a police officer that a screenshot was their licence and no way they could email the photo to someone else. Police officers will be trained to instantly identify fake licences. The hologram is very clever. The digital driver licences and digital photo cards also contain QR codes that can be scanned to verify their authenticity. Police are already equipped to do that because, as I have explained, the new licences leverage existing technology and will not require new technology. It has been a clever pilot in that way. In addition, police will be able to use handheld MobiPol devices to verify licences against Roads and Maritime Services and police databases.

The bill will prescribe the digital driver licence and digital photo card as evidence of age documents under liquor and gaming laws. That will enable a key usage of the digital driver licence and digital photo card and make clear to business that they can legally accept the digital driver licence and digital photo card when dealing with their customers. One notable difference between the digital driver licence and the digital photo card amendments is that the bill will provide the opportunity for digital-only photo cards to be issued in the future, which will open a window for citizens to be able to choose whether to have a physical photo card, a digital photo card or both. That demonstrates the Government's commitment to delivering greater customer choice and better value services for the people of New South Wales.

Again, I thank all Government members for their contributions. I particularly thank the Hon. Shayne Mallard for reminding us of the many other apps now available on our iPhones. The digital licence will join a suite of incredibly useful apps that have been developed. The Hon. Shayne Mallard indicated that his favourite was the Rural Fire Service app. If he smells smoke he can go straight to his app to see where it is coming from and what is causing it. My personal favourite is Fuel Check, which saves me hundreds of dollars a year. I am passionate about promoting Fuel Check as much as I can so that all motorists can save money. It is one of the most useful apps. There are almost 200 New South Wales Government apps, so there is one to suit everyone. All of them are accessible on the Service NSW website, including the Blue Book for babies and a range of emergency services apps. The art galleries have also been proactive. This is a worthy addition to a magnificent suite of digital initiatives by the Government and by Minister Victor Dominello, who is passionate about the facilitation of services.

We all know government services and the bureaucracy have built up historically, as has the legislation that this stands on—it is all incremental and built up over time. Victor Dominello is a Minister who has a vision for how to take these opportunities and plug them in so they are citizen-centric. Everyone talks about it, but this is a Minister who has actually been able to do it. He has been able to work effectively with the internal agencies to make that happen. Everything has been carefully developed and piloted, as we have seen in Dubbo. We on this side again thank all the fantastic citizens and organisations that have worked closely with government to make sure that we get this absolutely right and that every member in this Chamber can be assured that the legislation put before them today has been fully road-tested in Dubbo. It has also been fully embraced in Dubbo.

The Hon. Ben Franklin: "Road-tested"—I see what you did there.

The Hon. CATHERINE CUSACK: Thank you. We can be confident that this will be successful. I note that we have fantastic, albeit brief, support—it is nevertheless good support—from Labor. Crossbench members have also contributed with positive comments. We on this side thank them all for that. Once again I emphasise the importance of this bill, which will make New South Wales one of the leading jurisdictions in the world to offer digital driver licences and digital photo cards. This bill ensures a strong, considered legislative framework for the digital driver licence and digital photo card. The changes in this bill are largely consistent in intent with the physical licence and card but make changes where necessary to adapt to the digital world in which we now operate. I once again thank all members for their tremendous contributions and enthusiasm for this. I commend the bill to the House.

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

Motion agreed to.

Third Reading

The Hon. CATHERINE CUSACK: On behalf of the Hon. Don Harwin: I move:

That this bill be now read a third time.

Motion agreed to.

*Rulings***UNPARLIAMENTARY LANGUAGE**

The PRESIDENT (19:52): During questions without notice today I indicated on a point of order that I would reserve my ruling and that I intended to look at *Hansard* as to exactly what was said, by whom and when. Firstly, I thank Hansard for so promptly providing me with a copy of the transcript by the time I returned to my office after questions without notice. It is important that I go back to the beginning when I believe the issues arose to the time at which the point of order was called. The transcript reads:

The Hon. DON HARWIN: I have already made it very clear in my answer that they are not being diverted—they are not being diverted at all. As we all know, the Hon. Greg Donnelly is a bit grumpy this week because, unlike members of the Opposition when they have issues of a grave conscience facing them, we have—

The Hon. Walt Secord: You are attacking us from the Left again—the Harwin-Khan Government. Wakey-wakey, Fred.

The Hon. Scott Farlow: Point of order—

The Hon. Catherine Cusack: That is so rude. That is outrageous. You're a disgrace.

The PRESIDENT: Order! I call the Hon. Catherine Cusack to order for the first time.

The Hon. Scott Farlow: The Leader of the Government was trying to address the House and trying to answer the member's question. While he was doing that, the Hon. Walt Secord continually interjected and continually interrupted him. I ask that he be called to order.

The Hon. Greg Donnelly: To the point of order: I was listening very closely to the Minister's response and I did not hear anything other than the words from the Minister's mouth. If there was an exchange across the table I have to say I am not cognisant of it.

I accept that from the Hon. Greg Donnelly. It would be difficult for anyone to hear what was being said with the continual interjections that were occurring. The transcript continues:

The Hon. Catherine Cusack: Oh, you are outrageous too.

The Hon. Walt Secord: To the point of order: I do not actually know what the Hon. Catherine Cusack is objecting to. However, to suit the House I apologise to the House if anyone has taken offence at my comments saying "the Harwin-Khan Government". If that has caused offence on that side, I apologise. It is the Berejiklian-Barilaro Government. I made a political point and I apologise to the House if that is a problem.

The Hon. Catherine Cusack: To the point of order: I objected to the Hon. Walt Secord saying, "Wakey-wakey, Fred." I thought that was extremely rude and inappropriate behaviour and I reacted as a result.

At that point, as I indicated, I reserved my ruling in relation to the point of order. I went on to say:

I indicate to the Leader of the Government that he was starting to stray from being generally relevant to the question being asked when he wanted to make certain assertions in relation to the Hon. Greg Donnelly, and I ask him to cease that. The Minister has the call.

The Minister indicated that he would certainly do that. I indicate a number of rulings from previous Presidents. In 2013 then President Harwin indicated that a word "is offensive only if the member against whom it is said finds it offensive". In 1980 then President Johnson, and confirmed in 2009 by then President Primrose, states:

Exception to a remark made in debate must be taken by the member to whom the remark is directed.

I note that the remark was directed at Reverend the Hon. Fred Nile. However, the objection was taken by the Hon. Catherine Cusack. On that basis I do not propose to uphold the point of order.

*Personal Explanation***UNPARLIAMENTARY LANGUAGE**

The Hon. WALT SECORD (19:56): By leave: During questions without notice today there was a fiery exchange between me and the Hon. Catherine Cusack—and, although the *Hansard* record does not show it, the Hon. Natalie Ward—about comments I may or may not have made about Reverend the Hon. Fred Nile having a little kip in the Chamber. I apologise unreservedly to Reverend the Hon. Fred Nile if I have caused any embarrassment or have offended the Chamber or the President. I also thank Hansard for promptly providing the transcript to the President.

The PRESIDENT: I thank the Hon. Walt Secord for the apology. I am certain Reverend the Hon. Fred Nile is also thankful for the apology.

*Budget***BUDGET ESTIMATES AND RELATED PAPERS 2017-2018**

Debate resumed from 2 May 2018.

The Hon. BEN FRANKLIN (19:57): I have previously spoken in this place in support of the Pacific Highway upgrades and I do so again tonight. This is lifesaving infrastructure for the North Coast. The 2017-18 budget includes \$1.5 billion in State and Federal funding to continue this vital upgrade. This will include completing all projects between Port Macquarie and Glenugie near Grafton. It also includes continued construction between Glenugie and Ballina and planning for the future bypass of Coffs Harbour. Since 2011 the Government has spent billions of dollars on upgrades to the Pacific Highway, with the completion of 10 major projects. These major projects include the Ballina bypass, Banora Point, Tintenbar to Ewingsdale, Nambucca Heads to Urunga, Kempsey bypass and the Sancrox interchange.

Electorates right across New South Wales will benefit from increased funding to fix our country roads. The Government has committed \$8 million to commence the Gunnedah bypass and \$3.5 million to continue the upgrades to the Manilla Road. The Government will spend \$2.5 million on overtaking lanes for the Newell Highway, amongst other road developments in the Northern Tablelands electorate, thanks to Adam Marshall's passionate advocacy. Construction for the upgrade to the New England Highway at Bolivia Hill will commence with a \$17 million State and Federal investment, while construction on the long-awaited Clarence River bridge at Grafton will continue with an \$84 million injection of funding.

This is all part of a massive \$208 million contribution for major road upgrades specifically in regional New South Wales in the 2017-18 budget. I commend the Minister for Roads, Maritime and Freight, Melinda Pavey, for delivering a record roads budget, ensuring major projects such as these Pacific Highway upgrades continue to be funded. I acknowledge this Government's record investment in building world-class hospitals and health services for our State in the 2017-18 budget as well. We will deliver \$7.7 billion over the next four years to continue building new facilities, upgrade existing facilities and facilitate redevelopment. This will involve building four new hospitals and 15 hospital upgrades.

The Northern Rivers will benefit immensely from the new state-of-the-art hospital for Tweed Heads. This is an investment of \$534 million—half a billion dollars—in this new facility. Member for Tweed Geoff Provest has maintained a continuous campaign to ensure funding was delivered for this much-needed facility. I acknowledge him tonight for ensuring that this massive project has got off the ground. It is incredibly exciting. I commend Minister for Health Brad Hazzard for the incredible contribution he has made to regional health facilities in this State. Tweed Heads is a growing area that expects a 40 per cent population increase by 2031. This hospital will not only help improve health facilities in the region but also allow for sufficient health services for the growing population. The new hospital facility will include more overnight beds, more operating theatres, a larger emergency department, an integrated cancer care service and enhanced cardiac care services. This is an incredible project that will benefit the community for generations to come.

We have allocated \$29.5 million to complete the \$60 million Armidale Hospital redevelopment. This final funding will go towards more beds, medical technology and creature comforts for patients as the final construction stage gets underway. This is in addition to \$30 million to fully fund Inverell Hospital and fast-track its construction. This Government has also continued its commitment to the Lismore Base Hospital upgrades, with \$47 million committed for 2017-18 to complete the stage 3a and 3b upgrades. In addition, further funding has been committed for the stage 3c development, which includes the intensive care unit.

The far North Coast community will also benefit from round-the-clock availability of the NSW Ambulance helicopters, located at the Lismore base. We are continuing to fund the redevelopment of Gunnedah Hospital and the Macksville Hospital, along with other hospitals. We have also committed \$5 million to the commencement of the expansion of the Coffs Harbour Hospital. Port Macquarie Base Hospital will also receive a long-awaited expansion to its mental health unit with \$10.6 million secured in this magnificent budget.

But it is not just about health facilities. It is also about palliative care, something that my colleague the Hon. Bronnie Taylor cares about deeply, as does every member of this Chamber. Increased support for palliative care in New South Wales has consistently been on this Government's agenda, especially for regional areas. I am pleased that we will inject \$17.4 million into palliative care as part of a \$100 million palliative care package over the next four years. This is both welcomed and warranted. I acknowledge Minister for Health Brad Hazzard not only for a record health spend in this budget but also for focusing on health facilities in regional centres where they are greatly needed.

Preserving our environment for future generations has always been a priority for me and for this Government. That is why we have invested significant funds to protect and maintain our natural environment. Protecting koalas and koala habitats is a key item on this Government's agenda. The North Coast is home to key koala habitats, and we all know of the fragility of our dwindling koala population. This budget has delivered \$800,000 for koala conservation projects. This will fund projects which aim to address key threats to koalas in the Port Stephens, Campbelltown and mid-coast areas. It will also continue to support carers who are rehabilitating injured koalas.

This funding is in addition to the \$10 million this Government has committed to spend until 2021 to help koala habitats across the State. Last year I had the pleasure of joining Minister for the Environment Gabrielle Upton and member for Tweed Geoff Provest to announce that this Government is purchasing 100 hectares of land for koala habitat in Pottsville. This purchase will help secure koala populations in the Tweed area, an area where this iconic species is under threat. The Government is investing in important conservation work to help stabilise and eventually increase koala numbers across the State. We have more to do but we will continue our work to not only protect this iconic species but also provide continued support for a flourishing future with this welcome funding.

Also in the Environment portfolio, this financial year the Government launched its Container Deposit Scheme [CDS]. The CDS will be an environment game changer in this State. It is the largest litter reduction initiative to be introduced in New South Wales and a scheme which every person can participate in with pride and enthusiasm. This scheme was launched on 1 December last year. Anyone can return an eligible drink container to an approved collection point to receive a 10¢ refund. From an environmental perspective, this scheme will help reduce the 160 million bottles that are littered in our environment each year. In addition, the deposit scheme is also a great fundraising opportunity for schools, charities and community and sporting groups. There are reverse vending machines across northern New South Wales in Lismore, Byron Bay, Casino, Glen Innes, Inverell, Gunnedah and Port Macquarie, to name just a few places. I am excited that a reverse vending machine was opened a few weeks ago at the Mullumbimby Ex-Services Club. These machines are in addition to numerous collection points across the region, including in Bingara, Barraba, Port Macquarie, Kempsey.

This House knows well that the arts and support for the arts, especially in regional areas, are close to my heart. I am delighted to see that in the 2017-18 budget arts and culture funding has increased to \$639 million. This will fund major arts projects and precincts and provide continued support for the arts and screen industries. A highlight of the 2017 Arts budget is the \$100 million Regional Cultural Fund. Our regional areas are rich in the arts and creativity. This must be fostered to ensure that our regional artists thrive. The North Coast, as was shown in a study just this week, is an area especially rich in the arts.

Early last year I had the pleasure of launching Artstate, the State's first regional arts conference. The conference was held in Lismore late last year, with the next one to be hosted by the great New South Wales country town of Bathurst. I praise Minister for the Arts Don Harwin on his tireless and vital support of this initiative. It will have a deep and lasting impact on regional culture for many years to come. The more we support our regional artistic talent, the more our communities will benefit. The Regional Cultural Fund is something to be celebrated. The fund of \$100 million will be spent over the next four years to build and upgrade arts and culture facilities in regional areas. This includes theatres, galleries, museums or any other space to ensure that arts and culture thrive in our regional areas.

But it is not just about the arts, because this Government also knows the value and role of local sporting activities for families and especially children in regional New South Wales. That is why the 2017-18 budget has committed \$207 million over the next four years to provide \$100 rebates to families for children's sporting and fitness costs in the Active Kids rebate program. Sport is a part of everyone's childhood. From school cross-country running to Saturday morning football, we have all been there and taken part. The benefits are great, not only for one's health but also as an activity that teaches our kids important social skills. Registration and lesson fees add up and can be a substantial impost on families. The Active Kids rebate will lower the cost for every schoolchild to play sport, making sport more accessible and delivering to families by reducing barriers to healthy activity.

Last year I had the pleasure of announcing \$20,000 in funding for the Byron Bay Red Devils Rugby League Club to assist in refurbishing facilities on the club grounds. I commend the work of club President Ben Webber on his incredible leadership of this project, which has resulted in some great facilities for the Red Devils. This club, along with many other sporting clubs throughout the region, is a vital community hub. I look forward to children and families making the most of these facilities and embracing local sport activity with the assistance of the Active Kids rebate.

In conclusion, I am proud to say that we have delivered a strong budget which not only supports New South Wales as an economic powerhouse but also has regional New South Wales at its heart. Again, I commend Treasurer Dominic Perrottet for what is an excellent budget for the people of New South Wales and particularly regional New South Wales. Finally, I congratulate my northern New South Wales parliamentary colleagues on their tireless advocacy for their local communities. From Lismore's Thomas George to Port Macquarie's Leslie Williams, from Andrew Fraser in Coffs Harbour to Kevin Anderson in Tamworth, these North Coast Nationals members of Parliament are standing up for their communities, passionately advocating for their needs and delivering in spades for the people of northern New South Wales.

The PRESIDENT: Order! I remind members that it is not in the interest of members to interject, nor is it in the interest of the member with the call to encourage interjections.

The Hon. BRONNIE TAYLOR (20:09): The 2017-18 budget indicates another year of good news for regional, rural and remote New South Wales, as the Liberal-Nationals Government continues to deliver the infrastructure and services those communities need most. The former Labor Government is now seven years in our rear-view mirror but regional communities will never forget Labor's neglect, particularly when they are surrounded by the ongoing investment by this Government. New South Wales is now in an extraordinarily strong budget position, thanks to the good management of the O'Farrell, Baird and Berejiklian governments. Across New South Wales, we are seeing the benefits of strong surpluses, negative net debt, a growing net worth, a triple-A credit rating, low unemployment and record investment in services and infrastructure.

In country areas, the Deputy Premier's Regional Growth Fund represents once-in-a-generation investment in the future of regional communities. Wherever I go to southern New South Wales, people are talking about the opportunities available to them thanks to the fund. Regional New South Wales is already on the up. Since 2015 almost 53 per cent of new Australian regional jobs have been created in regional New South Wales. The unemployment rate across regional New South Wales is 5.3 per cent, the equal lowest in years. The fund will see the State supercharge economic development and prosperity for regional communities. It builds on the unique skills, natural resources and endowment of each region. Projects such as the water supply, sewerage works and roadworks help deliver jobs under the Growing Local Economies fund. Playgrounds, community halls and visitor amenities are part of the Stronger Communities Fund, which makes our communities more beautiful places to live.

The Regional Cultural Fund supports cultural spaces to ensure the creativity of our communities is not hampered by their distance from Sydney or Canberra. Since coming into government, the Liberal-Nationals have not only allocated money across the State to ensure that all communities get their fair share but have also done it smarter. The Regional Growth: Economic Activation Fund is yet another example of how this Government is doing it better. Instead of councils and other local organisations spending endless time on applications only to get rejected time after time, the Government has adopted a collaborative approach to identify the strongest projects and work to build the business cases to ensure that the best outcomes are reached. It is hard to believe that in 2018 that is something to be remarked upon, but it is, and I am proud that this Government is making these changes to the funding programs to be a better partner to the wider community. There is a lot of work to be done to get these projects delivered on the ground, but the money is starting to flow out, the work is beginning and the positivity and optimism are palpable.

As Parliamentary Secretary for Southern NSW and Regional Communications, I am pleased that the 2017-18 budget reflects the exciting future in store for our region. In Health, a number of exciting projects are kicking off or continuing development. There is a further \$6.1 million to continue the Wagga Wagga Base Hospital redevelopment. The expansion of the Albury Wodonga Health Emergency Department has commenced. The Goulburn Base Hospital redevelopment will deliver first-class care in purpose-built facilities long into the future. Major works are starting at Bowral Hospital, including the development of modern theatres and inpatient wards for maternity and paediatrics, more single-patient rooms with ensuites, improved facilities for patients and staff, new medical equipment and a new main entrance.

Planning for Tumut Hospital and Griffith Base Hospital is underway. The Griffith community made its voice well heard about its need for a new hospital. Adrian Piccoli and Austin Evans have done a great job advocating for their community and will continue to do so. The Griffith Base Hospital redevelopment proposal includes upgrades to ambulatory care clinics, treatment spaces and critical care services, as well as improvements to access and parking. Daryl Maguire was elated to be able to deliver the funding to get planning underway for the redevelopment of Tumut Hospital, which is a 117-year-old building, and will keep pushing to see the new hospital delivered. All this activity is only part of the 70-plus major upgrades to health infrastructure that the Liberal-Nationals Government has delivered since 2011. But this Government is investing not only in bricks and mortar: recurrent funding for health is also up, with boosts to medical staff numbers, including 2,250 nurses and midwives, 850 doctors, 600 allied health professionals and 800 hospital staff. There is money for additional specialist positions, including 55 specialist nurse midwives and 10 mental health clinical nurse educators, and for additional training positions and scholarships.

There are two issues that are really tough for a lot of country communities: access to palliative care services and mental health services. The 2017-18 budget committed \$100 million over four years for additional palliative care initiatives. That is fantastic. There are 300 scholarships available for palliative care training in regional and rural local health districts, and eight additional positions for palliative care specialists in rural and regional locations. There is a need to develop this workforce to meet what will no doubt be increasing demand as the population ages. This is a great initiative of the Government. There might always be more for us to do in palliative care, but I hope that palliative care patients and specialists know that we are working towards better outcomes for them. This week, as I launched National Palliative Care Week, I felt that palliative care workers in New South Wales do feel that they are being heard.

The New South Wales Government is also investing a record \$1.9 billion in mental health this year. We are investing in the workforce, enhancing specialist community mental health teams and investing in social investment initiatives that help prevent re-hospitalisation. The Connecting Country Schools program, which the Hon. Sarah Mitchell spoke about today in question time, is an amazing initiative. The program helps provide fast and reliable wireless to students in more than 900 schools across country New South Wales. The pilot is underway, including at Griffith East Public School. I am happy that all students will see the benefits of better connectivity in more than 13,000 learning spaces around the State. It was tremendous to be part of that this week and see the kids engaging and interacting. This program is making an incredible difference to our country schools. It is shortening the divide. That is exciting.

I urge members from both sides of the Chamber to look at what is going on in our country schools with this connectivity program. We should all be very proud of it. The 2017-18 budget is full of the fantastic investment in roads, rail and transport that the Liberal-Nationals Government is so strong on delivering. Freeways, highways, main roads, country roads and bridges across regional New South Wales keep the State moving forward, and we continue to invest in the future of our State through this spending. A few fabulous investments in southern New South Wales worth mentioning include the \$22.8 million to continue work on the upgrade of Gocup Road between Gundagai and Tumut; the \$9.5 million for improvements to the Barton Highway; the \$7 million for the Newell Highway at Grong Grong for a safer, more efficient highway—

The Hon. Dr Peter Phelps: Good old Grong Grong.

The Hon. BRONNIE TAYLOR: Good old Grong Grong, that is right. In 2017-18 the Government committed \$7 million to the new bridge at Echuca Moama, in conjunction with the Federal and Victorian governments. That investment will remove the final weight-restricted bridge on the Cobb Highway and open up an additional 600 kilometres to heavy vehicles. We can all still remember the dreaded Road Transport Authority experience but, happily, that is now a thing of the past, with the fantastic Service NSW proving extremely popular with customers.

The Hon. Dr Peter Phelps: Especially in Queanbeyan.

The Hon. BRONNIE TAYLOR: Yes, they love it in Queanbeyan. I just love it. Holly went to get her licence there and it was all so well done.

The Hon. Dr Peter Phelps: They're so nice there.

The Hon. BRONNIE TAYLOR: So good. Service NSW is continuing its rollout, with 24 new centres across regional New South Wales expected to be in action by 2019, including at Finley, Hay, Narrandera, Wentworth, Tumut and West Wyalong amongst those in the works in southern New South Wales. The popularity of the centres is amazing. For people in rural and regional New South Wales, being able to visit one of those shopfronts or call the one-contact centre breaks down isolation barriers. To be able to complete any one of the 970 transactions from 50 agencies is amazing and the centres are a great credit to the Government and to the hardworking staff who man them. There is a \$20.1 million investment in 2017-18, and it is worth every single cent. We are also investing in the future of agriculture—one of our favourite subjects—building on the optimism in the industry with strong prices and markets, even if there has not been quite enough rain. Did members see the wool price go up yesterday on the commodities market? That is a fantastic trajectory.

The Hon. Dr Peter Phelps: Declaration of interest.

The Hon. BRONNIE TAYLOR: Yes, I declare an interest—we are wool producers. But I am a proud wool producer and I would imagine there is a lot of wool in this Chamber tonight in suits, socks and ties. That is just fantastic.

The Hon. Dr Peter Phelps: There's a lot of polyester in ties here this evening.

The Hon. BRONNIE TAYLOR: I hope there is more wool than polyester.

The Hon. Greg Donnelly: Daniel Mookhey is not in the House.

The Hon. BRONNIE TAYLOR: I acknowledge the interjection. There is \$15 million over four years for the AgSkilled Training Strategy, helping to attract and retain workers in our industry, and \$65 million over 10 years for research and development with the Grains Research and Development Corporation, including in Wagga Wagga. Australia has always led the way with our research and innovation and it is heartening to see us partner with the GRDC to extend its research. For all the things we say about agriculture, it is a really exciting time in southern New South Wales.

We would have liked more rain but we have great farmers who are great innovators. They are proud of what they do. They are an incredible bunch of people and I am heartened and excited that so many young people

want to become involved in agriculture and be part of the industry. It is absolutely terrific. Southern New South Wales shines with our world-renowned wool, our beef, our lamb—everything. It is just fantastic. Overall, the budget offers so much for mighty southern New South Wales and regional New South Wales more generally. With John Barilaro leading the charge, The Nationals are delivering for communities around regional New South Wales.

The Hon. Dr Peter Phelps: He's fantastic.

The Hon. BRONNIE TAYLOR: He is fantastic. The jobs, confidence and facilities that the Government is pouring into regional New South Wales cannot be underestimated or understated. It is being done in an economically sound way, setting up the State for a stronger future. I am extremely proud to be part of the Government that is delivering this budget. Sometimes we forget about the state of our roads, hospitals, schools and communities at the end of 16 long years of Labor—it was not pretty. The fact is we have done much to repair that in seven years. There is still plenty more to be done, and this budget is another big step down that road.

The Hon. WES FANG (20:23): The New South Wales economy is outperforming every other State economy in the nation. We have recorded the lowest unemployment rates in Australia, have averaged \$2 billion in budget surpluses and have affirmed our triple-A credit rating. Our net debt is at a record low. That is the sort of record that members on the other side of the Chamber would love to be able to claim, but they cannot. It has taken the Nationals-Liberal Government to do this. The reforms that the Government has put in place over the past six years are paying dividends and we are reinvesting those windfalls in our communities. Over the past two years we have seen that more than 40 per cent of jobs are coming out of regional areas. With the rural and regional population expected to hit 3.4 million by 2031, it is crucial that we invest in forward-thinking infrastructure to prepare for future growth.

To that end, the new \$1 billion Economic Activation Fund—reserved from the Government's infrastructure investment fund Restart NSW—will revitalise regional town centres, improve tourism access and amenities for visitors and boost growth by way of investment in critical infrastructure. Although I could discuss the countless ways in which the budget is continuing the good work of the Government and delivering for the people of New South Wales, I will focus primarily on three areas: health, roads and the arts. The Nationals-Liberal Government supports the arts. We on this side of the House support the arts, especially in rural and remote communities because we appreciate the value that an arts culture brings to those communities. Record investment of more than \$550 million—

The Hon. Bronnie Taylor: How much?

The Hon. WES FANG: It is \$550 million, which will be delivered in 2017-18 to continue the Government's unprecedented health capital works program. Specifically, in this year's budget more than \$190 million has been allocated to continue the investment in Armidale, Ballina, Broken Hill, Bulli, Dubbo, Grafton, John Hunter, Lismore, Manning, Muswellbrook, Parkes, Forbes, Port Macquarie, Singleton and Wagga Wagga hospitals. But it does not stop there. We recognise that more needs to be done and so we have invested a further nearly \$48 million towards the commencement of the redevelopment of rural and regional hospitals at Albury, Coffs Harbour, Cooma, Goulburn, Inverell, Lismore, Shellharbour, Wyong and Wagga Wagga stage 3.

Debate adjourned.

Bills

ELECTORAL FUNDING BILL 2018

First Reading

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

The Hon. BEN FRANKLIN: On behalf of the Hon. Don Harwin: I move:

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

Motion agreed to.

Second Reading Speech

The Hon. BEN FRANKLIN (20:28): On behalf of the Hon. Don Harwin: I move:

That this bill be now read a second time. New South Wales already has the toughest political donations laws in Australia. Under the New South Wales Liberal-Nationals Government, that will continue to be the case. The Electoral Funding Bill 2018 repeals and replaces the Election Funding, Expenditure and Disclosures Act 1981. It implements a range of reforms that have been recommended by an independent panel of experts and by this Parliament's cross-party Joint Standing Committee on Electoral Matters. The bill introduces the strongest, most

transparent political donation laws this State has seen. Together with the Electoral Act 2017, the bill delivers on the Government's commitment to review and reform the State's electoral and electoral funding laws and increase the integrity, transparency and accountability of political donations in New South Wales.

In May 2014, the Government announced the appointment of an independent panel of experts, chaired by Dr Kerry Schott, to consider and report on options for the long-term reform of the State's electoral funding laws. The expert panel was asked to consider "the best way to remove any corrosive influence of donations in New South Wales". The panel delivered its final report in December 2014. While the panel supported the key pillars of the current electoral funding regime, it made 50 recommendations to strengthen the existing framework. The panel's central finding was that the Election Funding, Expenditure and Disclosures Act 1981 had become complex and difficult to administer due to a series of ad hoc amendments. The panel's first recommendation was that the current Act be comprehensively reviewed so that it is simpler and easier to understand, with clear policy objectives.

In March 2015, the Government accepted 49 of the panel's 50 final recommendations in principle, subject to a further review by the Joint Standing Committee on Electoral Matters. In June 2016, the committee finalised its inquiry into the panel's final report. The committee endorsed 44 of the panel's 50 recommendations in principle. The committee shared the panel's view that the current Act should be comprehensively reviewed and rewritten to ensure that it achieves its objectives. The Electoral Funding Bill 2018 is the culmination of the work of the expert panel and joint standing committee. The bill implements the vast majority of the recommendations for reform that have been made by the expert panel and the committee for a stronger and more transparent electoral funding scheme.

The bill before the House today benefits from the input of the NSW Electoral Commission and the many organisations and individuals who made submissions to the expert panel and to the joint standing committee. I thank them for their contributions, which have been crucial in the development of these landmark reforms. The bill does not substantially change the foundations of the current New South Wales electoral funding regime, which is the toughest in the country. Rather, the bill introduces targeted reforms to increase the integrity, transparency and accountability of political donations in New South Wales.

I turn now to the specific provisions of the bill. As I have mentioned, the bill repeals the Election Funding, Expenditure and Disclosures Act 1981 and replaces it with a new, modernised Act. The bill preserves the key pillars of the current regime, namely, disclosure, caps on donations, limits on expenditure and public funding. In substance, there is much that this bill carries over from the current Act. In outlining the bill, I will highlight those aspects of the bill that introduce key reforms. Part 1 of the bill contains preliminary machinery provisions and the objects of the Act. Part 2 contains definitions to outline key concepts. Clauses 5, 6 and 7 provide definitions of "political donation", "reportable political donation" and "electoral expenditure". Clause 4 contains a list of other defined terms used throughout the bill, including a new definition for "associated entity", being a corporation or other entity that operates solely for the benefit of one or more registered parties or elected members.

Part 3 of the bill is concerned with political donations and electoral expenditure. It does not substantially change the existing requirements in relation to disclosure of political donations and electoral expenditure, caps on political donations for State and local government elections, caps on electoral expenditure for State election campaigns, obligations in relation to the management of donations and expenditure, and prohibitions of certain donations. However, the bill introduces a number of important reforms to strengthen the existing framework.

I will first outline some of the key reforms to the disclosure requirements, caps and bans applicable to political donations. First, "reportable political donations", meaning a donation of \$1,000 or more made in the six-month period before a State general election, will be publicly disclosed shortly after they are made. This is provided for in clause 15 (1) (a), which requires that the donations be disclosed within 14 days after being received or made. Reportable political donations made or received outside the six-month pre-election period will be disclosed within four weeks after the end of the quarter in which the donation was received or made.

Currently, political donations are required to be disclosed only once a year. That means that there can be a delay between when a donation is made and when that donation is disclosed to the public. The expert panel and the Joint Standing Committee on Electoral Matters strongly supported more timely disclosure of political donations in the interests of increased transparency. The bill implements these recommendations and will ensure that New South Wales voters are given access to the sources and amounts of reportable political donations before an election. The bill also implements the expert panel's recommendation that political parties be required to disclose the terms and conditions of reportable loans, other than loans from financial institutions. This is provided for in clause 19 (6). The expert panel considered this very important to ensure that all loans are legitimate and that they are not being used to circumvent the caps on political donations.

The bill maintains the current caps on direct political donations, which are provided for in clause 23 (1). Donations to registered parties and groups are capped at \$6,100, and donations to elected members, candidates,

third party campaigners and associated entities are capped at \$2,700. The bill increases the caps on indirect campaign contributions so that they are consistent with the caps that apply to other political donations, as recommended by the expert panel and joint standing committee. This is provided for in clause 47 (3) (c) and (d). The bill also clarifies how a party-endorsed candidate's own contributions to a party's campaign are to be treated.

Clause 26 (3) provides that an endorsed candidate for a Legislative Assembly election may contribute an amount up to the party's expenditure cap for a particular electoral district, as specified in clause 29 (12) (a), and that this is to be disregarded for the purposes of the caps on donations. Clause 26 confirms that the candidate may self-fund their own campaign up to the amount of the expenditure cap for the candidate's campaign. In addition, the candidate may self-fund the amount parties are able to spend on their particular electoral district up to the cap on expenditure by parties in a particular electoral district. Similarly, clauses 26 (5) and (6) permit contributions of up to \$50,000 by Legislative Council candidates to his or her party or group.

The bill implements the expert panel's recommendation that small, anonymous donations be exempt from the provisions which aggregate multiple political donations from the same donor. The expert panel found that, as a practical issue, aggregation of small anonymous donations is onerous and has little benefit. An exemption from the aggregation provisions is provided by clause 57, which applies to single political donations of \$50 or less made by a person at a fundraising venture or function. I note that the expert panel also recommended that parties be required to identify where a political donation has been solicited by or made for the direct benefit of an endorsed candidate. This recommendation raises a number of practical issues and potential difficulties, such as how a donation should be treated if made at a function featuring a number of candidates. The Government intends to refer this issue and how the disclosure requirement might operate in practice to the Joint Standing Committee on Electoral Matters for further consideration as part of its review of the 2019 State election.

Division 5 in part 3 deals with requirements for the management of political donations and electoral expenditure by parties and other electoral participants. Political donations to or for the benefit of party-endorsed members, candidates and groups will be required to be paid to the party agent and paid into the party's campaign account. Of course, if a political donation is to or for the benefit of an endorsed candidate, member or group, the donation will count towards the cap on donations for the candidate, member or group under clause 23 (1) and will not count towards the party's cap. Electoral expenditure for the benefit of party-endorsed members, candidates and groups will also be required to be paid from the party's campaign account.

Divisions 6 and 7 in part 3 preserve existing prohibitions on certain political donations, including donations from property developers and tobacco, liquor and gaming businesses. However, clause 53 (1) strengthens and clarifies the current definition of a prohibited property developer. These amendments have been developed following issues raised by the NSW Electoral Commission. Individuals who are carrying on the business of property development will be prohibited donors, not just corporations. This is consistent with the position of the NSW Electoral Commission, which has advised that the definition should be extended to include individuals as well as corporations that carry on a property development business.

The requirement for the property developer to be regularly involved in making planning applications will be replaced with clear and specific criteria, namely, if they have had three or more relevant planning applications determined within the last seven years. This is to address difficulties with determining whether a particular business regularly involves the making of relevant planning applications, which is part of the definition in the current Act. In addition, the Government is closing a loophole in the existing provisions, as introduced by the former Labor Government, to ensure that a property developer is prohibited from donating before a relevant planning application is lodged.

Clause 58 provides for the recovery of unlawful political donations by the NSW Electoral Commission. It includes a new provision in clause 58 (3), which provides that if a person makes a political donation and becomes a property developer within 12 months, they must double the amount of the donation to the State. This is to address the risk of actual or perceived corruption or undue influence from the making of political donations by persons who intend to make relevant planning applications but who are not captured by the definition of "property developer" at the time of making a donation. There is no change to the purpose of the provisions, which is to reduce the risk of undue or corrupt influence in the area relating to planning decisions. This is consistent with the approach adopted by the High Court in its decision in *McCloy*.

The bill introduces changes to the existing scheme of party and official agents for the disclosure and management of political donations. The changes are designed to address the concerns of the expert panel and Joint Standing Committee on Electoral Matters about ensuring that candidates and elected members are responsible for compliance with the regime. The expert panel's view was that the current scheme of party and official agents should be abolished and that candidates and elected members should be directly responsible for compliance with the Act. However, the joint standing committee considered that it could be helpful to have one contact point within

a party for compliance issues, while agreeing that candidates and members should ultimately be responsible for compliance.

The bill implements the committee's recommendation by removing the official agent role for elected members and candidates. Clause 14 identifies the person who is responsible for making disclosures of political donations and expenditure. For party-endorsed members and candidates, the party agent will generally be responsible for disclosures. The party agent will be required to be a senior office holder of the party. In the case of elected members and candidates who are not endorsed by a party, the member or candidate will be responsible for his or her own disclosures. For endorsed local government candidates and members, the default position will be that the member or candidate is responsible for the disclosures, but the party agent can opt in and agree with the member or candidate to become the person responsible. The party agent, elected member, candidate or group will also be permitted to withdraw this consent. This revised scheme has been designed to balance the practical needs for one contact point within a party for compliance and the need for candidates and elected members to take more responsibility for compliance issues, as recommended by the joint standing committee.

The bill also requires enhanced disclosures to be made. Political parties will be required to identify electoral expenditure incurred substantially for the purposes of the election in a particular electoral district. This will improve transparency and ensure that compliance with the relevant caps on electorate-based expenditure can be monitored. The expert panel recommended that "associated entities" of political parties should have the same disclosure obligations as political parties. This is implemented by clause 12 (1). In addition, the bill makes clear that things done by a body that is controlled by a political party are deemed to have been done by the political party. Political donations received or electoral expenditure incurred by associated entities controlled by a political party will be required to be disclosed by the party.

The bill also implements the expert panel and joint standing committee's recommendations that the electoral expenditure of a political party and its associated entities be aggregated for the purposes of the party's expenditure cap in order to remove opportunities to avoid the caps. Division 4 in part 3 of the bill generally preserves the existing caps on electoral expenditure for State election campaigns. It also implements the expert panel's recommendation to reduce the amount of the current cap on electoral expenditure by third-party campaigners to \$500,000. Currently, third-party campaigners who register before the start of the six-month capped expenditure period are subject to an expenditure cap of more than \$1.2 million. The expert panel and joint standing committee both examined the amount of the cap in detail. The expert panel considered that third-party campaigners should have sufficient scope to run campaigns to influence voting at an election—just not to the same extent as parties or candidates. The proposed caps will allow third-party campaigners to reasonably present their case while ensuring that the caps are in proportion to those of parties and candidates who directly contest elections.

Clause 35 implements the expert panel and joint standing committee's recommendation that third-party campaigners be prohibited from acting in concert with others to incur electoral expenditure that exceeds the expenditure cap. Third-party campaigners should not be permitted to engage in conduct to circumvent spending caps. The anti-avoidance offence in clause 35 is important to maintain a fair and balanced electoral contest and to ensure the integrity of the expenditure caps. The bill removes a provision in the current Act that required certain expenditure caps for associated parties to be aggregated, and which had the inequitable result that associated parties' expenditure caps were aggregated even when they endorsed different candidates in the same electoral district. The bill also introduces caps on electoral expenditure for local government election campaigns as currently apply for State election campaigns. The Government foreshadowed these reforms when it extended the caps on political donations to local government campaigns in 2016. These caps are lower than those applicable to State elections, reflecting the lower number of voters, smaller geographic areas and traditionally much lower spending levels in local government elections.

Legitimate concerns have been raised by the member for Lake Macquarie in the other place and reflected in amendments circulated by The Greens in this Chamber about the impact of the expenditure caps on local government areas with different populations. We take these concerns seriously and thank the relevant members for raising them with the Government. The issues that were raised are complex, given that some items of expenditure, such as newspaper advertisements, are generally fixed in cost, while the cost of other items, such as printing flyers, will depend on the number of electors in a specified area. It is not necessarily the case that it is appropriate for the cap amounts to bear a direct linear relationship to the number of electors in a given area.

The Joint Standing Committee on Electoral Matters is best placed to consider the impact of the expenditure caps on different local government areas in consultation with stakeholders. The Government proposes to refer this matter and the proposals contained in the amendments circulated by The Greens to the Joint Standing Committee on Electoral Matters for inquiry. The referral will call into question the requirement for caps on electoral expenditure, but will look in detail at the impact of the caps on different local government areas. The

committee will also be asked to consider the impact of the proposal to remove the existing restrictions on the use of party subscription fees in the context of its inquiry.

Under the current Act, the expenditure caps apply to "electoral communications expenditure", defined as "electoral expenditure" of certain specified kinds. The bill implements the expert panel's recommendation that all electoral expenditure incurred for the purpose of influencing the voting at an election be caught by the caps, and simply applies the expenditure caps to "electoral expenditure". The expert panel considered that this would avoid some of the complexities in the current Act and would allow parties to choose which activities best suit their campaigns free from financial incentives to engage in particular types of campaign activities.

I now move to part 4 of the bill relating to the public funding of State election campaigns, and outline the key changes to the current model. First, the bill implements the joint standing committee's recommendation that the "dollar per vote" model of campaign funding that applied for the 2015 State election be continued for future elections. This model was considered a fairer way of distributing public funding as entitlements are directly related to electoral results and, by extension, public support. It requires candidates and parties to make more responsible expenditure decisions based on an assessment of their prospects at the election, and is also the model used in other Australian jurisdictions.

Under this model, parties that meet the eligibility criteria for receiving funding are entitled to claim \$4 for each first preference vote in the Legislative Assembly and \$3 for each first preference vote in the Legislative Council. Parties that reach the 4 per cent threshold in the Legislative Council but endorse fewer than 10 candidates in the Legislative Assembly are reimbursed \$4.50 for each Legislative Council vote. Independent candidates that receive at least 4 per cent of the primary vote are reimbursed \$4 or \$4.50 for each first preference vote, depending on whether they ran in the Legislative Assembly or the Legislative Council. The dollar per vote amounts specified in the bill will be adjusted for inflation for the 2019 State election and for future elections, in accordance with clause 4 in schedule 1. Funding is capped at the amount of actual campaign expenditure in the nine-month period from 1 July before the election.

The bill also implements a number of other funding reforms in accordance with the recommendations of the expert panel and the joint standing committee. Advance payments to parties from the Election Campaigns Fund will be increased from 30 per cent to 50 per cent of a party's entitlement at the previous election. Further, the current requirement for double-auditing of disclosures of political donations and electoral expenditure and claims for payment of public funding has been removed, with the NSW Electoral Commission continuing to be responsible for the auditing of the disclosures and claims. Importantly, parties and candidates will not be entitled to election campaign funding—other than advance payments—administration funding or new party funding while there is any failure to lodge a disclosure of political donations or electoral expenditure, or failure to provide annual financial statements.

Part 5 of the bill provides for public funding for certain parties and independent members for administrative expenditure and policy development expenditure, as provided for under the current Act. As to policy development expenditure, the bill renames the Policy Development Fund as the New Parties Fund to better reflect its aims. Consistent with the expert panel's recommendation, clause 85 provides that electoral expenditure incurred during a capped State expenditure period is reimbursable from the New Parties Fund.

Division 2 of part 5 contains provisions dealing with public funding for certain parties and members for administrative expenditure. The division largely reflects existing provisions under the current administration funding regime. However, the bill implements a recommendation of the joint standing committee in its report on the administration of the 2015 State election that the caps on administration funding be increased by specified amounts. The committee considered that the increased caps should be in place in recognition of the increased administrative burden placed on registered political parties. The bill implements the increases recommended by the committee, expressed as quarterly rather than annual amounts, and makes other changes to provide for entitlements to be calculated on a quarterly basis.

Part 6 of the bill contains provisions relating to the obligations of registered political parties and senior office holders. Part 6 implements a number of recommendations made by the expert panel and supported by the joint standing committee. For example, political parties will be required to provide the NSW Electoral Commission with a list of their senior office holders and a summary of the roles and responsibilities of those office holders. A party will not be eligible for any public funding under parts 4 or 5 unless that list has been provided. Division 3 in part 6 codifies common law duties that already apply to senior office holders, who will also be required to report conduct they believe to be a breach of election funding laws to the NSW Electoral Commission. It will be an offence to fail to do so without reasonable excuse. Parties will continue to be required to provide annual audited financial statements to the NSW Electoral Commission.

Part 7 sets out the processes and procedures for the registration of candidates, associated entities, third-party campaigners, party agents and official agents. This part substantially replicates the relevant provisions in the current Act. Part 8 of the bill contains provisions dealing with certain financial matters, including to appropriate money from the Consolidated Fund for the payment of amounts from the Election Campaign Fund, the Administration Fund and the New Parties Fund. Part 9 contains provisions dealing with investigations and confers enforcement powers on the NSW Electoral Commission and its inspectors. These reflect existing investigative powers provided under the current Act, including powers to inspect and to require the provision of documents and information.

Clause 139 incorporates offences for obstructing an inspector in the exercise of his or her functions, and for failing to comply with a request of an inspector made under the provision. Part 10 of the bill contains provisions dealing with criminal and other proceedings. Division 1 in part 10 consolidates and streamlines existing offences under the current Act. These include offences relating to disclosures of political donations and electoral expenditure, assisting others to lodge claims or disclosures, caps on donations and expenditure and providing false or misleading information to the NSW Electoral Commission.

The bill retains the offence for schemes to circumvent electoral funding laws, doubled penalties for certain offences and an extended 10-year limitation period for commencing proceedings introduced by the Government in 2014 in response to the expert panel's interim report. In accordance with the expert panel's recommendation, the bill retains existing strict liability offences for failing to lodge a disclosure and failing to keep records, and introduces a new offence of lodging an incomplete declaration without reasonable excuse. Division 2 in part 10 contains provisions relating to proceedings generally.

Under clause 149, the maximum monetary penalty that the Local Court may impose for offences has been increased from \$4,400 under the current Act to \$22,000. Clause 151 allows civil and criminal proceedings to be brought against political parties that are unincorporated associations in their own name, as if the party were a corporation. Part 11 of the bill contains miscellaneous machinery provisions. Clause 153 confers the function on the NSW Electoral Commission of undertaking educational and informational programs to educate and inform elected members and candidates of their obligations under the Act, as recommended by the expert panel and Joint Standing Committee on Electoral Matters.

Clause 154 enables the NSW Electoral Commission to determine and issue guidelines for, or with respect to, any matters dealt with under the bill. Clause 157 permits the Electoral Commission to enter into compliance agreements with any person affected by the proposed Act for the purpose of ensuring compliance. Finally, schedule 1 to the bill contains provisions dealing with the annual adjustment for inflation of certain monetary amounts under the proposed Act. Schedule 2 contains savings, transitional and other provisions consequential on the enactment of the proposed Act. Schedule 3 makes consequential amendments to other legislation specified in the schedule. It also makes a number of law revision amendments to the Electoral Act 2017, and amendments to the Lobbying of Government Officials Act 2011 in response to the statutory review of that Act published in June 2017.

The bill preserves the foundations of the current New South Wales electoral funding regime—the strictest in Australia—while introducing important reforms to increase transparency, lessen the risk of corruption and undue influence, and promote compliance with electoral funding laws. The bill implements reforms that have been recommended by an independent panel of experts and by the Joint Standing Committee on Electoral Matters. They are the product of the rigorous inquiries and extensive consultation by both the expert panel and the committee. The changes will further the regime's objects of transparency and fairness, and the prevention of corruption or undue influence in the New South Wales elections. I commend the bill to the House.

Second Reading Debate

The Hon. ADAM SEARLE (20:53): I lead for the Opposition in debate on the Electoral Funding Bill 2018. The Opposition in this place will oppose the bill, as it did in the other place, if key amendments are not made that are necessary to ensure that the electoral laws of this State are fair and balanced, and do not seek to disadvantage one side of politics. We have been here before with the O'Farrell Government's changes made in 2012 that were struck down by the High Court of Australia in the case of *Unions NSW v State of New South Wales*. We oppose those elements of this bill that are only an attempt by this Government to obtain a partisan advantage. In stark contrast to the process of consultation that surrounded the electoral legislation—debated in November last year—we saw this bill for the first time only last week, so there has been a significant rush with this legislation. Given its technicality and its importance to the administration of elections, that is regrettable.

The core part of the legislation that we take issue with does not just disadvantage the so-called third-party campaigners, which in the context of New South Wales politics at present are predominantly on the progressive side of politics. They encompass trade unions, and environmental and other social groups. It is not just an attack

on progressive politics in this State, it is a front and centre attack on my party, the Australian Labor Party, the official Opposition, the alternative government, because many trade unions in this State—not all, but many—are affiliated to the Labor Party. That is, they are organically part of the political organisation. In terms of our party they are party units.

This attack is an attack directly on us. It seeks to disadvantage one side of politics. That is not just unfortunate, but it is unbecoming to the State of New South Wales and to a proper approach by government to the electoral laws. Electoral laws should be fair and balanced. They should be designed to survive the vagaries of the electoral cycle. They should be broadly based with firm foundations of acceptance across the political spectrum. It is regrettable that for the second time in this Government's eight long years in office that it is seeking to traduce that tradition of political balance in our electoral laws.

The object of the bill is said to be to provide provision for the disclosure, capping and prohibition of certain political donations and for electoral expenditure for both local government and State parliamentary electoral campaigns, and also to provide for the public funding of State parliamentary election campaigns. The bill follows—but is not actually the result of—a lengthy process. The bill's overview and government commentary point to the Schott report—and this was mentioned significantly in the Parliamentary Secretary's contribution—which is the short title of the final report on political donations by the panel of experts that was dated December 2014, and to two reports by the Joint Standing Committee on Electoral Matters.

These two reports were the June 2016 report on the "Inquiry into the Final Report of the Expert Panel-Political Donations" and the Government's response, and the committee's November 2016 report entitled "Report on the Administration of the 2015 New South Wales Election and Related Matters". There was also the December 2014 report by the Independent Commission Against Corruption entitled "Election Funding Expenditure and Disclosure in New South Wales: Strengthening accountability and transparency", which is relevant to these topics but largely discarded in the debate on this bill.

It is of some interest to look at the Government's rhetoric surrounding the legislation and to measure that rhetoric against the reality. In the second reading speech in the other place the Special Minister of State, and in this place the Hon. Ben Franklin, went to some trouble to identify the position advanced here by the Government with that of the Schott committee. He claimed the Government had adopted something like 49 of the committee's recommendations in principle. In this case "in principle" is simply an incorrect and misleading description. In this legislation the Government has unceremoniously dumped many of the key elements of the Schott report in the rubbish bin. We are not saying that every recommendation in that report should have been adopted. They should be properly assessed and supported or not on their merits.

The point I make is that the Government says, "We are implementing the Schott committee recommendations, and that is why you should vote for this bill." It is quite clear that they are not doing so and the hypocrisy should be dropped. The motivation for the hypocrisy is transparent, because while there is much in the bill that is either good or technically necessary—particularly the rewriting of the parts of the electoral laws that are outdated into modern language—the core rests on an attempt by the Government to gain partisan advantage. As I said, the Government says it is implementing the Schott committee recommendations but it is seeking to hide its real interest behind this window-dressing. To make good this point let us look at some of the key recommendations of the Schott committee which have been rejected in this bill. The bill institutes a dollar per vote model for public funding and rejects the funding linked to electoral expenditure model. This is exactly the opposite of what the Schott committee recommended.

The Hon. Ben Franklin: It was unanimously supported by the joint standing committee, including by Labor.

The Hon. ADAM SEARLE: That may well be the case, but the Government is hanging its hat on the Schott committee report. So, again, this is a departure. The Schott committee report pointed to the particular failure of the dollar per vote model—the Pauline Hanson expenditure, where she received \$200,000 in public funding because it was a dollar per vote model. She made something like \$165,000 profit, merely by seeking election. There is nothing in this legislation, as far as I can see, to stop that occurring here—although the funding is capped. The point is that the Government is departing from the recommendation. There are other issues, including a candidate's entitlement to be paid from the election campaign fund being paid directly to the candidate unless the candidate directs otherwise. That is not what is in the legislation. I will not go through all of the parts of the Schott committee recommendations that covered that area, but it represents another departure. Recommendation 18 of the Schott report was:

That the model for calculating entitlements from the Administration Fund which operated immediately prior to the 2014 amendments to the Act be reinstated.

That recommendation has also been departed from. Members can see a theme developing here—the Government is simply not recommending the recommendations. Other recommendations which proposed various roles for the Auditor-General have not been adopted by the Government. For example, recommendation 12 required:

That the electorate-based caps on expenditure by political parties apply to all expenditure which encourages or tries to persuade electors to vote for or against a candidate in a particular electorate.

This is aimed to extend the expenditure caught by the cap. As the report makes clear at pages 67 and 68, the only expenditure presently caught by this cap is advertising that mentions the name of a candidate contesting that electorate. That narrow definition is contained in the current Act. The Schott report suggested the narrow definition be broadened but the bill does not do that. Recommendation 40 was:

That the scheme of party and official agents be abolished and that candidates and elected Members be responsible for compliance with the Act.

Once again this is not what this bill does. The Government has picked what it wants from the various elements of the report to support the legislation it has put forward today. The Parliamentary Secretary started his contribution to this debate by saying that New South Wales has the toughest political donation laws in Australia and that the bill is in line with that tradition. That tradition started with a Labor Government. The legislation that Labor left in place is being built upon. But laws are only as good as their enforcement and the extent to which they are observed. One is entitled to be slightly cynical about the Government's claims, given that the major political party in this Government, the Liberal Party, is currently in court desperately trying to avoid some of the provisions of the existing law, with a present detour all the way to the New South Wales Court of Appeal.

In February this year the New South Wales Liberals were ordered to repay nearly \$250,000 after money given to the party by two wealthy candidates, Mr Ronney Oueik and the member for East Hills in the other place, were found to be illegal political donations. There were issues about breaches of caps and money not going into campaign accounts. On the facts, the breaches—the failure to observe the toughest political donation laws in Australia—were crystal clear. Notwithstanding this, the Liberal Party has disputed the obvious in the Supreme Court and has had to endure the orders against it. Compounding this, it is a matter of record that it has appealed to the Court of Appeal. It is particularly odd when the leading party in this Coalition Government is seeking to flout the laws in the highest court of this land.

As the Parliamentary Secretary observed, the structure of the scheme of this bill does not make dramatic changes to the current system. It repeals and replaces the Election Funding, Expenditure and Disclosures Act, but the primary elements of the current scheme are maintained: caps on donations, limits on expenditure, disclosure of donations and public funding. Various aspects of the current structure are amended—although not in every material respect according to the Schott report. One of the changes which is welcome is more immediate disclosure of reportable donations—those of \$1,000 or more—in the six-month period before a State election. Other provisions relate to time frames.

The legislation provides that disclosures are to be made and declarations lodged with the Electoral Commission in a manner and form specified in the regulations. Those regulations may provide for an internet-based system of lodgement of disclosures, which, hopefully, would speed matters up quite considerably. Whilst the more instant declaration is broadly welcomed, there is a possible problem with the regime. While a reportable donation is caught by the provisions, there is no apparent mechanism to deal with aggregation.

Another welcome change in the bill is that expenditure caps are extended for the first time to local government election campaigns. I noted the contribution of the Parliamentary Secretary, who referred these matters to the Joint Standing Committee on Electoral Matters. The caps are lower than for State elections, and would prohibit some of the extravagant election campaigns by conservative candidates in recent years. The varying types of council structures and their varying size means that it may be sensible for numerically different caps to apply to different local government areas. The result, however, is a capping structure for local government of bewildering complexity and some incongruities. For example—this may be an incomplete reading of the legislation—it appears that, under the bill, where a person runs for council they are caught by the regime of caps but, if, in those councils that have directly elected mayors, the person is also a candidate for mayor, they seem to have the benefit of the second cap as well. So there would be two caps for mayoral candidates. This creates an in-built incentive for every council candidate to run for mayor. I am sure that that was not the intention of the Government.

Mr David Shoebridge: Do they have to run two separate campaigns?

The Hon. ADAM SEARLE: I acknowledge that interjection, but the point is this is a product of haste and some infelicity in the drafting. These matters need to be dealt with.

Mr David Shoebridge: Or incompetence.

The Hon. ADAM SEARLE: Yes, the matters could be as a result of incompetence. The reality of this aspect of the bill is that the Government has been dragged kicking and screaming to adopt this reform. It had recommendations to do it a number of years ago but resolutely resisted implementing the reforms before the 2016 local government elections. Those of us who have been in Parliament for a while would remember the former Premier Mike Baird. He made the commitment that these new caps for local government would be in place. My party, the Labor Party, asked him questions during question time about whether those caps would be in place in time for those elections. He said that they would be, but of course they were not. The point is that these reforms would have been easy to achieve but the Government chose not to go ahead with them. The rhetoric from the Government is that it adopted the principle several years ago, but the Government could not bring itself to implement them before the last council elections. Its recalcitrance gave wealthy council candidates one last hurrah to try to outspend their progressive opponents.

When you look at the aggregated caps you see that there are higher caps for groupings of independent candidates compared to candidates endorsed by political parties. It is no mystery that, whether in metropolitan Sydney and in rural and regional New South Wales, members of the Liberal Party and Nationals members, or their fellow travellers, regularly seek election under the banner of being independent. It occurs on that side of politics much more than it does on our side of politics, where it is not entirely unknown but it is a rarity. The fact is that the legislation before the House today seeks to give yet another advantage to those of a conservative stripe in council campaigns.

Another significant change is the alteration to the definition of "property developer". Donations from property developers are of course prohibited. This has gone all the way to the High Court in the McCloy case, and was upheld. The current definition of property developer is, broadly speaking, a corporation or close associate of the corporation engaged in a business that regularly involves the making of relevant planning applications by or on behalf of the corporation in connection with the residential or commercial development of land with the ultimate purpose of the sale or lease of the land for profit. This has been the subject of criticism on the one hand for uncertainty and, on the other, on some occasions, for not including enterprises almost everyone else thought were developers.

Clause 53 of this bill introduces a new definition of "property developer" which includes an individual or corporation carrying on a business mainly concerned with the residential or commercial development of land, with the ultimate purpose of the sale or lease of the land for profit, and if they fulfil an activity test. That test is that in the course of that business one relevant planning application has been made by or on behalf of the individual or corporation and is pending, or they have made three or more relevant planning applications that have been determined within the past seven years.

The introduction of this activity test of one application creates the possibility of a loophole where the donor has not yet lodged the application. This is dealt with in other provisions of the bill. The definition probably creates greater clarity about who is or what is a property developer, but even in the formulation it is not free from doubt. It also seems potentially to narrow the category of those who will be found to be property developers. Our side of politics believes there would be merit in erring on the side of a wider definition. This provision seems to contain a simultaneous widening and narrowing. Of course, the net effect will be for the courts to determine.

The most controversial elements of the bill from the Opposition's point of view are in clause 29 (10) and clause 35. Clause 29 (10) imposes caps on third-party campaigners of \$500,000 for a general State election. If the third party was not registered before the capped State expenditure period commenced, there is a lower cap of \$250,000. This represents a substantial reduction in the current cap, which is a fraction under \$1.3 million. As I outlined, in practical terms this cap will impact only on progressive campaigning outfits—that is, on those persons and organisations by definition opposed to the current Government—not exclusively perhaps, but largely.

The largest body of organisations caught are trade unions in this State, although the scope will extend to environmental and other social campaigning groups. The Opposition sees this as a cynical and opportunist stunt by a tired conservative government terrified of the electoral contest in March next year. According to the Joint Standing Committee on Electoral Matters, at the 2015 election the Electoral Commission recorded three third-party campaigners whose expenditure was in excess of \$500,000: the Electrical Trade Union of NSW, which spent \$997,555; the NSW Nurses and Midwives' Association, which spent \$907,831; and Unions NSW, which spent \$843,283.

Mr David Shoebridge: How many of them supported the Government?

The Hon. ADAM SEARLE: None of them has supported the Government. All would be detrimentally and significantly impacted by these changes. Curiously, the next two highest amounts spent were attributed to the NSW Business Chamber, which spent \$490,375, and the NSW Minerals Council, which spent \$481,479.

Mr David Shoebridge: Just under \$500,000.

The Hon. ADAM SEARLE: Yes, just under \$500,000. Although they would on balance be supportive of the conservative side of politics and they spent less than the \$500,000 limit provided for in this bill, they would not be affected by the new cap. Even if this supposition about where these two groups would line up were wrong, the appearance is clear and the cynicism is breathtaking. The justification offered in the second reading speech is threadbare. As I said, the Government has made a half-hearted attempt to use the recommendations of the Schott committee to justify the lowering of the cap. That is nonsense.

Dating from before the last election, the only example of third-party campaigners the committee had from the 2011 election all spent less than \$500,000. Even though there were 16 registered third-party campaigners, if the third-party cap had been in place when the Schott recommendations were made, it would not have had an impact on the only examples the committee had before it. That was conceded on page 112 of the report, where the committee agreed that the quantum of the cap should be reviewed. Of course, four years later with inflation and increasing campaigning, who knows whether if the report were done today the committee would have recommended a cap higher than \$500,000. This represents cherry-picking a recommendation out of its time.

As there seems to be no serious argument that third-party campaigners would be able to participate in elections, the question is on what basis and according to what restrictions. This Government's approach appears to be based on its visceral hatred of trade unions. Members opposite do not think it is fair for ordinary people without money, power or influence to come together to organise to pursue their interests. That is obviously perceived as a threat to the rich and powerful, as represented in this place by the Coalition parties. They simply refuse to concede the legitimacy of unions and their concerned members acting in concert. The conservatives seem to think that we will have a balanced debate only when the voices of union members—that is, ordinary people working together—are silenced.

There are other broader reasons that third-party campaigners should not also be unduly limited in their participation in elections. Restricting participation by these groups means that election campaigns will be not only dominated but also monopolised by political parties. Despite the party-centric nature of any chamber of Parliament, that is unhealthy for democracy. The quality of democracy benefits from diversity of views and the ability to promote that diversity that comes from a third-party campaign. Of course, a campaign that seeks to influence, to engage on issues and to inform public debate may influence candidates and parties. However, it is independent of the party political system and is based on issues. That is a very healthy thing and, on balance, the restrictions proposed in this legislation are not healthy.

In conjunction with the issue of capping expenditure by third-party campaigners is the issue of third-party campaigners acting in concert, which is addressed in clause 35. That clause purports to declare unlawful in the broadest terms possible cooperation between third-party campaigners and anyone else where expenditure exceeds the newly reduced cap. This issue clearly will not be resolved in this Chamber tonight but in the High Court of Australia. There is no other provision in the bill that presents such a glaring example of an invitation to a High Court challenge. In their tone and intent, these provisions together represent the old combination act of seeking to ban trade unions or the unlawful oaths legislation used against the Tolpuddle Martyrs. It is an ideologically obsessive reaction to collective action that was addressed in only one paragraph dealing with the proposition in recommendation 32 (c) of the Schott report. There will clearly be difficulties of proof in establishing an offence against the proposed section. For that reason it appears to have been drafted incredibly broadly. Of course, that leads to bad law.

I will deal briefly with the case of Unions NSW, which dealt with the implied right to freedom of expression. I will not labour the Chamber with the entire history of the chain of cases from the High Court. Essentially, there was a line of cases prior to the Unions NSW case, the chief of which was *Lange v Australian Broadcasting Corporation*, which said that the freedom of political communication is limited to what is necessary for the effective operation of the system of representative and responsible government provided for by the Constitution. That raised an important question about whether that doctrine operated at the State level. The Unions NSW case found that it did based on the need for there to be a free flow of political communication in order that electors can form judgments. As Chief Justice Mason said in the ABC case, "Only by uninhibited publication can the flow of information be secured and the people informed." In the Australian constitutional context, this freedom of political communication is not an individual right as it is in America. However, it is a restraint upon the exercise of legislative powers by the Commonwealth and the States.

The question is whether a piece of legislation burdens the freedom of political communication in its terms, in its operation or in its effect. If it does burden in that way, is the burden reasonably appropriate and adapted or proportionate to serve a legitimate end in a manner that is compatible with the maintenance of a prescribed system of representative government? The aim was to limit political donations to natural persons and not, for example, trade unions—which of course involves ordinary people acting together through a device known

as a union. In that case, the provisions were said to address against the possibility of undue or corrupt influence being exerted.

The problem for the State of New South Wales was that it could not point to any evidence, research or basis to make good that proposition and so the legislation was invalidated by the High Court. A subsequent case involving former Greens leader Bob Brown and the State of Tasmania dealt with protest laws that were also found to offend against the implied freedom because they were not reasonably and proportionately adapted to secure a legitimate end consistent with a system of responsible government.

Here we have the slashing in half of the capped amounts that third-party campaigners can spend in this State. Who is impacted? The record is clear. It is predominantly trade unions and organisations on the progressive side of politics, particularly those that support the Australian Labor Party. I note that two of those three unions are not actually affiliated with the Labor Party. One is the peak group of unions in this State. The Nurses and Midwives' Association is not affiliated with the Labor Party, although the Electrical Trades Union is. It is clear to me that this legislation, in its effect if not necessarily in its intent—although I am doubtful about that—will disadvantage the progressive side of politics and the official Opposition parties. That is regrettable. It is unworthy of the Government and this Parliament to enact legislation in this form.

I do not see what evil the bill is seeking to address. When the Government is called upon to make good its case in the High Court it will be interesting to hear it answer why we need to slash amounts in half and disproportionately affect only one side of the political equation, what evil we are trying to guard against and how it is reasonably and proportionately adapted to securing the legitimate aims of the integrity of our system of representative democracy. When it faces that test I think those parts of the legislation will be found wanting. When we put forward amendments that seek to remove those parts from the bill I urge members to join us to secure bipartisanship for the whole of the legislation and to—

Mr David Shoebridge: Respect the Constitution.

The Hon. ADAM SEARLE: —respect the Constitution and make sure that the legislation is not partisan in its effect. We have other concerns of a more technocratic or administrative nature. I note that there has been discussion with the Government and other parties at an operational level as well as amongst parliamentarians. I note that Government amendments adopted in the other place have addressed some of those issues. However, Opposition amendments will deal with others, such as the unwanted restrictions proposed for third-party campaigners. We will also propose a range of less dramatic but nevertheless important changes that are designed to improve the operation and integrity of our electoral laws and the processes they regulate.

In conclusion, I hope that by the end of this debate the issues are resolved and that the official Opposition is able to join with the Government to support the passage of the balance of this legislation through the Parliament. As I indicated at the outset, if we cannot secure the changes that we regard as fundamental to a fair and balanced system of electoral laws we will be unable to support the third reading of the bill. With those observations, I look forward to the balance of the debate and to the Committee stage.

Mr JUSTIN FIELD (21:23): I lead for The Greens in debate on the Electoral Funding Bill 2018. For us, questions of election funding, political donations and electoral expenditure are principally about supporting a fair and democratic system of elections and reasonably supporting political parties and candidates to contest elections. To do that, we unashamedly prioritise the voice of the community over corporate vested interests. The Greens ultimately want to reduce the influence of money on our political system and our democracy.

Money should not privilege access to decision-makers. Having money should not give anyone a louder voice in an election or on an issue, and it should not enhance a person's ability ultimately to run for an elected position. We need diversity in our democracy. All citizens should have equal access to government. Our democracy should be transparent and fair, and one of the key building blocks to achieving that is getting our election funding and political donations system right. I acknowledge that we are starting from a position in New South Wales of having some of the better electoral funding and political donations laws in the country and in the world. We have dealt with some of the big issues already.

I think it is fair to note that often the major parties have been forced to act in response to some most outrageous abuses and corruption that has been uncovered. But Parliament has put strong caps on political donations, it has limited spending to a degree and it has created a prohibited donors list to restrict those industries where corruption risks have been demonstrated in the past. I believe some of the credit for that rests with the tireless campaigning of The Greens in New South Wales to clean up democracy. I particularly acknowledge the work of Lee Rhiannon, my predecessor Dr John Kaye and, more recently, the member for Balmain, Jamie Parker, who have had this portfolio responsibility for The Greens. Other members of Parliament have also made it a key part of their work.

The Hon. Dr Peter Phelps: Cate.

Mr JUSTIN FIELD: Cate. When I worked for Jeremy Buckingham and Cate in the Mining portfolio, time and again we came across political donations that seemed to be linked in timing, if not intent, to development applications and specific proposals. We have recognised in the political caps, third-party caps and discussions that have occurred around the prohibited donors list that some industries represent a more significant corruption risk than others, and it is appropriate that the Parliament has put in place restrictions on how they act during elections and on their capacity to make political donations.

But there is much more to do. It is important to acknowledge that this is just one component of cleaning up democracy. It goes nowhere near the issues of revolving-door politics, the subtle influences that are exerted through relationships with industry, government officers and the bureaucracy—the revolving door that recycles that experience and enables soft influence to be peddled in ministerial offices, affecting the decisions of government and the policymaking of political parties. This law does not fix that—we have more to do.

Having been involved in debates on this issue for the past decade or so, I have learnt that it is a continuing balancing act. As campaigning changes, as public expectations of candidates and political parties change, and as those who seek to subvert our democratic processes for their own benefit come up with new ways to do so, we must be prepared to change the law to protect our democracy in the public interest. Our democracy is an incredibly precious thing, but it is vulnerable to vested interests and to money. This was never more clear to me than when I travelled to the United States in 2013 to meet with communities impacted by the gas fracking industry. I saw thousands and thousands of wells right up against people's farms and homes, impacting on drinking water systems and other natural systems.

On that trip I met hundreds of people who were personally impacted by that industry. I asked every single one of them what was the one law they would like to change that would fix what they viewed as an absolutely unfair playing field when it came to having their interests protected in the political system. Not one of them said, "We want to improve the Clean Water Act." Not one of them said, "We want to make sure that the Clean Air Act is strengthened and enforced," or, "We want to improve drilling regulations." Every single one of them said, "We want campaign finance reform". They knew that the decisions that ultimately affected their lives were made well before the legislation came before their Congress and their Senate; it was made way back when political parties decided on candidates.

They were bought by the industries in the United States. Everyone on the ground impacted by that industry knew that. When they asked me what we had in New South Wales, we had just made the law changes, which were ultimately struck down. We have just heard the Opposition talk about that. As to a discussion about the central role of citizens or electors being the people who could make those donations, they recognised that was a system that would ultimately have protected their interests. I am proud to be part of a party that, despite the constitutional challenge, retains a position internally that we only accept donations from individuals. That is critically important for our credibility.

The Hon. Rick Colless: Not unions?

Mr JUSTIN FIELD: Not unions. The Greens NSW only accept political donations from individuals. We do not accept organisational donations. That is really important for our credibility on this issue. Just as I experienced in the United States, it seems the influence of money, particularly from vested interests, is at the core of the challenges facing this State. The battles of our built environment, transitioning from fossil fuels to renewable energy, and challenging the disproportionate influence of the alcohol and gambling lobbies are closely related to the issues that we are debating today, including that of the third-party cap, which I will get to later.

The Greens will not support this bill—I make that clear—because ultimately it will take New South Wales backwards. We have been moving in the right direction but this takes us the wrong way. Ultimately these laws would make the system less fair and less democratic. The bill will prioritise the voices of some, particularly those with wealth, above that of communities and member-based organisations that speak for those communities. It will do that while opening the door to new loopholes in donations, particularly from candidates, and protecting the massive spending capacity of political parties disproportionately to the way third parties will be impacted. It also seeks to put restrictions on those third parties working in concert.

I recognise that there are some small positives around faster disclosures. The bill introduces for the first time expenditure caps for local elections, which is good in principle but it does it in an entirely incoherent and undemocratic way. I noted the comments from the Parliamentary Secretary, when he introduced this bill on behalf of the Government, about the amendments that my colleague will move later and that the Parliament intends to look at how that can be done better. I foreshadow that The Greens have a comprehensive set of amendments. As the spokesperson for the Opposition has indicated, I also indicate that if the Government is genuinely prepared to

look at those amendments and make changes to make this bill fairer, then we will consider supporting the bill at the third reading stage, but we cannot do that at this point.

I now specifically address the issue of third-party spending. The changes to third-party expenditure are some of the most controversial in the bill. The Government is proposing to more than halve the amount that third parties can spend on electoral expenditure from almost \$1.3 million to \$500,000. They also are introducing a third party cap for local government of \$2,500. The Minister in the other place in his speech in reply said the Government's proposal to reduce third-party expenditure was a recommendation from the expert panel. But it is clear in the report that the recommendation to reduce third-party expenditure to \$500,000 was in part related to the previous maximum expenditure in the 2011 campaign.

The panel looked at spending up to that point and made a recommendation that was basically just above that spending. In that election the top spender was the NRMA at almost \$400,000. The Joint Standing Committee on Electoral Matters identified that in the 2015 election—and we have heard this already—third-party expenditure was significantly higher, with three organisations spending more than where the line has been drawn in this bill at \$500,000. In this instance, two unions—the Electrical Trades Union and the nurses union—spent almost \$1 million. Unions NSW spent a little less than that. Some way behind them were the Business Chamber and the Minerals Council, who both spent almost \$500,000. Is anyone confused about why the line was drawn here? On reading the recommendation of the expert panel, one gets the sense that if they had done their report after the 2015 election they probably would have made a different recommendation. Ultimately, it was based on historical expenditure.

The hypocrisy of the Government is that it has used that report to justify this bill. If it were honest and wanted integrity in the rationale for the bill, it would have reduced political party caps to the level of the 2011 election as well. The expert committee suggested drawing a line based on historical spending at the time. The standing committee supported that but asked the Government to consider the level of spending that would allow a third party to reasonably present its case. That was done because of the risk presented by the decision of the High Court. There is no evidence that the Government did that before bringing the new level to the Parliament.

The Government has ignored the fact that the historical spending pattern has changed and conveniently draws the line just under the level of spending of those organisations it might reasonably consider to be opponents of its agenda for New South Wales and just above that of people it might consider to be its allies. The Greens have long supported caps on third-party spending and its policy specifically reduces third-party spending caps to \$500,000. The Greens do not want a United States-style political action committee system in Australia that will poison democracy. That is a risk if we get this wrong.

Reverend the Hon. Fred Nile: Like GetUp!

Mr JUSTIN FIELD: Like GetUp! Australia. I will come to that. Part of the story is that this impacts unions, but this is a bigger story and a bigger question about how our system of elections works. We do not want to get this wrong, and if we do the risk is that Australia will head towards a United States system with an arms race to spend the most. As The Greens gambling harm spokesperson, I am more than aware of the capacity and willingness of gambling interests to make huge political donations and to mount huge political campaigns to influence government policy and election outcomes. They do it in a way that overwhelms the community and public voice and the non-government organisations that work with impacted communities. In some ways, it overwhelms and political parties and governments. That is wrong.

Recently in Tasmania the unprecedented electoral expenditure and political donations are thought to be related to gambling interests that were opposed to the Labor Opposition's election gambling policy. It has been suggested that up to \$5 million was spent by the Tasmanian Liberal Party. When compared to historical figures, it is unprecedented. On the basis of the amount spent per elector, it is way higher than anything we have seen in New South Wales. We do not know and will not know how much money came from gambling interests or how much they spent as third parties, as the same rules do not apply in Tasmania. We will not know for some time, if at all, because of the poor laws in Tasmania around this issue.

During the 2013 Federal election campaign, ClubsNSW went to war with the Gillard Government about pokie reforms. That is the reality under the current law in New South Wales and even under this bill. Multiple gambling or mining interests could mount a massive third-party campaign in a State election and overwhelm genuine community voices, overwhelm legitimate community and member-based organisations and even overwhelm governments, oppositions and political parties. The Greens have a nuanced policy regarding third-party spending and recognise there is a fine balance to be drawn between donations, spending and political funding. Making substantial changes in one area without considering the broader impact is not sufficient.

The late Dr John Kaye did more than most to try to clean up politics in New South Wales. In 2012 and 2014 he spoke passionately in debates in this House on the need to get this right. The Greens have always considered third-party spending in the context of the broader political donations and expenditure regime. You cannot hobble third parties while protecting your own political spending powers. The Greens will move amendments to fix that in this bill. If the Government was serious about reducing the amount of money in politics, it would have constructively worked with The Greens to reduce political party expenditure at an equivalent rate to maintain equity in the system while reducing the overall electoral spending arms race.

But they did not do that, which makes it hard to see this bill as anything other than a partisan attack. It is transparent in its target and removes any credibility they might have had in political donation reform. But I also say to those groups, including the unions, environment groups, GetUp! and the like, to be careful what they wish for. Do they want to be in an arms race with corporate interests? That potential already exists, but it is retained by the legislation for which they have been calling. I recognise that they do that with the best of intentions and because they want a fair system, but what they are calling for keeps that door open. I am not sure that they want to have that fight.

I say to the communities fighting destructive coal and gas proposals, "Yes, your fight is with this Government, but it is also with the Minerals Council and the mining companies." The Greens do not accept that those groups should be able to throw \$1.3 million each at a campaign, but that is the law and I am seeing advocacy in favour of the law. A high level of third-party expenditure only benefits big organisations, including unions or the corporates, and it drowns out the smaller ones. That is not right and it is not good for our democracy. The Greens would like to see a much broader consideration of third-party spending. I restate the comments of Dr John Kaye in 2014. He said:

There are real and serious questions about regulating third parties. I am on record saying that we should take a very good look at caps that are based on the number of members, and that we should be favouring the rights of membership-based organisations to spend in elections. But we should not be silencing voices in the upcoming election. The High Court will not tolerate that, voters will not tolerate that, and The Greens will not tolerate that kind of behaviour."

I echo those sentiments because we are in the same place today as we were then when it comes to third party spending. We need to look at another model that prioritises community and member-based organisations over corporate interests. These organisations are diverse in their views and no-one in politics should be afraid to hear what they have to say at election time. Reducing their voice without limiting the voice of political parties as well is not democratic. There is a balance to be drawn between third parties and the people and parties whose names are on the ballot and whose policies are being put forward to the voters—our citizens—to consider. This bill does not get that balance right.

I reiterate that The Greens cannot support the bill in its current form because of the failings that I have outlined and the issues that will be raised in the Committee stage. I foreshadow that The Greens will move amendments. Again, I reach out to the Government to say that if we can fix these things, let us do that. Let us get some legislation that continues on a path towards cleaning up the political system in New South Wales and that ensures our future elections are fair and democratic.

Reverend the Hon. FRED NILE (21:42): On behalf of the Christian Democratic Party I speak in debate on the Electoral Funding Bill 2018. As members know, the bill repeals and replaces the Election Funding, Expenditure and Disclosures Act 1981 and implements recommendations made by an independent expert panel that was led by Dr Kerry Schott and the parliamentary Joint Standing Committee on Electoral Matters. The fact that the Government has drawn principles for this legislation from the recommendations of those two groups—the expert panel and the joint standing committee—is an encouragement for me to support the legislation. In March 2015 the Government accepted 49 of the panel's 50 recommendations which were subject to further review by the Joint Standing Committee on Electoral Matters.

In June 2016 the joint standing committee endorsed 44 of the panel's recommendations in principle and recommended that the Election Funding, Expenditure and Disclosures Act 1981 be rewritten. In December 2016 the Government accepted all the standing committee's recommendations in principle. The bill implements the recommendations of the Joint Standing Committee on Electoral Matters and makes a number of other reforms, but does not substantially change the key pillars of the current electoral funding scheme, including the regulation of disclosure, caps on donations, expenditure and public funding. The bill far exceeds the scope of any legislation in any other State and exceeds Federal legislation, which has a serious lack of security and control over who makes donations.

In this State we talk about prohibiting donations from developers or gambling organisations, and none of that applies to the Federal Government. These organisations are quick to decide to go through the Federal system rather than embarking towards a head-on collision with the State. I congratulate the State Government on this legislation. It is a complex area and probably one that the Government would like to avoid and not be involved in

at all. But in reality something must be done to update the legislation. I believe the reforms in this legislation will prove to be of great advantage in the future.

Some of the main points in the legislation include those that I will now discuss. Political donations of \$1,000 or more will be required to be disclosed within 14 days. We believe that should be 21 days and I understand the Government is prepared to accept that change. The cap on indirect campaign contributions will be increased from \$1,000 to \$2,700 for candidates and \$6,000 for parties, in line with the caps that apply to other donations. Small donations of \$50 or less made at a fundraising function will be exempted from provisions requiring donations from the same donor to be aggregated for the purposes of disclosure and donation caps.

The NSW Electoral Commission will be required to publish explanatory material and analysis to inform the public about the sources and amounts of political donations. I think that is a vital part of this legislation. That information must be published so that the public can clearly see who makes donations and where they come from. The cap on electoral expenditure by third-party campaigners will be decreased to \$500,000 and third-party campaigners will be prohibited from acting in concert with others to exceed the cap. I know this is a sore point with the Labor Opposition and some other parties, but our party believes that elections should be fought between political parties and not between these third-party groups and fronts such as GetUp! which pretends to be an independent citizens movement but which clearly is a Labor Party front supporting Labor Party candidates. The public has a right to know who starts these so-called third-party groups, who is behind them, who funds them and what their objectives are.

Caps on expenditure will apply to local government elections as they do currently for State elections. Parties will be required to identify expenditure aimed at influencing the voting in a specific electorate. Entities operating solely for the benefit of a party which are controlled by the party will be treated as part of the party and associated entities will be subject to the same disclosure obligations as parties. Associated entities expenditure will be aggregated with that of the party for the purposes of expenditure caps. I note that during his speech the Leader of the Opposition, the Hon. Adam Searle, struggled to identify the third parties and he said, "They are all progressive forces in our society." I would say that considering their policies they are regressive; they are not progressive at all. It is subjective what their policies are and what they are seeking to achieve. If they are supporting the Labor Party and their policies obviously the Labor Party has great sympathy for and is prepared to work with them. The dollar-per-vote model for entitlements from the Election Campaigns Fund that applied at the 2015 State election will be reinstated and advance payments to parties increased from 30 per cent to 50 per cent. Our party is supportive of that provision.

Public money for the administrative fund will be increased as recommended by the Joint Standing Committee on Electoral Matters. With all the extra administration that is required of political parties, which puts a lot of pressure on small political parties such as the Christian Democratic Party, I believe that is necessary. Candidates will no longer be required to appoint an official agent. I do not support that; there should be an official agent. In our party, candidates often are not experienced in completing returns and are not necessarily administrative-type persons. They may be great campaigners and speech makers, but they have problems in dealing with the detail required in returns. Over the years, our party has faced problems in getting information from candidates so that our party agent could include it in our returns. I am reluctant to agree that there will no longer be a requirement to appoint an official agent. I believe that provision should be retained under the supervision of the party agent.

There was a strange proposition in the Government legislation that political parties would be required to disclose the names of their senior office holders to the NSW Electoral Commission. To me, that seems more suitable to the Independent Commission Against Corruption and other organisations dealing with companies. A political party is not a company. I believe it is sufficient to have a responsible party agent. We do not have any fear of disclosing the names of the office holders, but it seems to be a strange provision in the legislation. I note that the maximum monetary penalty that a local court can impose for offences will be increased from \$4,400 to \$22,000. We support the provision to discourage rotting and corruption of our electoral system.

The definition of a property developer will be expanded to cover individuals. It will be clarified by replacing the test of regularly making planning applications with a test that defines a property developer as an individual or corporation that carries on a business mainly concerned with the residential or commercial development of land for the purpose of selling or leasing that land for profit; and has one pending planning application, or has had three or more planning applications determined in the past seven years. There has been some tension over who is a property developer. Under the previous legislation, some people who were not really property developers—but technically could have been classified as one—were picked up. I believe this definition will help to ensure that the people who are regarded as property developers will be genuine property developers.

We have received many submissions—as I am sure have other members of the House—on the legislation. The Christian Democratic Party put a proposition to the Government through the office of the Premier, and we

have received satisfactory answers to 20 or 30 of our concerns. Those concerns have been dealt with. We also had a submission from local government, which was not happy with the legislation. It claimed that local government was not consulted on the bill, but there have been two other areas with the expert panel and also the joint committee. I would be surprised if local government were not involved in making submissions. It should have been involved, but if it was not the blame is on their shoulders.

We also had meetings with the Police Association of NSW that has concerns with the entire "acting in concert" provision in the bill. It would rather that it be removed from the bill because on occasions genuine organisations with similar concerns—such as the Police Association, nurses, doctors and paramedics—have worked together on various issues, particularly the Last Drinks Coalition, which was very successful. The liquor industry is trying to reverse all of those improvements to reduce the consumption of alcohol in New South Wales. We urge the Government to look closely at that as it considers this legislation.

It is not easy to assess if genuine groups are acting in concert rather than under artificial arrangements where three powerful unions come together to maximise their spending cap. We have met with Unions NSW, which has expressed its concerns, which the Leader of the Opposition raised. It is very defensive of anything that affects third-party campaigners. It is odd that the Labor Party is so interested in third-party campaigners rather than its own party and the provisions in the bill. However, I will not go into detail about that. The Christian Democratic Party supports the bill. We will consider any sensible amendments to the bill. The Government has indicated there may be matters in the bill that will be referred to the standing committee for review. Some of these matters are not set in concrete, but are open for debate within the Government. I support the bill in principle.

The Hon. Dr PETER PHELPS (21:55): I support the Electoral Funding Bill 2018. As the current Chair of the Joint Standing Committee on Electoral Matters and previously as an ordinary member of the committee, I note that this bill gives effect to the recommendations of the joint standing committee in relation to the Schott report. It also contains some additional features that were not canvassed but that I believe are necessary for the electoral integrity of the State of New South Wales. I comment first on the apparent misapprehension of the Leader of the Opposition regarding the Pauline Hanson provisions—the ability of a candidate to make a profit from an election by receiving money. Sections 67 and 69 have comparable provisions. I will read section 67 because it is essentially replicated in section 69. It states:

- (1) The amount to be distributed from the Election Campaigns Fund to a party eligible for payments from the Fund in respect of a State election is (subject to subsection (2)):
 - (a) \$4 for each first preference vote received by an endorsed candidate of the party in the Assembly general election and \$3 for each first preference vote received by an endorsed candidate of the party in the periodic Council election, or
 - (b) the total amount of the actual campaign expenditure of the party and of those endorsed candidates of the party,
- whichever is the lesser.

The key point there is "whichever is the lesser". It is not to correct to say that the Pauline Hanson situation has not been addressed. It is clearly addressed both in relation to the parties under section 67 and individual candidates under section 69. I am a little surprised to hear that the Leader of the Opposition considers that the appeal against the verdict of *State of New South Wales v Wheatley* is "flouting the laws". The idea that a barrister should suggest that an appeal on a matter of law is flouting the laws is a little rich considering that the outcome of the Wheatley case was, in many respects, a surprise to both the Electoral Commission and to the respondents, not least of which was where the issue of liability lay. From a reading of Wheatley's case—which no doubt the Leader of the Opposition has done—both the Electoral Commission and the respondents believed that the liability lay with the party, only to have Justice Adamson say, "No, no, the liability lies with the individual candidate." To say that Wheatley's case in any way represents the established or understood way the law worked in relation to self-financing of candidatures is incorrect. I also want to comment on what the Leader of the Opposition said in relation to expenditures for third-party campaigners.

He indicated that we were not giving effect to what the Schott report recommended—that this bill had just come out of the blue from the nefarious underbelly of the bowels of the Liberal Party headquarters. It is worthwhile quoting in full the executive summary in relation to third-party campaigners in the Schott committee report. I will skip the preamble because I think Mr Justin Field has given quite a good exposition of the line of thought that was at the heart of the Schott committee—namely, that both sides have particular liabilities when it comes to the potential abuse of third-party campaigning, whether it be unions or United States-style political action committees. This is the key thing. I quote:

There is widespread support for third-party participation in elections within limits. Their donations and spending are capped in the same way as parties and candidates. The Panel supports this approach. The current third-party spending cap of \$1 million is,

however, too high and we suggest halving the spending cap to \$500,000 to guard against third parties coming to dominate election campaigns (Recommendation 31).

The PRESIDENT: According to sessional orders, proceedings are interrupted to permit the Minister to move the adjournment motion if desired.

The House continued to sit.

The Hon. Dr PETER PHELPS: It goes on to say:

This reduction in the spending cap should occur along with the introduction of a new aggregation provision to prevent:

- (a) parties from avoiding their own spending caps by establishing front organisations to incur electoral expenditure on their behalf; and
- (b) third-party campaigners from acting in concert with others to incur electoral expenditure in excess of the caps on third-party expenditure (Recommendation 32).

Recommendations 31 and 32 of the Schott report explicitly foreshadow what we have done with this bill. They explicitly endorse it, and they do so on the basis that:

The Panel believes they [third-party campaigners] should be free to participate in election campaigns but they should not be able to drown out the voices of parties and candidates who are the direct electoral contestants.

That is the philosophical basis of this cap, which is exactly what is outlined in the Schott report. One of the panel's members was John Watkins, a leading member of the left wing of the New South Wales Labor Party. They cannot say, "Oh, well, he's a dodgy right-winger with lots of developer mates." He is from the left and—as we have seen through Senator John Faulkner—has traditionally had a deep and abiding interest in electoral matters and the regulation and control of reasonable electoral expenditure by all parties. This bill gives effect to those recommendations. To say that it does not or that we have somehow deviated from the Schott recommendations is not correct in relation to these two specific matters. In fact, we have specifically given support to them. The Greens also seem to be a little concerned about the bill. I quote from The Greens policy document on democracy and elections, section 39, where they say they support:

... requiring all spending by third-party organisations on advertising and other electoral communication specifically for the purposes of promoting a party or candidate to be strictly regulated and limited to—

guess what the figure is, Mr President—

\$500,000 in any one election including no more than \$20,000 in any one seat.

They disagree with what we are doing, which happens to be exactly what their own published policy supports: a \$500,000 statewide cap on electoral expenditure.

The PRESIDENT: Order! I remind Mr David Shoebridge that so far the debate has allowed all members to make their contributions without interjections. I note that Mr David Shoebridge has just walked into the Chamber. I ask that he allow members to make their contributions without interjections.

The Hon. Dr PETER PHELPS: We all agree—and I will use the explicit words of the Leader of the Opposition—that we want a "diversity of views". Well, we do want a diversity of views, but we do not want organisations that are effectively sock puppets for political parties. We do not want the ability to traduce the campaign expenditure caps by using third-party campaigners or other associated entities who have close relationships with political parties to effectively circumvent the laws and increase expenditure.

The Labor Party's on again, off again relationship with the trade union movement is an unusual situation. For example, at political conferences it says, "We are part of the unions and the unions are part of us. We are simply the political arm of the trade union organisation. The trade unions are our members and they sit on our executive. They are us and we are them." But during elections it says, "We are totally different." They say they are totally different entities and there is no collusion whatsoever and no coordination. It just happens that, on the day that the Leader of the Opposition is campaigning on a certain issue, a union comes out on that very same issue. There is no collusion, despite the fact that all the affiliated trade unions have representation in one form or another on the Administrative Committee of the New South Wales Labor Party. They tell us there is no collusion whatsoever, except that when they go to their next State conference they will say, "We are the unions and the unions are us." Members have spoken about the level of campaigning done by the Electrical Trades Union [ETU] in the last election. It is worthwhile bringing this up because the ETU spent a lot of money on a particularly racist campaign. On 17 October last year the Hon. Ernest Wong said:

It reminds me of the offence caused to many Chinese-Australians at the last election when certain Liberal members—

that would be me because I was the only Liberal member who commented on this—

claimed that to oppose Chinese Government ownership of power stations was an affront to Chinese-Australians.

That is not what I said. I said that the ETU ran an explicitly racist campaign which fed on phobias about Chinese people. I will quote from the Electrical Trade Union NSW Branch's submission to the inquiry into leasing of electricity infrastructure, which was received on 14 May 2015. Remember, the Hon. Ernest Wong had suggested that the only thing that the unions had complained about was Chinese Government ownership of power stations. The ETU submission states:

Electricity networks in Victoria and South Australia are owned by foreign companies—including companies owned and operated by foreign governments.

Three major players dominate and control the privatised electricity networks in Victoria and South Australia through a web of complex share holdings. These companies are Cheung Kong Infrastructure (owned by Mr Li Ka-Shing), State Grid Corporation of China (owned by the Chinese Government) and Singapore Power (owned by the Singapore Government).

In only one of the three instances is the Chinese Government mentioned. The other two are run by Chinese people. This is the ETU talking. The submission goes on to state:

Hong Kong billionaire Mr Li Ka-Shing is the richest man in Asia and is currently fighting the Australian Tax Office over tax minimisation strategies used in Australia. It has also been reported that Mr Ka-Shing is currently in the process of shifting his \$30 billion business empire from Honk Kong to the Cayman Islands.

...

By far the worst offender is Spark Infrastructure, which is also foreign owned.

But it is not owned by the Chinese Government. The submission further states:

It is no secret that several foreign owners, including those above, are looking to buy the NSW electricity network businesses.

There is no mention of the Chinese Government, just foreign owners: "Them foreigners—we don't want them owning our assets." And:

The ETU holds serious concerns over the potential impact of foreign ownership—

not Chinese Government ownership—

as the evidence available is damning.

Let us go to the ETU's press release on 9 February 2017. It said:

ETU deputy secretary Dave McKinley highlighted the case of Wallerawang power station, near Lithgow, which was ... closed down shortly after being purchased by Chinese-owned company Energy Australia.

...

"Electricity is an essential service, but when profit-hungry foreign investors take control of our public assets, they put their own interests ahead of the people of NSW—

not Chinese Government interests. The ETU's press release on 11 August 2016 states:

Chinese Government-owned State Grid Corporation of China and Hong Kong-based Cheung Kong Infrastructure, controlled by billionaire Li Ka-shing, were the only remaining companies seeking to take control of the Ausgrid network ...

He urged Mr Morrison to stand firm in the face of expected lobbying from Chinese interests, not Chinese Government interests. The dog whistle was being blown very loudly, as it was on 23 September 2016, when another press release from the ETU states:

... our view is it doesn't matter whether that buyer is a Chinese company or an Australian super fund, the risks remain the same.

There is no mention of the Chinese Government.

The PRESIDENT: Order! The Hon. Courtney Houssos will have an opportunity to contribute to this debate, and I will ensure that she is heard in silence.

The Hon. Dr PETER PHELPS: On 15 May 2015 the ETU put out a press release stating:

Of the three organisations that dominate the privatised electricity networks, one is owned by Asia's richest man, Li Ka-Shing, while the others are owned by the Chinese and Singaporean governments.

Again, only one out of the three relates to the Chinese Government. The simple fact is that the glorious institution—that beacon of democracy, the ETU—ran a nasty, dirty, dog-whistle campaign playing on racist fears of foreign ownership, especially fears of Chinese ownership, not by Chinese Communist government entities but by people of Chinese ethnic origin.

Those opposite, and the Hon. Ernest Wong, can deny the fact as much as they like, but they are the sorts of people who say the ETU should be able to run a \$1.3 million racist campaign at the next election because that represents what ETU members believe in. If that is what those opposite believe, they should say it in this Chamber. They should say it loudly and they should make it clear. But the simple fact is that this legislation will change

everything. This bill will make sure that we have a level playing field. The bill gives effect to the Schott report and it makes democracy for individuals, third parties and the parties themselves much fairer than it is at the current time.

The PRESIDENT: I indicate to members that I have a list of members who wish to contribute to this debate. If members wish to be included on the list they will be added to it.

The Hon. COURTNEY HOUSSOS (22:11): I contribute to debate on the Electoral Funding Bill 2018 and indicate from the outset that Labor will oppose this bill. This bill will replace the existing 1981 legislation and seeks to implement the recommendations in the 2015 Final Report of the Panel of Experts on Political Donations. It should be remembered that this expert panel was convened by then Premier Baird to address the endemic corruption that had been exposed within the Liberal Party. Some of the panel's recommendations were introduced in legislation in time for the 2015 election. After the election, the Joint Standing Committee on Electoral Matters, of which I am a member, conducted an inquiry into its implementation. Labor will oppose this bill because of the key issue of third-party campaigners. We oppose this bill because it represents an attack on the way that we, as the Labor Party and as part of the labour movement, organise in a collectivist manner.

I will address the comments of the previous speaker in this debate, the Hon. Dr Peter Phelps. He spoke of the collusion between the Labor Party and the trade union movement. I point out that the labour movement is not a financial market; these are political parties in a fundamentally different environment where we organise and campaign on political issues. It is true that the great trade union movement formed the wonderful Labor Party 127 years ago. But let it be noted in this Chamber that there have been points in our history when the Labor Party and the trade union movement have disagreed with each other. We fundamentally believe in the rights of working people; we fundamentally advocate for the rights of working people. But there is no doubt that occasionally the political arm of the trade union movement and the interests of individual trade unions do not match up, and trade unions should be given the opportunity to advocate for their members, whether or not those interests line up with the interests of the Labor Party.

This bill seeks to reduce the amount of money that third-party campaigners can spend by more than half to \$500,000. The committee, in its report on implementing the recommendations in the Schott report, stated that before implementing such a reduction in the expenditure limit, the Government should investigate whether there is sufficient evidence that a third-party campaigner could reasonably present its case within this expenditure limit. Let us consider the broader context to this. There were five million electors in 2015. A \$500,000 cap would mean that there is nearly 10¢ per elector to enable third parties to communicate with those individuals. This is at a time when a postage stamp costs \$1, at least, and when Sydney is one of the most expensive media markets in the world, if not the most expensive. In addition, compliance costs and the complexity of the legislation will require third-party campaigners to undertake extensive compliance measures but a cap of \$500,000 will not allow them to communicate with the broader public in a meaningful way.

I make it clear that I support caps on political donations and expenditure, but elections must not be cloaked in bureaucracy. The principle must be to allow citizens to participate in the political process in a fair and transparent way. There is no way that the average community group can now comply with this legislation, nor will they be encouraged to do so by provisions such as those that prevent them from acting in concert in even the most informal of ways. That clause of the bill, which seeks to make it illegal for third parties to collaborate, is a fundamental attack on the way the Labor movement has operated since its inception, and it has been part of the Labor Party since its formation 127 years ago.

This is the latest attack on the Labor movement's political participation. A previous attempt in 2012 by then Premier O'Farrell to limit donations only to individuals on the electoral roll, was struck down by the High Court in 2013. I am encouraged that unions have indicated that if this legislation is passed they will challenge it in the High Court. I note that the measures in this bill that are designed to prevent third parties from acting in concert were based on Australian Capital Territory legislation, which its government then repealed following that 2013 High Court decision. This is the Government's latest attempt to silence its opposition.

The bill contains a range of measures that will increase transparency around electoral funding in New South Wales. The Opposition agrees that the 1981 legislation could benefit from a comprehensive rewrite. However, many of the measures contained in this bill either build on Labor's policy on that historic and fundamental change when caps on donations were introduced by the former Labor Government in 2010, or they implement Labor policy that we have been campaigning on for the past several years. The real-time public disclosure of political donations is a key aspect of this bill but the Leader of the Opposition, Luke Foley, announced this in 2016 and NSW Labor already makes these disclosures weekly. I repeat, the caps on electoral donations and expenditure for State Government elections introduced by the former Labor Government in 2010 now will be extended to local government elections, but in a somewhat haphazard manner. We will deal with those matters in the Committee stage.

I welcome increasing the governance measures on political parties whilst allowing for their own unique organisations. Political parties are not corporations. Political parties have their own unique histories and each is organised in its own unique way. It is a fine line to allow an appropriate and best practice governance procedure to be in place whilst also allowing each party to appropriately implement them for their respective political organisation. It is my belief that, with a few exceptions, this bill has managed to walk that fine line. Importantly, the bill will ensure that senior office holders in political parties will be accountable for breaches of the legislation, and the penalties for breaches of the legislation will be subsequently increased. I welcome the provision that the Electoral Commission will be required to provide training for candidates for political parties, for members of Parliament, and for third-party campaigners, to understand their extensive obligations under this bill. I welcome also the provision to refine, after eight years in operation, the requirements around indirect donations and the requirement that disclosures be audited only once.

I will also address the role of the NSW Electoral Commission. We have one of the best electoral systems in the world and a fundamental aspect of that is the independence of the NSW Electoral Commission. I refer members to some provisions in the bill—and this is something that we have discussed extensively at a joint standing committee level. The role of the NSW Electoral Commission must not be to approve political parties; it must not delve into political parties. This NSW Electoral Commission bracket creep—or perhaps mission creep—must be guarded against very carefully. We must ensure that it provides best-practice governance advice to parties, that it is the registration body and the governance body but that it does overstep its regulatory role. To effect that change, I foreshadow that the Labor Party will move amendments during the Committee of the Whole to prevent the Electoral Commission from being required to provide explanation and analysis of political donations on its website. This is not an appropriate use of an independent commission's time. It should provide the information to the public, who can make their own analysis and judgements.

Parts of this legislation are welcomed, but it has been hastily written and is being rushed through the Parliament this evening. One example of this is that, instead of the usual combined party and candidate total, Independent candidates will have an arbitrary \$200 less to spend. This is a simple oversight that reveals a lack of care in preparing the bill. This is usually an area where we can collaborate and determine the level playing field that elections should be fought upon, but the dirty tricks in this legislation make it impossible. The Government is seeking to rig the playing field by fundamentally changing the electoral system in New South Wales, and our colleagues in the Labor movement will challenge it in the courts. It does not matter whether that challenge is finalised in time for the election, because we are coming for you and the public are on to you. To those opposite, I say: Enjoy your last 10 months on the Treasury bench. To the crossbench, I say: Do not get dragged down with the Government. We oppose the bill.

The Hon. ROBERT BORSACK (22:21): I do not intend to be dragged down. I intend standing on my own two feet, I can assure the House of that. Being on the crossbenches is a unique opportunity to observe people on both sides of politics being dragged down. We do not get dragged down; we uplift.

The Hon. Daniel Mookhey: When we are dragged down we end up next to you.

Reverend the Hon. Fred Nile: Do not be distracted.

The Hon. ROBERT BORSACK: I will not be distracted. On behalf of the Shooters, Fishers and Farmers Party, I make a brief contribution to debate on the latest electoral funding bill to come before this Parliament, the Electoral Funding Bill 2018. I begin by quoting the Leader of the House in the other place, for whom I have a lot of respect. He said:

New South Wales already has the toughest political donation laws in Australia. Under the New South Wales Liberal-Nationals Government, that will continue to the case.

It is not about having the toughest political donations laws in Australia, because at the end of the day we have seen how easily those laws can be circumvented. It should be about putting in place the fairest and most transparent political donations laws with a focus on integrity, transparency and accountability of political donations. For more than a decade now there has been public concern that political donations influence government policy and decisions. As a result, successive governments have imposed limits on political donations and expenditure, have made changes regarding disclosure requirements and have sought to address governance, compliance and enforcement with an ever-increasing level of bureaucracy and legislative control.

Yet here we are once again trying to fix more teething problems that we supposedly fixed the last time we debated a similar bill not that long ago. While we generally support most of the changes being sought, we do not support further limiting spending caps on third-party campaigners, nor do we support restrictions on third-party campaigners acting in concert. I remind the House that the Shooters, Fishers and Farmers Party is the only party that has had a consistent position on political donations.

We do not support limits on political donations or restrictions on individuals or entities that can donate. The ability to donate is an important vehicle for participating in a democracy. It is another way—other than by voting—to allow individuals or groups of people to represent their interests in the political process and during campaigns. The current restriction being proposed on the amount that a third-party campaigner can spend is nothing more than an attack on the amount that unions can spend. Our view is that this is an attack on democracy itself and how it operates in New South Wales.

We have seen similar provisions ruled out by the High Court in the past and, in my view, we will see them ruled out again this time. However, the point is: Will there be enough time for a decision before 19 March 2019? I believe the High Court will expedite a hearing and there will be a decision before March 2019. Surely we cannot have democracy gerrymandered in this way, stopping the voice of many and disallowing genuine aggregation of their voices in the political process. Ultimately this attempt will fail; it is simply a matter of ensuring that it gets done expeditiously before the next election.

As legislators, we have a duty to facilitate and, where the need arises, to try to improve the good health of our democratic processes through sensible and practical legislation. I have no doubt that this attack on Labor today by limiting the amount unions can spend will be reciprocated if and when Labor wins the next election and takes office. I do not believe this is a sensible approach, and I implore both major parties to work in a collaborative spirit when dealing with the issue of political donations. I foreshadow that I will move a few minor amendments in the Committee stage that I hope will be supported by all members in this Chamber. I believe Labor will move some amendments, some of which we will support.

Overall, we will support the bill as amended because the Government has not dealt with this matter in a timely manner. We want to allow the commissioner the opportunity to prepare properly for the March 2019 State election—in what little time is left—under this entirely new Electoral Funding Act.

The Hon. WALT SECORD (22:26): As the shadow health Minister, and Deputy Leader of the Opposition in the Legislative Council, I make a contribution to debate on the Electoral Funding Bill 2018. This is a bill for an Act to make provision for the disclosure, capping and prohibition of certain political donations and electoral expenditure for parliamentary and local government election campaigns; to make provision for the public funding of parliamentary election campaigns and other activities; and for other purposes. This matter has been canvassed extensively in the Legislative Assembly and by other members of this Chamber, including the Leader of the Opposition and my colleague the Hon. Courtney Houssos. I will limit my contribution to some general observations about the bill and its impact, particularly on third parties.

I have serious concerns about how the bill will affect and limit those trying to oppose Liberal-Nationals policies—for example, the ideologically driven plans to privatise health and hospitals in New South Wales. This bill has been rushed by the Berejiklian Government and, as the Leader of the Opposition has indicated, Labor will oppose it if sensible amendments are not accepted by the House. For the record, I support sensible and fair caps but the restrictions in this bill are unfair, especially for third parties. Make no mistake, this is a sinister bill as it stands. It restricts third parties and how they can cooperate. It is a cynical attempt and exercise by the Berejiklian Government to obtain a partisan advantage. It is about stifling the voice of the trade union movement and third-party campaigners and opponents of the Berejiklian Government's policies.

The purpose of this bill is stop advertisements and activities by third-party groups wishing to oppose Berejiklian Government policies. For example, what about a group of good, honest irrigators who are not affiliated with The Nationals and who want to speak out against water theft and the failure of the Berejiklian Government to stop the practice? They will be restricted by these laws. I note that there are interjections but I am just giving examples of things that occur with respect to this Government. What about a group of businesses on the verge of destruction because of the Government's light rail project? They will not be able to speak out against transport Minister Andrew Constance. They will be restricted from cooperating. What about a group of Kiama residents frustrated by the antics and the lack of representation by their local member? They will not be able to speak out. What about a group of residents concerned about the influence of property developers on the North Coast? What about community groups being terrorised by the Hon. Ben Franklin showing up to their events unannounced and moving motions about them without their approval? They will not be able to stand up to him. They will be restricted.

The Hon. Ben Franklin: They will only be able to spend half a million dollars against me.

The Hon. WALT SECORD: I acknowledge that interjection; there is a group working towards that. The Premier's paws are all over this bill. Just like her plans to spend \$2.2 billion on stadiums, the bungling of the light rail project, the massive cost over-runs for the WestConnex and the decision to force the Powerhouse Museum to move, the Premier has her sticky fingers all over this legislation. This bill is crafty and cynical. It is

so crafty and cynical that it appears to fulfil the Premier's narrow view of the world. Anyone who dares to criticise or disagree with her is hidden away or relegated to silence.

I now turn to how this bill will affect those wanting to fight for a fair and accessible health and hospital system. We know the Berejiklian Government's view of health is simple. It is a world where a person's credit card determines the quality of health care they receive. It is a world where those who can pay go to the head of the queue. It is a world where patients are not allowed to speak up against the Berejiklian Government's harsh health policies. It is a world where the Berejiklian Government attacks the union movement and workers who dare to speak up against the privatisation policies of this Government.

In addition to the union movement, the electoral donation laws will affect advocacy groups as the cap will affect their ability to contribute to State and local government election campaigns. Put simply, this is nothing but an attempt to stifle civil society's ability to engage in public debate. The legislation would cap campaign spending by an advocacy group at \$500,000 during the lead-up to an election, down from the current limit of \$1.288 million which applies to major political parties and third-party groups. The Electoral Funding Bill 2018 would serve to distort democracy in New South Wales and make elections less fair. The legislation will aggressively restrict cross-movement campaigns, including, for example, campaigns like the WorkChoices campaign or those who oppose the privatisation of our health and hospital system and those who demand a fair and equitable health and hospital system.

These laws will prevent members of civil society banding together to fight privatisations and harsh and unfair health policies. It will ban people from speaking with one voice against the Berejiklian Government and their deep-pocketed corporates at the big end of town. We know that these laws will be brought in to stop fights like those that were waged against the privatisation of hospitals. Who can forget the plans by the previous health Minister Jillian Skinner to privatise five hospitals outside Sydney? The Berejiklian Government was forced temporarily to drop those plans. But make no mistake, the Government has only pressed the pause button. These plans will come back after the 2019 election. Labor knows that privatisation is in the DNA of the Liberals and The Nationals, and that is why third-party groups must have the ability to fight the Government on health and hospitals. The Government will return to privatisation in 2019, as sure as night follows day.

There is a lot at stake here. The Liberals and The Nationals want to silence third parties before the forthcoming election. They are aware that the Health Services Union, the Nurses and Midwives' Association and the community came together to stop the privatisation of Maitland, Wyong, Shellharbour, Bowral and Goulburn hospitals. That is why the Premier wants this legislation in place. Make no mistake, this bill is about stopping groups such as anti-privatisation activists. The bill is based on the Premier's visceral hatred of unions and their ability to fight the ideologically driven plans of the Liberals and The Nationals. On that note I will conclude my remarks.

Mr DAVID SHOEBRIDGE (22:34): I indicate the strong opposition of The Greens to such significant elements of the Electoral Funding Bill 2018 that it cannot be supported. For the better part of two decades, The Greens in New South Wales have spoken against the corrupting influence of corporate donations and the corrupting influence of money in politics. The Greens firmly believe that politics should be a contest of ideas, not a contest of bank balances. But in an electoral system that is run with online, television and print advertising in what are quite often expensive electoral campaigns, we do not believe there should be an electoral bill that unilaterally disarms the community while putting such enormous resources and power in the hands of political parties. That is what the bill proposes.

The bill limits third-party campaigns to a maximum of \$500,000, down from \$1.28 million, while allowing the two major political parties to spend \$24 million on their campaigns. That is not a vision of politics that The Greens in New South Wales share. Politics belongs as much to the community, to grassroots organisations, to unions and to organisation such as GetUp! as much as to a few privileged politicians who can receive up to \$24 million from the State purse to run their election campaigns. That is not how politics should be and that is the principal reason The Greens are opposing the bill.

I also note the Government has been trumpeting the fact that this is the first time the State Government will be putting caps on local government election campaigns. For years, The Greens have been campaigning for sensible, rational caps on local government election campaigns. It is the sensible and rational test that this bill comprehensibly fails. From a political point of view, I could suggest that the chaotic, irrational scheme the Government has cooked up is some sort of Machiavellian political approach to further its interests at local government. But I cannot make that argument. It is so incompetent, so irrational, so utterly random in its application that it cannot be called political genius or even a political attack. It is rank incompetence.

The legislation has been drafted by people who are either so contemptuous of local government they do not understand how it works or they just do not care. It cannot possibly be suggested that there be a system where

in local councils with small populations but a number of wards candidates can spend up to \$100 per elector in an area like Central Darling or \$50 per elector in an area such as Walcha and have the same bill say that candidates can spend only 21¢ per elector in somewhere like the City of Sydney. The bill has caps that say the most that can be spent in an electoral campaign in Campbelltown is less than 30¢ per elector for the 104,000-odd electors. Meanwhile, in Woollahra where there are 41,000 electors, the bill proposes that parties can spend the better part of \$4 per elector. So it is \$4 per elector in Woollahra and less than 30¢ in Campbelltown. That is just plain madness. It is not even attached to a political attack; it is just lazy, incompetent failing of legislation.

Another illustration would be in the City of Sydney, where the maximum a political party can spend is capped at \$30,000. For a premier electoral campaign to see who becomes Lord Mayor of Sydney, the most that a political party can spend is \$30,000. Go over to Waverley—we are all glad to get rid of Sally Betts from Waverley—and in the contest for Waverley political parties can spend \$120,000. I compare that with \$30,000 in the City of Sydney, which has 150,000 or so electors. With less than half of that in Waverley, political parties can spend \$120,000. One could not make this up.

Mr Justin Field: They did.

Mr DAVID SHOEBRIDGE: One could not make it up if one were not sleep deprived and totally negligent in imposing caps on local government. This is not political genius; it is political incompetence. I cannot believe that this House would pass legislation in this form. I welcome the announcement from the Parliamentary Secretary—in fact, I think it is an implicit acknowledgment that this legislation is an utter dog's breakfast. That it is so bad is acknowledged by the fact that as soon as it is passed in this place it will be referred to the Joint Standing Committee on Electoral Matters to fix it up again. That is an example of bad government if ever I saw it. I acknowledge the acknowledgment of the problems this legislation contains. As it is being passed we are acknowledging that it is so bad we must hand it to a committee to fix the mess we have just created.

Reverend the Hon. Fred Nile: They should listen to the members.

Mr DAVID SHOEBRIDGE: The thought that Reverend the Hon. Fred Nile would support this dog's breakfast and add his little dollop of sauce is extraordinary. If a member of the crossbench has a job in this House of review, it is not to let this sort of nonsense find its way onto the statute book. The member should not satisfy himself with the idea that we will push it off to a committee to sort it out. It should be sorted out now and the member should do his job in this House by supporting the amendments that will make local government funding and political caps rational. The member should do his job.

This should be a non-partisan bill. Electoral funding legislation should be the result of members reaching agreement. We may not agree with everything, but we should agree on the broad thrust of how elections are funded and regulated in this State. That is the job of people who care about democracy and about having a fair balance in our legislation. We should all sit around a table and reach broad agreement. We can tinker about the edges and argue about the nuances, but we have an obligation to agree about the broad structure.

The Greens fundamentally disagree with the reduction in third-party expenditure. That disagreement is not likely to be resolved by politicians; rather, it will be resolved by the High Court. It will consider this unilateral reduction in third-party campaign expenditure from \$1.28 million to \$500,000 without clear evidence that any of the campaigning spend has corrupted politics or been improper. The question for the High Court will be whether that limits political communication. There is no argument about that; it clearly does. The next question will be whether it is being done for a legitimate purpose. I am yet to hear the Government articulate the legitimate purpose. We are yet to see the Government point to a single instance of where a spend of more than \$500,000 has had some corrupting or inappropriate influence on politics.

That is not proportionate. One cannot cut the financial ability of third parties by more than half and at the same time increase the amount of money that politicians and political parties can spend and credibly argue that that is a proportionate response, even if one suggests there is a legitimate goal in getting money out of politics—and The Greens believe there is a legitimate goal in getting money out of politics but this is not how one does it. I read onto the record the concerns of not just the union movement—we have had environment groups come forward very distressed and concerned—but also GetUp! I note that GetUp! in its media release earlier this week stated:

GetUp strongly supports expenditure caps and is fighting to have them introduced at federal level as part of comprehensive democratic integrity reforms. But this legislation—

referring to the bill before the House—

is not about improving democracy, it's about sheltering major political parties that are suffering dwindling membership at the expense of charities and community advocacy organisations.

I note and endorse the views of GetUp! I note also the views of Unions NSW, which states:

This legislation is a direct attack on union members' rights to political communication and we ask you to vote against the Bill.

During elections trade union members pool their resources to advocate for the interests of working people. This is the only way individuals can compete with the corporations and wealthy individuals who bankroll campaigns for conservative political parties. The NSW Government's Bill will silence unions, churches, charities and community organisations. At the same **it lifts the restrictions on candidate donations, allowing some political candidates to make unlimited donations directly to parties.**

At this point I acknowledge and endorse the contribution that my colleague Mr Justin Field has made on many of the elements of this bill and on the clear loopholes contained in some of the provisions about donations from candidates. I endorse also the comments and reflections of the member for Balmain, Jamie Parker, who has the anti-corruption portfolio for The Greens. I urge the House to consider closely his series of amendments. I conclude by referring to two former members of this House whose contributions should be fully acknowledged at this point. Senator Lee Rhiannon, a former member of this House, and her Democracy for Sale website has been an extraordinary achievement.

For years it has led the debate and been the go-to place to find out how badly corporations are corrupting politics, not just in New South Wales but also in Australia. I commend the work of Lee, Democracy for Sale and the team of volunteers and others who keep that website going because that kind of transparency—showing just how much money from corporations has been going to the major parties—has been essential in giving the community the information it needs to force change on politicians. Without that we would not have had the caps in 2010 and without that we would not be having the discussion now, imperfect as it is, about finally putting caps on local government expenditure. I acknowledge also the work of my former colleague Dr John Kaye. I had only just come into this place at the end of 2010, in the dying days of the Labor Government, and it is interesting that in the dying days of the Labor Government it suddenly decided that was a good time to put donation laws through and to put caps on expenditure. It is interesting in politics that sometimes it takes a party thinking it is going to go out of government to have the capacity—

The Hon. Adam Searle: Knowing.

Mr DAVID SHOEBRIDGE: I acknowledge that interjection. Sometimes it takes a party knowing it is going out of government to start with a blank sheet and to say, "Maybe we should be setting up a system that will be fairer for the Opposition and slightly disempowering of the Government which will make politics a little fairer." That was the environment we had in 2010. Labor knew it was on the way out; it was a question by how much and there was a good opportunity to engage in general discussion about caps on donations, caps from corporations, the banning of tobacco and the banning of property developers. We saw that raft of legislation from the end of 2009 through to 2010.

The Hon. Don Harwin: Don't give them the credit for what John Kaye did. I think it was John Kaye who did tobacco, not the Government.

Mr DAVID SHOEBRIDGE: That is right and I remember being in the Chamber when John Kaye moved the amendments to ban tobacco and banned the for-profit alcohol industry from making donations in New South Wales. I commend his tireless work. I wish we had him still because he would have made an extraordinary contribution to this debate. With those words, I indicate that The Greens will not be supporting the bill.

The Hon. JOHN GRAHAM (22:49): Labor members will oppose the Electoral Funding Bill 2018 and we will not do so lightly. Bipartisanship on electoral matters is highly important. As the Leader of the Opposition said, it is the only way to lodge changes in the New South Wales political system in the long term. I acknowledge the importance of the Joint Standing Committee on Electoral Matters. A number of committee members have spoken in the debate, including the Hon. Courtney Houssos and the chair, the Hon. Dr Peter Phelps. Across parties, they play a good role in analysing an always detailed area of legislative action. However, we will oppose this bill because it takes the opposite approach. The curtain went up on the bill only last Thursday. It is a helter-skelter attempt to shape the law. After nearly eight years in government, it is a rushed attempt to fix the next election. As a result, Labor will oppose it. I will talk to some of the specifics, including the expenditure caps, the "acting in concert" provisions and measures that are worthy of support, including some that did not make it into the bill.

The expenditure caps are contained in proposed section 29 (10). The Joint Standing Committee on Electoral Matters recommended that before the cap was decreased the New South Wales Government should consider whether there was sufficient evidence that a third party campaigner could reasonably present its case within the expenditure limit. No such evidence has been presented. We have talked about some of the issues, but what is the underlying principle? It is a principle I support that working people—some of them on minimum wage—have a right to chip in a little bit each week to express a political view. I am not offended if others do the same, but it is an important principle that people of ordinary means be able to participate in the political process without joining a political party—although I encourage them to do that.

At the time of the recommendation by the expert panel, all the 2011 third party campaigns were under the \$500,000 proposed as the cap and there was a recommendation for further research. The initial recommendation was then overtaken by events as the 2015 campaigns went above the \$500,000 third party limit. The Government has conducted no research and no justification for the cap was presented in the second reading speech. There is a risk that people will choose to run as party candidates instead of as third party campaigners encouraged by the gap between campaign and third party expenditure. In addition, it seems almost certain that there will be High Court litigation if the bill passes in its current form. In the face of those risks, members and the public have been given less than a week to deal with the bill and there has been only a single day of debate in the two Houses of this Parliament.

The "acting in concert" provisions are contained in proposed sections 35 and 58 (5) of the Electoral Funding Bill. The definition of "acting in concert" is broad and refers to a formal or informal agreement to campaign with the principal object of having a party or candidate elected or opposing their election. That was the subject of expert panel recommendation 32 (c) and was referred to in only a single paragraph of the report. It is very similar to Australian Capital Territory Electoral Act provisions that were introduced in 2012 and repealed in 2015 after a Senate select committee looked at various matters, including the impact of the High Court decision in New South Wales. These are zombie measures that were killed in the High Court and are dead in the Australian Capital Territory but are being resurrected for New South Wales electoral law. They mirror an obsession with the approach taken to regulating elections in the United States, which in my view is totally inappropriate in New South Wales. I had the pleasure of meeting two United States campaigners during the course of the 2010 congressional mid-term elections. One of them was Marlon Marshall, who was the National Field Director for the Democratic Congressional Campaign Committee [DCCC].

The Hon. Daniel Mookhey: A great guy.

The Hon. JOHN GRAHAM: I acknowledge that interjection. He oversaw the team that ran the field operations for the DCCC. He went on to become a Special Assistant to President Obama and Director of States and Political Engagement for the Hillary for America campaign. Another was Robbie Mook, who went on to become the campaign director for the Hillary 2018 campaign. He joined the Democratic Congressional Campaign Committee in 2009 and was named independent expenditure director in May 2010. The *Washington Post* reported his role as follows:

... to take over the independent operation—the vehicle through which the tens of millions of dollars raised by the committee will be spent on television ads. The DCCC ended March with \$26 million in the bank.

These are two campaigners known to each other—friends—who were separated, sequestered, legally barred from cooperating, physically separated for the course of the campaign and unable to speak to each other between May 2010 and November of that year. It was a very artificial construct—one that is strained enough in the United States with its gun-for-hire consultant culture but one that would be a very alien intervention in the political culture we have in Australia. How does it work in practice in the American system? I am thankful to Roarty and Goldmacher who wrote a story in the *National Journal* about one campaign and the public campaign memo of Republican Thom Tillis:

The 1,000 word dossier went into remarkable detail about what the North Carolina Republican needed in the closing weeks before the election: TV ads in Charlotte ("Add 1,000 gross rating points"), digital videos (I'd like to backfill the \$250,000 budget"), and spending in Asheville, a town embedded in the Appalachian Mountains near the state's western edge.

They went on to say:

Campaigns rarely want candid memos like this one to go public during a hotly contested Senate race ... it is just as easily read as an explicit wish list aimed at the inboxes of outside allies with whom he cannot otherwise legally communicate about strategy.

The authors stress in the article that this approach is not illegal. They also detail practices such as "vaguely outlining ad buys through the media and posting minutes' long 'B-roll footage' of a candidate on their website" They also say:

... in New York's competitive 11th Congressional District race on the DCCC's site, for instance, the committee says voters in Brooklyn who subscribe to Time Warner Cable and Cablevision need to "see more about Michael Grimm's 20-count indictments."

What we see in the United States under these provisions is private communication and cooperation banned but public communication continuing regardless. That is this principle in practice in the United States. It does not even work well in the United States in a political system that is 40 times bigger than the political system in New South Wales. It is fantasy to believe that we could bring that idea here—to artificially separate off our campaigns in Sydney and sequester or segregate our more centralised, permanent, political party campaigns. It is a lawyer's answer to a political problem; it is an artifice, an obsession and an imported idea that will cause more trouble than it is worth.

However, some measures in this bill are worthy of support. I support the inclusion of the associated entity provisions, particularly as they are aimed at the activity we have seen from the Free Enterprise Foundation in New South Wales. The disclosure elements of the bill are welcome. The local government expenditure caps are overdue but they are welcome, although they are too complex, as has been pointed out by Mr David Shoebridge. I was pleased to see that the developer donations provisions have been retained. I was closely involved with their introduction by former Premier Rees a decade ago. We were told at the time that we would never be able to successfully define this category of persons. I am glad that we proceeded and that the Government has found a way, with the assistance of the Electoral Commission, to further refine that definition.

The Government claims it is implementing the Schott report. It is not. The shadow Attorney General and the Leader of the Opposition in this place have already put that case compellingly. Recommendation 14 is not being implemented. Recommendations 16, 18, 26, 33, 34, 35, 36 and 41 are not being implemented. Crucially, recommendation 2, whereby the Premier takes up this issue nationally, needs to happen. The Premier needs to pursue this issue federally more strongly. I agree with the sentiments expressed by Reverend the Hon. Fred Nile on this issue. There is one other issue that is not being proceeded with that I want to speak about, and that is electorate-specific funding and section 99F (13) of the existing Act. Recommendation 12 of the expert panel on political donations called for this:

That the electorate-based caps on expenditure by political parties apply to all expenditure which encourages or tries to persuade electors to vote for or against a candidate in a particular electorate.

The panel was responding to the evidence of Dr Tham, who advocated for the New Zealand election law in this matter. He said:

[The New South Wales law] creates a huge window that can be exploited for parties to throw resources at a particular seat.

On 9 February 2017 an article from the *Australian* stated:

More than \$816,000 of \$2.7 million in funding earmarked for the Greens' March 2015 election campaign has yet to be paid ...

It continued:

It is understood the election expenditure breaches could be related to the party's successful campaigns in the state seats of Balmain and Newtown, which are held by Jamie Parker and Jenny Leong.

I note that this matter was later resolved, with The Greens receiving on 10 May 2017 the \$981,683 that had been withheld by the Electoral Commission. I make no judgement about this incident as I simply do not know the facts. I do, however, put on the record my concerns about the lack of electoral regulation to stop campaigns effectively breaching the electorate specific caps. It has been pretty quiet in this Chamber in the last few sitting weeks. Now this bill is being dealt with in a rush—dealt with in a rush shortly before the election and dealt with in a rush despite the expert report being delivered in 2014.

I do not want to distract from the fact that every party has issues in some of these respects and, specifically, the fact that NSW Labor has had its issues over time. I support those issues being dealt with harshly. But this legislation is being dealt with in a rush against this historical backdrop: on 14 September 2016, \$70,000 was paid to the Electoral Commission by former member for Charlestown Andrew Cornwall; on 21 December 2016, \$20,000 was paid to the Electoral Commission by Newcastle campaign director Hugh Thompson; on 22 December 2016, \$50,000 was paid to the Electoral Commission by former member for Newcastle Tim Owen; and in February this year the New South Wales Liberals were ordered to repay more than \$240,000 after illegal political donations by Ronney Oueik and the member for East Hills, Glenn Brooks. That comes after, on 22 September 2016, a deduction from the election campaigns fund of the NSW Liberal Party of \$586,992. That is the background for this attack on working people, this attempt to fiddle the electoral law. Put aside the envelopes of cash, the developers, the Bentley, its motor still running—

The Hon. Adam Searle: The dog.

The Hon. JOHN GRAHAM: —and the poor dog, prone on the operating table. Here is the point: at the 2011 New South Wales election the NSW Liberal Party received donations totalling \$10,873,138.54 and then had to hand back \$586,992. That is, those in the NSW Liberal Party handed back more than 5 per cent of the total. They handed back the money but they did not hand back the votes. Think about what that means in an electorate such as East Hills. That member, Glenn Brookes, won that election by 0.6 per cent of the vote, but the statewide Liberal campaign received a 5 per cent donation boost. They handed back the money, but if they had handed the votes back he would not have been elected in the first place. If we put aside the fact that the member was again caught out overspending in the 2015 election and put aside his campaign's involvement in one of the worst electoral slur campaigns in New South Wales electoral history, the member for East Hills cheated his way into the electorate the first time, cheated his way back and then voted for this bill today in the lower House to stop working people having a say.

The Hon. Don Harwin: Point of order: The honourable member is well aware of the standing orders that he should not reflect on a member unless it is by way of substantive motion. What he is doing right now is contrary to that standing order.

The PRESIDENT: I uphold the point of order. The member is well aware that he should not reflect on another member. He used a term, not once but twice, that clearly breaches the standing orders. The member will cease reflecting on another member. If he wishes to do so, it must be done by way of substantive motion.

The Hon. JOHN GRAHAM: This is a scandal. Why is the Government accepting his vote on this bill? He might have given back the money but the member for East Hills should resign today and give back his electorate to the people of New South Wales. I oppose the bill.

The Hon. DANIEL MOOKHEY (23:06): I sing with the chorus of Labor Opposition in respect to the Electoral Funding Bill 2018. In doing so, I praise the eloquence of the Leader of the Opposition, I concur with the remarks of the Hon. Courtney Houssos, the Hon. Walt Secord, the Hon. John Graham, and I am certain I will agree with the Hon. Shaoquett Moselmane as well. They have provided letter and verse many of the reasons why this bill is objectionable. The reason I find it objectionable is that it breaches the core principle of our democracy, that is, it is the voters who pick the politicians, not the politicians who pick the voters. Certainly, the politicians should not restrict the rights and powers of our citizens to organise to express their views through the ballot box.

How is it that this bill is so offensive to those principles? I start with clause 35, the "acting in concert" provision of the bill. This clause restricts the opportunity of third party campaigners to coordinate and pull their campaigns together to act jointly, to further progress their common cause and to amplify their voice in an election context. That is the first reason that the bill offends that most basic of principles. It is absolutely the case that it is a principle directed at the trade union movement of New South Wales. In addition, the bill restricts third party campaigning in local government elections by way of clause 31. It imposes restrictions on the ability to have their voice heard in a local government election context.

The bill reduces the quantum of funds that can be expended by third parties as they pursue their democratic right to be heard and provide information to electors who are completing the most sacred of duties, that is, deciding their vote at an election. I observe that the Liberal Party has introduced this bill at the same time the State is mourning the loss of one of the greatest political organisers the country has ever produced, Sir John Carrick, former General Secretary of the Liberal Party. He is the person most responsible for establishing that party as a fighting force in this State for the last 60 years. It is telling that Sir John Carrick, in his last public interview, said that the one aspect that he laments about the Liberal Party and its evolution is that it has become an anti-trade union party.

Sir John Carrick said that Robert Menzies, the founder of the Liberal Party, was a trade unionist who supported and fought for the rights of trade unionists to organise. He said that he regrets that these days not a single Liberal Party politician ever speaks well of what trade unions do. Sadly, the problem is not only that the Liberal Party does not speak up in favour of trade unionism; to be fair, trade unionism is probably better off without its blessing. The problem is that the Liberal Party is now using the coercive authority of the State to restrict the ability of the trade union movement to organise. Ahead of this debate, I took the opportunity to reflect on how third parties that are conservative leaning would be affected by this bill. I cannot help but recall the comments of the Leader of the Opposition in his second reading debate contribution when he said that the \$500,000 cap was designed to have absolutely no impact on organisations that tend to be conservative leaning.

The Leader of the Opposition cited the campaign of the Business Council of Australia during the last election and its \$492,000 expenditure as well as that of the Minerals Council. It is the case that if those organisations persisted with the same quantum of expenditure they would not be affected by this bill. I cannot help but look at the campaigns that they are currently waging, which the Liberal Party is taking no action at all to restrict. Currently, the Business Council of Australia is campaigning for a \$63 billion corporate tax cut over the rights of working people. The council is making the point that State leaders and State Premiers ought to support its campaign at the Council of Australian Governments [COAG]. During the next election, I am sure that the council will use its \$492,000 to persist in arguing that point.

The Australian Banking Association is currently waging a campaign against what it terms to be "excessive regulation" at the Federal level. The association will not be affected by this cap and will continue to be able to defend the rights of AMP executives ahead of the rights of working people. It is not at all disturbed by this bill. As my Labor colleagues have noted, it was quite telling that none of the species of Liberal Party behaviour that have been unspooled in various tribunals in this State since 2011 has been touched by this bill. The opportunity presented by this bill to correct all of those problems has been not seized by this Government, including the actions that have been described in respect to East Hills and Newcastle. Of course, those actions were the catalyst for the

Schott report and the reason the report was created in the first place. It is most telling that we are to accept the argument that, four years after the report was delivered, it is now a matter of urgency.

However, the bill does nothing to implement the recommendations that the report said were necessary to ensure that the Liberal Party's behaviour was not repeated. Other members have speculated on why this bill is being treated with such urgency. Why is a bill that we only saw for the first time last week now being shoved through Parliament at 11.15 p.m. on a Wednesday night? Whilst the Parliamentary Secretary in his second reading speech presented this bill as a technical reform and an opportunity to make minor tweaks to legislation, in truth this bill was motivated by the Government's fear of the judgement that will be rendered on it and its conduct at the next State election. It has every reason to hold those fears. After eight years in government promising to do a lot more for our hospitals, we have record-high elective surgery waitlists. After eight years of saying that it will build a world-class education system, we have record-high numbers of demountables.

The Hon. Scott Farlow: Point of order: The honourable member is straying somewhat from the long title of the bill. I ask that he be called back to the long title of the bill.

The Hon. Adam Searle: To the point of order. It is the practice in this place that members are given a wide latitude to develop their argument in an arc, so long as at the end of the arc they are within the long title of the bill. The honourable member is being generally relevant to the substance of what the bill is dealing with. There is no point of order.

The PRESIDENT (23:13): I refer members to the ruling of then President Primrose in 2008. He said:

With regard to debate on bills, the contributions of members must be more than generally relevant; they must be relevant. A determinant of what is relevant is the long title of the bill. Some degree of latitude is given to permit wide-ranging debate on bills, but only if the contributions of members remain relevant to the long title of the bill.

The long title of the bill is:

An Act to make provision for the disclosure, capping and prohibition of certain political donations and electoral expenditure for parliamentary and local government election campaigns; to make provision for the public funding of parliamentary election campaigns and other activities; and for other purposes.

I consider that the member was being generally relevant to the long title of the bill. However, he may be getting close to straying from the long title of the bill and I do caution him on that.

The Hon. DANIEL MOOKHEY: Thank you, Mr President. The arc of my contribution will of course be within the long title of the bill. I was making the point that after eight years it is possible for people and for third parties to now judge this Government on its record. They will examine the promises that were made in respect to schools and wage growth and the fact that they were told that they should expect, as a result of the economic management being promised to them by this party, that their wages would rise. They were promised as well that energy prices would stay down. The 2019 election provides third parties with an opportunity to hold the Government to account for all these promises and the extent to which they have been fulfilled and to consider the other policies that are available to the people of New South Wales to endorse at the ballot box.

In addition, we can expect that third parties will want to hold this Government to account for its record on issues such as the CBD and South East Light Rail. The fact that this project is now well and truly over budget and the Government is being sued—as we have learnt today—by two contractors to the project, a whole bunch of third party campaigners will be seeking an explanation as to how that money could have been put to better use in respect of the Transport portfolio. In addition, the Government will have a whole bunch of them asking for an explanation about the \$17 billion that is being spent on WestConnex—up from the \$10 billion that the Government said it would cost—and complaining that the excess of \$6 billion excess could have made a decisive difference on a project like the western metro. Moreover, a whole bunch of third party campaigners who are complaining loudly for the western metro project to be prioritised will be affected by this bill. The long title of the bill is:

An Act to make provision for the disclosure, capping and prohibition of certain political donations and electoral expenditure for parliamentary and local government election campaigns; to make provision for the public funding of parliamentary election campaigns and other activities; and for other purposes.

In fact, the actual purpose of this bill is to improve the Liberal Party's ability to be returned at the next State election. That is the actual purpose of this bill. This Parliament is being asked to allow this bill to pass at a time when the people of New South Wales are being ambushed. I am proud to be part of a party that stands against that; I am proud to be part of a party that supports working people's right to freedom of speech. I am proud that I am not part of a party that fights for freedom of speech only of bigots and for their ability to insult and offend and places that ahead of the rights of working people to organise elections. I am proud to be part of a party that supports people's freedom to assemble, to combine and to join a trade union, and I am so proud that Labor is against this bill.

The Hon. SHAOQUETT MOSELMANE (23:17): My contribution to debate on the Electoral Funding Bill 2018 will be brief. I speak as a proud member of the New South Wales Labor Party. I am proud of having been a member for 36 years and I am proud of the members of the Labor Party. I am proud of the members of this Parliament who have spoken so eloquently in opposition to the various aspects of this bill: the Hon. Daniel Mookhey, the Hon. Adam Searle, the Hon. John Graham, the Hon. Walt Secord and others. They spoke with conviction for the rights of the people who find it extremely hard to make ends meet. Before us tonight is legislation that makes life even more oppressive for those people. That is why I am proud of what unions do. I support the rights of all workers, all individuals, all organisations—unions and others—to have their say and practise their fundamental right to freedom of political expression and political communication.

Before I deal with the substantive elements of the bill, I will put on record the objects of the bill. The object of this bill is to make provision for the disclosure, capping and prohibition of certain political donations and electoral expenditure for State parliamentary and local government election campaigns and for the public funding of State parliamentary election campaigns. The bill has been prepared in response to the Final Report of the Expert Panel on Political Donations, known as the Schott report, dated December 2014; the report on the Inquiry into the Final Report of the Expert Panel on Political Donations and the Government's Response, dated June 2016; and the report on the Administration of the 2015 NSW Election and Related Matters, dated November 2016. The last two reports were produced by the Joint Standing Committee on Electoral Matters. The bill repeals and replaces the Election Funding, Expenditure and Disclosure Act. I note that the Schott report is dated December 2014 and the Government response is dated June 2016. The Government sat on those issues for just under two years and has now sprung this bill upon us.

The Government has waited until a few months before the election, which is to be held in March 2019, to introduce the bill. It is fishy and it stinks. It smacks of a desperate government trying its best to avoid a loss at the next election. The Government knows that for the past eight years it has failed to deliver for the people of New South Wales. In fact, it wasted public money and sold public assets and it is prepared to waste yet more money—more than \$2.2 billion—on stadiums that are in good structural order. The Government is wasting money rather than spending it where it is needed most: on health care, education and TAFE and on services that the people of New South Wales need most. That is why the bill smacks of a political agenda that is designed to prohibit organisations such as GetUp!, Unions NSW and others from having their say at the next election. It is a gutter approach.

Reverend the Hon. Fred Nile: Hear, hear!

The Hon. SHAOQUETT MOSELMANE: Reverend the Hon. Fred Nile expressed his approval when I said that the bill is intended to restrict organisations such as GetUp! and Unions NSW.

Reverend the Hon. Fred Nile: Hear, hear!

The Hon. SHAOQUETT MOSELMANE: He repeats it. Restricting citizen-run unions and organisations from exercising their right to political communication is despicable. The right to free speech is a basic principle of democracy. Political communication should be allowed to all citizens of New South Wales. The New South Wales Labor Party has been and always will be a party that stands up for those without a voice and against those who attempt to govern for the wealthy—or, to put it another way, for those with the deepest pockets. That is what the bill is about. It takes a sledgehammer to the rights of workers who are represented by unions and other pro-worker organisations and crushes their ability to express their freedom of political communication and freedom of expression.

Whilst certain aspects of the bill reflect some positive outcomes achieved by the joint committee process, the Government has chosen to ignore what would otherwise be an equitable, commonsense approach to reform. Instead, it has embarked upon yet another ideological campaign to silence the workers of the State. As the shadow Attorney General, Mr Paul Lynch, noted in the other place, the bill has adopted 49 of the committee's recommendations in principle but has simply ignored many significant elements. As such, it has abandoned the best of the committee process to instead launch a partisan attack in a sad and desperate attempt to drag itself across the line in 2019.

For example, clause 67 of division 2 in part 4 puts in place a \$1-per-vote model for public funding, directly rejecting the electoral expenditure model. That is precisely the opposite of the committee's recommendation 14, which was that the \$1-per-vote model of the 2015 election should not be pursued. If Government members are interested, they need only turn to page 74 of the electoral matters committee report, which says that the distinct advantage of a reimbursement scheme versus the model proposed is that candidates cannot profit by standing for election. What the Government is proposing, perhaps unsurprisingly, is the model used and endorsed by such figures as Pauline Hanson, who in 2004 spent \$35,000 running for the Senate but received \$200,000 in public funding.

The PRESIDENT: Order! The Deputy Leader of the Opposition and the Leader of the Government will cease interjecting.

The Hon. SHAOQUETT MOSELMANE: If members do the maths they will see that she made \$165,000 just by running—as if we needed any other reminders of this Government's tacit support of Pauline Hanson and politicians of her ilk. To date, the Government continues to refuse to state outright that it will not exchange preferences with One Nation. Clearly, the Government has chosen to pursue recommendations that support its incentives. The NSW Minerals Council, which is the favourite organisation of the NSW Business Chamber and the Minister for Resources, and Minister for Energy and Utilities, will not be affected while organisations that are opposed to this Government, such as unions, will have their ability to represent workers restricted and will be silenced. The Government wants to narrow the types and diversity of campaigns that are run in New South Wales to only the groups it favours and supports.

Paul Oosting, the National Director of GetUp!, said that these laws come at the direct expense of charities and community advocacy organisations. Limiting third parties engaging in joint campaigns to one cap of \$500,000 is particularly problematic for environmental groups, which often join forces on issues such as climate change or to fight mining proposals. Unions also correctly point out that the cap and the prohibition on combining resources between organisations under multiple caps prevent the creation of cross-movement campaigns. Unions NSW sees that as a direct attack on its right to political communication. Mark Morey, Secretary of Unions NSW, states that the Government is trying to:

...ram through legislation which will outlaw unions working together on campaigns such as *NSW Not for Sale* and *Stop the Sell Off*.

This legislation is a direct attack on union members' rights to political communication...

During elections trade union members pool their resources to advocate for the interests of working people. This is the only way individuals can compete with the corporations and wealthy individuals who bankroll campaigns for conservative political parties.

The NSW Government's Bill will silence unions, churches, charities and community organisations. At the same time **it lifts restrictions on candidate donations, allowing some political candidates to make unlimited donations directly to parties.**

Furthermore, posting on its website today, Unions NSW notes:

This Bill would prevent unions running properly resourced, cross-movement campaigns on issues such as alcohol-fuelled violence or energy privatisation in the lead up to an election. Under proposed laws expected to be rammed through parliament today, so called "third party" campaigners will be restricted from "acting in concert" in the six months prior to an election. This would effectively outlaw joint union and community campaigns that spend more than \$500,000.

Stop the Sell-Off, which involved multiple unions in a campaign against electricity privatisation at the 2015 state election, would be illegal.

And Last Drinks, a joint initiative on behalf of health, hospital and emergency service workers fed up with alcohol-fuelled violence, would also be illegal if it were running today and seeking to advertise before an election.

The Government has perhaps forgotten how the lockout laws, which the Government put in place in Sydney's Kings Cross, came into being. It was not just the tragic death of young Thomas Kelly that brought about the change in government policy. It was a significant cross-movement campaign by the Health Services Union, the NSW Nurses and Midwives' Association and the Police Association of NSW, called Last Drinks, that first saw the issue splashed across the front page of our newspapers. This cross movement provided the initial pressure to curb alcohol-fuelled violence, particularly violence against paramedics and other first responders. It could not have happened under the proposed laws contained in this bill.

Members will remember that in 2013 the High Court upheld a union challenge to the then O'Farrell Government's electoral donation laws. Those laws completely banned unions and corporations from making donations to political parties for election campaigns. The unions argued that donations are a form of political freedom and that a ban would be unconstitutional. In a unanimous decision, the High Court found in favour of the unions that the laws were indeed invalid because they violated the implied freedom of communication on governmental and political matters contained in the New South Wales Constitution. This bill, however, is a stealthier and much more cunning approach.

The Hon. Walt Secord: Sinister.

The Hon. SHAOQUETT MOSELMANE: And sinister; I acknowledge that interjection. Mark Morey, the Secretary of Unions NSW, has said that these laws quite obviously:

... will prevent civil society banding together and amplifying its voice against the din of conservative governments and deep-pocketed corporates ...

I echo those sentiments and I do not support the bill as it stands.

The Hon. BEN FRANKLIN (23:30): On behalf of the Hon. Don Harwin: In reply: I thank all members for their contributions to the debate. The Electoral Funding Bill 2018 is a rewrite of the Election Funding, Expenditure and Disclosures Act 1981. It provides a modernised legislative framework for the funding of elections in this State. The bill implements the majority of the recommendations for reform that have been made by the independent expert panel and the Joint Standing Committee on Electoral Matters. It delivers the strongest, most transparent political donations laws that this State has seen.

I will turn briefly to address some of the points that were raised in the debate. Concerns have been ventilated about the \$500,000 expenditure cap for third party campaigners. As members have mentioned, this was a specific recommendation of the highly esteemed independent panel of experts. As the expert panel pointed out, there is widespread support for third party participation in elections within limits. However, third party campaigners should not be able to drown out the voices of parties and candidates who are the direct electoral contestants.

The panel examined closely the amount of the current cap and found that it is too high. Indeed, the current cap of over \$1.2 million is the same as the cap for parties that only contest Legislative Council elections. The panel recommended reducing the cap to \$500,000 to guard against third parties coming to dominate election campaigns. The Joint Standing Committee on Electoral Matters considered the panel's recommendation and supported reducing the amount of the cap. A spending cap of \$500,000 strikes the right balance. It allows a third party campaigner to reasonably present its case and have a genuine and substantial voice in the debate. It will also serve to guard against third party campaigners coming to dominate election campaigns.

In the course of the debate, members have raised concerns about the offence in clause 35 of acting in concert with others to incur electoral expenditure that exceeds the third party campaigners' expenditure cap. Again, this implements a specific recommendation of the expert panel. Clause 35 introduces a new offence to prevent third party campaigners from circumventing the caps by procuring other individuals or entities to campaign on their behalf. Third party campaigners should not be permitted to circumvent the expenditure caps by setting up "front" organisations.

I wish to emphasise that the offence does not seek to aggregate the expenditure caps for multiple third party campaigners who are each campaigning on a particular issue. The offence does not prevent third parties with a common interest from campaigning on that same issue. It applies where a third party campaigner acts under an agreement to incur expenditure in excess of the third party campaigners' spending cap. The expert panel considered the "acting in concert" offence to be important to maintaining a fair and balanced electoral contest and the integrity of the expenditure caps generally.

Mr David Shoebridge raised a number of issues regarding local government caps. The bill, as introduced, delivers on the Government's commitment to introduce caps on electoral expenditure for local government elections. As a concept, the caps will ensure a level playing field for parties, candidates and groups in a local government election and limit the expenditure "arms race" between parties and candidates. The bill includes higher expenditure caps for local government areas or wards with more than 200,000 electors. However, the Government recognises the legitimate concerns that have been raised about the extent to which the expenditure caps may impact local government areas with different populations. This is a complex issue, given that some items of expenditure are generally fixed in cost, while the cost of other items will depend on the number of electors. It is not necessarily the case that it is appropriate for the cap amounts to bear a direct linear relationship with the number of electors in a given area.

The Joint Standing Committee on Electoral Matters is best placed to consider the impact of the expenditure caps on different local government areas, in consultation with stakeholders. The Government proposes to refer this matter and the proposals reflected in the amendments circulated by The Greens to the committee for inquiry. The committee will look in detail at the impact of the caps on different local government areas but will not call into question the requirement for caps on electoral expenditure. The Government is pleased with the support of members for many of the proposals in the bill. I commend the bill to the House.

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

The House divided.

Ayes22
Noes17
Majority.....5

AYES

Amato, Mr L

Blair, Mr

Borsak, Mr R

AYES

Brown, Mr R
Cusack, Ms C
Franklin, Mr B
Khan, Mr T

Mallard, Mr S
Mitchell, Mrs
Ward, Ms P

Clarke, Mr D
Fang, Mr W (teller)
Green, Mr P
MacDonald, Mr S

Martin, Mr T
Nile, Revd

Colless, Mr R
Farlow, Mr S
Harwin, Mr D
Maclaren-Jones, Mrs
(teller)
Mason-Cox, Mr M
Phelps, Dr P

NOES

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

Primrose, Mr P
Sharpe, Ms P
Walker, Ms D

Donnelly, Mr G (teller)
Graham, Mr J
Moselmane, Mr S
(teller)
Searle, Mr A
Shoebridge, Mr D
Wong, Mr E

Faruqi, Dr M
Houssos, Ms C
Pearson, Mr M
Secord, Mr W
Veitch, Mr M

PAIRS

Taylor, Mrs

Voltz, Ms L

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. I have a series of amendments: Shooters, Fishers and Farmers Party amendments appearing on sheet C2018-044A; Opposition amendments appearing on sheet C2018-052B; Opposition amendments appearing on sheet C2018-038F; The Greens amendments appearing on sheet C2018-046A; The Greens amendment appearing on sheet C2018-041A; The Greens amendments appearing on sheet C2018-045B; and The Greens amendments appearing on sheet C2018-042C.

The Hon. ROBERT BORSAK (23:45): By leave: I move Shooters, Fishers and Farmers Party amendments Nos 1, 3, 4, 5 6 and 7 on sheet C2018-044A in globo:

No. 1 **Disclosures of political donations—general**

Page 4, clause 4. Insert after line 43:

half-year means a period of 6 months ending on 30 June or 31 December.

No. 3 **Disclosures of political donations—general**

Page 14, clause 15 (1) (b), line 21. Omit "quarter". Insert instead "half-year".

No. 4 **Disclosures of political donations—general**

Page 14, clause 15 (2) (b), line 43. Omit "quarter". Insert instead "half-year".

No. 5 **Disclosures of political donations—general**

Page 15, clause 17 (4), line 27. Omit "quarterly". Insert instead "half-yearly".

No. 6 **Disclosures of political donations—general**

Page 15, clause 17 (5), line 32. Omit "quarterly". Insert instead "half-yearly".

No. 7 **Disclosures of political donations—general**

Page 15, clause 17 (7) (a), line 39. Omit "quarterly". Insert instead "half-yearly".

Amendments Nos 1, 3, 4, 5, 6 and 7 are all consequential. They simply extend the reporting period for the disclosure of political donations outside the pre-election period for a Legislative Assembly general election from quarterly to biannually. In other words, the proposed amendments will require reporting within four weeks biannually for the period ending 30 June and 31 December each year.

The Hon. BEN FRANKLIN (23:46): The Government does not oppose the amendments.

The Hon. ADAM SEARLE (23:46): The Opposition also does not oppose the amendments.

Reverend the Hon. FRED NILE (23:46): The Christian Democratic Party supports the amendments, as I foreshadowed in my contribution to debate on the second reading.

Mr JUSTIN FIELD (23:46): The Greens oppose the amendments. Earlier today The Greens moved amendments in the Legislative Assembly to reduce the time. Critically this is a question about the transparency of electoral funding donations and expenditure disclosure and, in particular, it relates to political donation declarations. It is important for the public to understand when political parties receive donations; ideally, they should know as soon as possible after the donations are given. As I said earlier today, The Greens moved amendments in the Legislative Assembly to require those disclosures to be made within 14 days throughout the entire period. It would be inconsistent to support these amendments. I indicate that we will not be moving the amendments that were moved earlier today because they were not supported in the Legislative Assembly. I indicate also that we will not be dividing on these amendments. The Greens oppose the amendments.

The CHAIR (The Hon. Trevor Khan): The Hon. Robert Borsak has moved Shooters, Fishers and Farmers Party amendments Nos 1, 3, 4, 5, 6 and 7 on sheet C2018-044A. The question is that the amendments be agreed to.

Amendments agreed to.

The Hon. ADAM SEARLE (23:48): By leave: I move Opposition amendment No. 1 on sheet C2018-038F and Opposition amendment No. 1 on sheet C2018-052B in globo:

No. 1 Meaning of "electoral expenditure"

Page 8, clause 7 (1), line 2. Omit "includes such expenditure of the following kinds:". Insert instead "which is expenditure of one of the following kinds:".

No. 1 Meaning of "electoral expenditure"

Page 8, clause 7 (1). Insert after line 15:

(h) expenditure incurred in raising funds for an election or in auditing campaign accounts, Both amendments go to the definition of electoral expenditure in the legislation. At the moment the definition is inclusive, that is, there is a general description, then it says it "includes", and there is a list. There is the risk of mission creep. In the area of electoral expenditure it is important to have as tight a definition as possible so everyone knows where they stand. This is in the nature of tightening up and clarification. These two amendments together would improve the integrity of the regime of electoral laws in this State. We urge honourable members to join with us in that endeavour.

The Hon. BEN FRANKLIN (23:49): The Government does not oppose these amendments.

Mr JUSTIN FIELD (23:50): On behalf of The Greens, we support amendment No.1 on sheet C2018-038F. It makes clear what elements of expenditure are incorporated as electoral expenditure. I question why the raising of funds and the auditing of campaign accounts would be changed from the way it has been operating previously.

The Hon. Adam Searle: It does not. I will come back to that.

Mr JUSTIN FIELD: I would appreciate it if that could be addressed. I ask if it is possible that these amendments be considered separately.

The CHAIR (The Hon. Trevor Khan): They have been moved together, but the question can be put separately.

Mr JUSTIN FIELD: I would request that they be considered separately. The Greens support the amendment on sheet C2018-038F. I would appreciate the Leader of the Opposition clarifying how this amendment might make changes to the previous or the current Act changing the meaning of electoral expenditure with regard to raising funds for an election and in auditing campaign accounts.

The Hon. ADAM SEARLE (23:51): The Opposition amendment on sheet C2018-038F does the tightening. The second one—the companion piece as it were—maintains the status quo. My understanding of current electoral law is that expenditure incurred in raising funds for an election or in auditing campaign accounts is currently accepted as electoral expenditure. By tightening it up, as we propose in our first amendment, by having it as no longer an inclusive list but a definitive list, it would have the effect of bunting that out of the existing definition. It is important to tie it back in to maintain the status quo.

Mr DAVID SHOEBRIDGE (23:51): The Greens appreciate that explanation. It is in order for these expenses to be recoverable as legitimate election expenses. Having had that discussion, The Greens are happy for both amendments to be put together.

The CHAIR (The Hon. Trevor Khan): The Hon. Adam Searle has moved Opposition amendment No. 1 on sheet C2018-038F, and Opposition amendment No. 1 on sheet C2018-052B. The question is that the amendments be agreed to.

Amendments agreed to.

The Hon. ADAM SEARLE (23:52): I move Opposition amendment No. 2 on sheet C2018-038F:

No. 2 **Entitlements and allowances not capped electoral expenditure**

Page 8, clause 7. Insert after line 38:

- (5) For the purposes of Division 4 (Caps on electoral expenditure for election campaigns) of Part 3 (Political donations and electoral expenditure), electoral expenditure does not include expenditure of amounts of additional entitlements within the meaning of *Parliamentary Remuneration Act 1989*.

This is again in the nature of a clarification to make sure that certain things are not counted as electoral expenditure. For example, if during the capped period a member of Parliament—or even in some cases frontbenchers—travel cross the State, on some occasions they will either be using their electoral allowance or potentially their logistical support allowance or the travel component of that. As the bill is currently configured, there is some risk of those amounts in some cases being counted towards the electoral expenditure cap for their parties, because it is in that electoral period. As they are amounts counted under the Parliamentary Remuneration Act, they would be more properly tied to the discharge of their parliamentary duties. This is just one matter that could do with some sensible clarification. It is in that spirit that I propose Opposition amendment No. 2 on sheet C2018-038F.

The Hon. BEN FRANKLIN (23:53): Once again, the Government does not oppose the amendment.

Mr JUSTIN FIELD (23:53): I am glad to hear the Government's position. The Greens raised concerns about this matter with the Government early on in discussions because it seemed, particularly regarding the communications allowance for lower House members, that although the guidelines suggest you cannot campaign with it, the crossover period when the money can be used and the definition included in this bill raise some questions about whether it would be captured as electoral expenditure. The Greens moved amendments to this effect in the Legislative Assembly, which I do not think were supported, but I am glad that the Government has supported this amendment. I think that clears it up for the benefit of all members and the public. The Greens support the amendment.

The CHAIR (The Hon. Trevor Khan): The Hon. Adam Searle has moved Opposition amendment No. 2 on sheet C2018-038F. The question is that the amendment be agreed to.

Amendment agreed to.

The Hon. ROBERT BORSAK (23:55): I move Shooters, Fishers and Farmers Party amendment No. 2 on sheet C2018-044A:

No. 2 **Disclosures of political donations during pre-election period**

Page 14, clause 15 (1) (a), line 19. Omit "14 days". Insert instead "21 days".

A person is required to disclose a reportable political donation. Amendment No. 2 simply amends the reporting period from 14 days to 21 days. Given how busy everyone is during an election the last thing we, as legislators, want is to set people up to be in breach of the Act. Compliance even for this period of 21 days will require a functioning online portal to operate effectively. I cannot see why we cannot allow an extra week to disclose reportable donations.

The Hon. BEN FRANKLIN (23:56): The Government does not oppose this amendment.

The Hon. ADAM SEARLE (23:56): The Opposition does not oppose this amendment.

Mr JUSTIN FIELD (23:56): We are moving well away from one of the few positive elements of the bill the Government introduced, which would provide the public with more awareness of political donations in the lead-up to an election. We are stepping away from that. We should be moving towards real-time disclosure of donations. In my contribution to the second reading debate I used Tasmania as an example. The people of Tasmania will not know for months. That has been the historical experience in New South Wales and it is the experience in Federal elections. We can do better than that. There are examples of real-time disclosure happening

around the world. This is a move further away from the direction that we should be taking this legislation and the transparency of our political system so that the public can be aware when they go to the ballot box who has been funding the campaigns of political parties, and who has been funding the campaigns of third parties for that matter. The Greens oppose this amendment.

Mr DAVID SHOEBRIDGE (23:57): I note that this amendment will change the default period from 14 days to 21 days and, for the reasons articulated by Mr Justin Field, The Greens oppose it. There is still a regulation-making power in the bill. I hope that the Government consults with political parties and works out the shortest possible reasonable time within which political parties can make the disclosure for the upcoming election. I hope it is significantly shorter than either 21 days or 14 days. Realistically, if we are given the support, and the Electoral Commission assists us in working out a way to report our donations in real time, we should get to that real-time donation period. I urge the Government to work cooperatively with all political parties so that for the 2019 election people in New South Wales know who is paying the piper before they vote for them.

The Hon. ROBERT BORSAK (23:58): I do not want to belabour this much more, but The Greens say that somehow or other there is a problem with extending the period by another seven days. I draw the attention of the Committee to the fact that the Joint Committee on Electoral Matters has been trying to get this disclosure in its last two major reports, which Mr Chair and certainly the Hon. Ben Franklin would know. The Government has grasped it. Getting the portal up is what is really required. Getting it up and running not just for 14 days but for 21 days is really immaterial. Originally I asked for 28 days, but the Government said, no, it should be 21 days. It has decided on 21 days. Even trying to do it in 14 days is difficult for smaller parties. We have not yet seen the portal that the commission will be putting up.

Mr David Shoebridge: Let's get the portal up, and make it as short as possible.

The Hon. ROBERT BORSAK: It should be as short as possible, and I think that at this stage we should get the portal up. We have 21 days to see it done. I think it is a major step forward in terms of timeliness and disclosure. It has never been available before; now at least we are heading in that direction. I commend the amendment.

The CHAIR (The Hon. Trevor Khan): The Hon. Robert Borsak has moved Shooters, Fishers and Farmers Party amendment No. 2 on sheet C2018-044A. The question is that the amendment be agreed to.

Amendment agreed to.

Mr JUSTIN FIELD (00:00): By leave: I move The Greens amendments Nos 3, 21, and 22 on sheet C2018-045B in globo:

No. 3 **Electoral expenditure incurred for the purposes of a particular district, area or ward**

Page 16, clause 18 (3) (a), lines 21 and 22. Omit all words on those lines. Insert instead:

- (a) explicitly mentions the name of a candidate in the election in that electoral district, the name of that electoral district or the name of any identifiable geographic area or landmark within that electoral district or contains an image of a candidate in the election in that electoral district, and

No. 21 **Electoral expenditure incurred for the purposes of a particular district, area or ward**

Page 24, clause 29 (13) (a), lines 19 and 20. Omit all words on those lines. Insert instead:

- (a) explicitly mentions the name of a candidate in the election in that electoral district, the name of that electoral district or the name of any identifiable geographic area or landmark within that electoral district or contains an image of a candidate in the election in that electoral district, and

No. 22 **Electoral expenditure incurred for the purposes of a particular district, area or ward**

Page 27, clause 31 (13) (a), lines 20 and 21. Omit all words on those lines. Insert instead:

- (a) explicitly mentions the name of a candidate in the election in that local government area or ward, the name of that area or ward or the name of any identifiable geographic area or landmark within that area or ward or contains an image of a candidate in the election in that area or ward, and

The purpose of this suite of amendments is to clarify, when electoral expenditure is being incurred in a particular electoral district, whether it will be covered by a local cap. There are types of material—it might be billboards or other types of materials—that may fall outside a local cap because they do not include very particular information although it is clear that the intention of the communication is to advocate for a vote for a particular candidate in a particular local district. As written, the bill says:

For the purposes of subsection (2), electoral expenditure is only incurred for the purposes of the election in a particular electoral district if the expenditure is for advertising or other material that:

- (a) explicitly mentions the name of a candidate in the election in that electoral district or the name of the electoral district, and
- (b) is communicated to electors in that electoral district, and
- (c) is not mainly communicated to electors outside that electoral district.

The Greens want to amend that provision so that material cannot include the name of a candidate in the election in that electoral district, the name of that electoral district or the name of any identifiable geographic area or landmark within that electoral district or contain an image of a candidate in the election in that electoral district, without being incorporated into the cap for the local area.

As the legislation stands—let us be honest, this will particularly benefit incumbents—material could include a picture of a candidate with the caption, "Vote in Glebe." Arguably, that material may not be included in the cap for that local district because it does not specifically mention the name of the candidate or the electorate. It is conceivable that third parties could do that as well. In fact, third parties could spend their entire capped amount—now \$500,000—on doing exactly that type of advertising without having local area cap requirements held over the expenditure because the material does not meet the very explicit description of the identified material.

The Greens believe this is a loophole in the legislation. Unfortunately, we may have made that loophole clear to everyone, but I think it is worth the Government looking at this issue. We hope that the Government will support this amendment, which seeks to clarify the types of advertising that will be captured under the local cap. Parties may choose to use this loophole too. The Electoral Commission may be forced to make a judgement on this, but it would be better if the matter was resolved now rather than after the election when the spending has been incurred. I commend the amendments to the Committee.

The Hon. BEN FRANKLIN (00:03): The Government opposes The Greens amendments Nos 3, 21 and 22. Amendment No. 3 amends clause 18 (3), and clause 18 requires that a party's disclosure of electoral expenditure include details of expenditure incurred substantially for the purpose of an election in a particular electoral district. Amendment No. 3 amends that to provide that, if the expenditure is for advertising or other material, it explicitly mentions the name of a candidate in the election in that electoral district, the name of that electoral district or the name of any identifiable geographic area or landmark within that electoral district or contains an image of a candidate in the election in that electoral district. Amendments Nos 21 and 22 obviously amend clauses 29 and 31 on the same issue. The Government does not believe this is a concern, and it was not raised by the Joint Standing Committee on Electoral Matters. It is unnecessary and it does not appear to be an issue in practice. Because the balance is right at the moment, the Government opposes the amendments.

The Hon. ADAM SEARLE (00:04): The Opposition does not support these amendments. We are not sure there is a mischief to be addressed.

Mr David Shoebridge: I think there's a big photo of Ben Franklin on the Pacific Highway

The Hon. ADAM SEARLE: You have had a go—

The CHAIR (The Hon. Trevor Khan): Order! We have a lot to get through, it is late and we also have a busy day tomorrow. I encourage members to maintain a degree of discipline.

The Hon. ADAM SEARLE: The mischief is more imagined than real. However, now that The Greens have drawn attention to their campaign strategy, the Opposition will be keeping a close eye on them—as will the Electoral Commission. If there is a real problem, it can be addressed in due course. However, now is not the time to do so.

The CHAIR (The Hon. Trevor Khan): Mr Justin Field has moved The Greens amendments Nos 3, 21 and 22 appearing on sheet C2018-045B. The question is that the amendments be agreed to.

Amendments negatived.

The Hon. COURTNEY HOUSSOS (00:06): By leave: I move Opposition amendments Nos 3 and 4 on sheet C2018-038F in globo:

No. 3 **Explanation and analysis of donations**

Page 18, clause 22 (1) (b), lines 26–27. Omit all words on those lines.

No. 4 **Explanation and analysis of donations**

Page 18, clause 22 (6)–(7), lines 40–46. Omit all words on those lines.

As I foreshadowed in my speech in the second reading debate, we must be very clear about the role of the Electoral Commission. It is a regulatory body that registers political parties and provides expert advice. It will continue to

provide best practice advice to political parties, but that should not extend to explanation and analysis. That would represent overreach and mission creep, which we should not support.

The Hon. BEN FRANKLIN (00:07): The Government does not oppose these amendments.

Mr JUSTIN FIELD (00:07): The Greens do oppose these amendments, because they would reduce transparency. I would be interested to hear from the Opposition and the Government what sort of analysis concerns them. I would have thought the public would be well served by having information about reportable political donations aggregated. It might be a simple chart with a breakdown of the types of donations or the quantum. I do not understand why that would extend the Electoral Commission's reach unfairly. These provisions offer opportunities for the commission to engage the public in understanding how the political process and the donation system are working. The Greens oppose the amendments.

The Hon. COURTNEY HOUSSOS (00:08): The Electoral Commission's role is to provide independent advice and the information as it stands. It is up to others, including those in this House, to provide analyses of that information. That is not the role of the independent Electoral Commission.

The CHAIR (The Hon. Trevor Khan): The question is that Opposition amendments Nos 3 and 4 on sheet C2018-038F be agreed to.

Amendments agreed to.

Mr JUSTIN FIELD (00:09): By leave: I move The Greens amendments Nos 4 and 5 on sheet C2018-045B in globo:

No. 4 Declarations to be kept by Electoral Commission in perpetuity

Page 18, clause 22 (4), line 35. Omit "for at least 6 years after the period to which they relate". Insert instead "in perpetuity".

No. 5 Public access to declarations

Page 18, clause 22 (5), line 37. Omit "may". Insert instead "must".

These two amendments are about transparency. At the end of the day, the bill as written requires that copies of disclosures made in a declaration be kept by the Electoral Commission for at least six years after the period to which they relate and are available for public inspection during ordinary office hours. That is not even two election cycles. We have historical experience to show that questions have been raised about political donations well after the fact. It would make sense, in an electronic age with portals being developed, for it to be technically feasible for the Electoral Commission to retain that information in perpetuity. It does not seem to be technically a barrier. But even if it were, I am prepared to accept suggestions from the Government about lengthening that period to one that is more reasonable. If we have to go back to look at records for whatever reason, or if the public is interested for whatever reason—there may be a whole range of reasons to keep that data for a longer period—six years seems particularly short.

The Greens amendment No. 5 requires the Electoral Commission, on application made to it and payment of a reasonable fee, to provide copies or extracts from any such disclosures. At the moment the bill says that it may. My colleague Mr David Shoebridge mentioned the work of Senator Lee Rhiannon when a member of this place on the Democracy for Sale website. It was a critically important part of the debate that ultimately led to major reforms to political donation laws in New South Wales. A number of years ago the director of that project, Dr Norman Thompson, with whom I worked closely over many years, spoke to me about the Electoral Commission's reassessment of its requirements under the Act with regard to public access. Dr Thompson used to regularly sit down and comb through historical disclosures and that process was critically important to uncovering some activities in New South Wales that ultimately required the cleaning up of these laws. That was stopped with no explanation.

I had communications with the Electoral Commissioner at the time about the rationale and whether there was a change in the legislation. I was told it was just a change in the commission's reading of the rules, and it made a decision that it did not have to provide access. It is up to us to fix that and require the Electoral Commission to allow access. Ideally, that access would go back more than six years but, even if it did not, members of the public who want to see that information should be able to do so. We should change the wording from "may provide" to "must provide" and ensure that through these changes we make this process more transparent and democratic. I commend the amendments to the Committee.

The Hon. BEN FRANKLIN (00:13): The Government opposes The Greens amendments Nos 4 and 5. Amendment No. 4 amends clause 22 to require the Electoral Commission to keep copies of disclosures in perpetuity rather than for at least six years. We believe this to be unreasonable and unnecessary; it would create

an unreasonable administrative burden that is disproportionate to any potential benefit. I make the point also that as framed in the legislation it is for at least six years, not for six years, so it is not prescriptive in that way.

The Greens amendment No. 5 amends clause 22 purportedly to require rather than to permit the Electoral Commission to provide copies of or extracts from disclosures to a person who applies for this and pays a reasonable fee. We believe this to be unnecessary also. On a proper construction of clause 22 the Electoral Commission is already obliged to provide copies or extracts if the requisite fee is paid. In addition, clauses 22 (1) and (2) already require the Electoral Commission to publish disclosures of reportable political donations and electoral expenditure on its website as soon as practicable after the disclosures are due. Information about material political donations therefore will be made freely available to the public very soon after those disclosures are made. For those reasons, the Government opposes both amendments.

The Hon. ADAM SEARLE (00:14): For similar reasons, the Opposition does not support either of the amendments on the basis that they are not presently necessary. We are keen to keep a watchful eye on this. If they become necessary, the legislation can and should be revisited.

Mr JUSTIN FIELD (00:14): At the moment the Electoral Commission does not do what the Parliamentary Secretary says it does. It may be required to, based on what he said, but it does not. It is not just the disclosures but also the extracts that are so critically important. The supporting information that goes with the disclosures is often the thing that tells the story or enables someone to recognise that something wrong has happened. The Electoral Commission has to take declarations at face value to a degree. Someone doing the wrong thing may just put in a signed statutory declaration that the Electoral Commissioner basically has to accept. They do not have the ability to investigate whether something has gone wrong. Things are often uncovered by a person sitting down and meticulously going through the extracts and supporting information.

Mr Jeremy Buckingham: Norman Thompson.

Mr JUSTIN FIELD: I spoke about Norman and Democracy for Sale earlier. That was stopped. Consequently, much of the media that uncovered many of the reasons that we made dramatic changes to this law in 2010 and 2012 also stopped. By not passing these amendments we are keeping that door closed to investigative journalists and citizens who take a real interest in this. That includes people who might be aggrieved about third-party spending in local government elections where not a lot of money can go a long way and change the balance on a council. All that was stopped. These amendments would fix that. I commend the amendments to the Committee.

The Hon. Dr PETER PHELPS (00:16): I am reticent to speak on this. However, as the parliamentary representative on the State Archives and Records Authority, I point out that were these amendments to pass they would cut across the intent of the State Records Act, which seeks not to have individual authorities retain documents over time. If members wish to have these records considered as State archival material and thus kept in perpetuity, I suggest it would be more profitable for individual members to write to the chairperson of the State Records Board and seek a revision of the existing accession and holding arrangements.

The CHAIR (The Hon. Trevor Khan): Mr Justin Field has moved The Greens amendments Nos 4 and 5 on sheet C2018-045B. The question is that the amendments be agreed to.

Amendments negatived.

Mr JUSTIN FIELD (00:17): By leave: I move The Greens amendments Nos 6 and 7 on sheet C2018-045B in globo:

No. 6 **Applicable caps on political donations**

Page 19, clause 23 (1) (a), line 10. Omit "\$6,100". Insert instead "\$2,500".

No. 7 **Applicable caps on political donations**

Page 19, clause 23 (1) (b), line 12. Omit "\$2,700". Insert instead "\$1,000".

The amendments simply reduce the current donation caps from \$6,100 to \$2,500 for a registered party or group and from \$2,700 to \$1,000 for an elected member, candidate or third-party campaigner. This is a long-held Greens policy position. At the end of the day we are seeking to lower the amount of money in our election system to reduce the arms race and big spending. It is in line with what I said during my contribution to the second reading debate about third-party expenditure and political party expenditure. We need to bring down the volume so that community voices are heard more easily and our elections do not become battles of money rather than battles of ideas, as they should be. I commend the amendments to the Committee.

The Hon. BEN FRANKLIN (00:19): The Government opposes The Greens amendments Nos 6 and 7. The amendments propose reductions in the caps on political donations to parties and groups from \$6,100 to

\$2,500, and to candidates and others from \$2,700 to \$1,000. The bill reflects the current caps on donations, which have worked well to encourage parties and candidates to seek modest contributions from a broad base of constituents rather than being beholden to any large donors. The expert panel considered the current caps and determined that they remain appropriate. Therefore, the Government opposes the amendments.

The CHAIR (The Hon. Trevor Khan): Mr Justin Field has moved The Greens amendments Nos 6 and 7 on sheet C2018-045B. The question is that the amendments be agreed to.

Amendments negatived.

Mr JUSTIN FIELD (00:20): By leave: I move The Greens amendments Nos 8, 10 and 11 on sheet C2018-045B in globo:

No. 8 Contributions to candidate's own campaign

Page 19, clause 23 (5), lines 42–45. Omit all words on those lines. Insert instead:

(5) Non-aggregation of contributions to candidate's own campaign (other than Legislative Council candidates)

A contribution by a candidate (other than a candidate in a periodic Council election) to finance the candidate's own election campaign is not a political donation and is not included in the applicable cap on political donations to the candidate.

(6) Aggregation of Legislative Council candidate contributions to own campaign

A contribution by a candidate in a periodic Council election to finance the candidate's own election campaign is taken, for the purposes of this Division, to be a political donation and, for the avoidance of doubt, is to be included in the applicable cap on political donations to the candidate.

No. 10 Candidate contributions to own parties and groups to count as donations

Page 21, clause 26 (3)–(6), lines 19 to 48. Omit all words on those lines.

No. 11 Candidate contributions to own parties and groups to count as donations

Page 22, clause 26 (9), lines 13–14. Omit all words on those lines.

After the discussions and consultations this week and the commentary in the other place, it is clear that the intention of this Government is to open a back door for candidates to make quite substantial political donations to their political parties and to their campaigns, and I believe it runs totally counter to the idea of having strict caps on political donations. Why should a candidate who has wealth have privileged ability to make donations to their party?

Mr David Shoebridge: They can buy their candidacy.

Mr JUSTIN FIELD: And buy their candidacy. Let us be honest: With some parties running 21 candidates on a Legislative Council ticket, some of those candidates may be there by virtue of being able to offer up to \$61,500.

The Hon. Rick Colless: Maybe that's in your preselection, it's not in ours.

Mr JUSTIN FIELD: There you go. Why are we not reducing that corruption risk? What State director would not see a potential opportunity there? At the end of the day, if this bill is passed as is, it will make it totally legal for the party simply to appoint to their council ticket a person with a lot of cash who can make a very substantial donation to their candidacy and to their party. A note in the bill states:

The applicable caps on electoral expenditure under section 29 for the 2019 State general election limit electoral expenditure by a candidate endorsed by a party to \$122,900. Therefore, such a candidate could self fund and make a contribution of that amount to the party agent and also make political donations to the party, during the financial year of the election, of \$67,600.

To be able to make a \$190,00 donation in an election year, when every other person in the State is limited to making a donation of just over \$6,000 to a political party, seems outrageously unfair. It seems like a total breach of the general principles that I thought we had all agreed to, and which I thought the expert panel and the joint standing committee had agreed to. Let us be honest: Only the major political parties and wealthy independent candidates will be able to take advantage of this particular loophole. It is quite outrageous in the context of reducing third-party expenditure caps to allow candidates to self-fund to that level. The Greens commend the amendments to the Committee.

The Hon. BEN FRANKLIN (00:23): The Government opposes The Greens amendments Nos 8, 10 and 11. Amendment No. 8 amends clause 23 (5) and would make a contribution by a Legislative Council candidate to finance their own election campaign a political donation and therefore limited to the cap on political donations to a candidate of \$2,700. At the same time, the amendment retains the provision that provides that a contribution

by another candidate—for example, a Legislative Assembly or local government candidate—to finance their own election campaign is not a political donation and the cap on donations does not apply. Discriminating against Legislative Council candidates in this way is not justified. Clause 23 (5) of the bill simply replicates section 95A (4) of the Election Funding, Disclosure and Expenditure Act 1981, and is appropriate and fair to all candidates.

The Government also opposes amendments Nos 10 and 11, which amend clause 26 to remove the ability of candidates to donate amounts that exceed the donation cap of \$6,100 to their own party. These amendments should also be opposed. The bill addresses an anomaly because the Electoral Funding, Disclosure and Expenditure Act 1981 currently permits candidates to contribute to finance their own election campaign and excludes such amounts from the caps on political donations under section 95A (4). However, this operates unfairly for Legislative Council candidates because campaigning for the Legislative Council is generally conducted on a party basis and not a candidate basis.

The Hon. ADAM SEARLE (00:24): The Opposition also does not support the amendments for the reasons outlined by the Parliamentary Secretary. We on this side do not think these amendments are necessary. Essentially, the bill replicates the status quo and irons out an existing anomaly. I do not think the bill contains the vice perceived by The Greens. But, again, we will keep a close eye on the legislation and how it is brought into effect.

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (00:25): I make one very quick point in response to Mr Justin Field's comments. I served not only as deputy chair of the Legislative Council select committee in the Parliament between the 2007 and 2011 elections but also as a member of the Joint Standing Committee on Electoral Matters that oversaw bringing in the exact laws we are talking about. Donation caps were brought in for one reason and one reason only—that is, to deal with the issue of undue influence by donors. It was always the intention of Parliament that self-funding would be permitted, because the issue of undue influence simply does not arise when self-funding occurs.

Mr DAVID SHOEBRIDGE (00:26): I would not have spoken but for the contribution of the Hon. Don Harwin. The concern here is this: People with significant personal wealth will be able to contribute the better part of \$190,000 by becoming a member and a candidate. That is an inappropriate economic power when we are basically saying to the rest of the community that their contributions are capped at \$6,000. It may be that the Leader of the Government thinks having one individual drop \$190,000 into a State election campaign is reasonable and appropriate. For the record, The Greens think that is totally inappropriate.

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (00:27): I make a brief rejoinder. Mr David Shoebridge is missing one very important point: To deal with that exact issue, there are expenditure limits. As to whether a particular campaign is paid for 100 per cent by the candidate for, in this case, a lower House seat or by a series of \$6,000 donations or a multiplicity of \$60 donations, it does not really matter. If it is totally self-funded, it can still only be up to the cap and there is no issue of undue influence. Mr David Shoebridge is entirely missing the point.

The CHAIR (The Hon. Trevor Khan): Mr Justin Field has moved The Greens amendments Nos 8, 10 and 11 on sheet C2018-045B. The question is that the amendments be agreed to.

Amendments negated.

Mr JUSTIN FIELD (00:28): I move The Greens amendment No. 9 on sheet C2018-045B:

No. 9 **Limiting prohibition on donations to more than 3 third-party campaigners**

Page 21, clause 25. Insert after line 12:

- (4) A political donation to a third-party campaigner in contravention of this section is not unlawful if the total amount of donations to third-party campaigners made, within the same financial year, by the person making the donation does not exceed the third-party campaigner applicable cap amount as referred to in section 23 (1) (b).

This amendment addresses another circumstance that arises in the bill. It may well have been the case before, but if the intention is to equalise the capacity of people to make donations to political parties and third parties, it should be equal for all.

The way the bill is currently written, people are allowed to make political donations to the cap to three third parties—that is \$6,100 or \$2,700, whichever it is. They may triple the amount of money they can contribute to third parties to campaign on issues they care about. If there is to be a cap in place, it would be logical that the donation cap apply to the donor and the donor chooses to give that money to however many third parties they wish. They may choose to give it in \$20, \$200 or six \$1,000 components. It does not make sense that someone with money can potentially give up to \$18,000 whereas others do not have the capacity to do that. Why not

equalise it and make the cap the amount a person can donate in total rather than limiting the number of third parties to whom they can donate? That is what The Greens amendment seeks to change.

The Hon. BEN FRANKLIN (00:30): The Government opposes this amendment. Amendment No. 9 amends clause 25, which replicates section 95C of the current Act and makes it unlawful to make or accept political donations to more than three third-party campaigners in the same financial year. This only applies to a political donation that is to be paid into the campaign account of the third-party campaigner. The expert panel and the joint standing committee did not recommend any changes to this provision. The amendment would mean that it would not be unlawful if the total amount of donations to third-party campaigners by the person did not exceed the donations cap of \$2,700. This has not been identified throughout an extensive review of the Act as an issue—by anyone as far as I can remember—that requires addressing, and therefore it is opposed.

The Hon. ADAM SEARLE (00:30): The Opposition will support the amendment for the reasons outlined by Mr Justin Field. It equalises third-party campaigners with political parties. In the light of the quite savage attack on the rights of third-party campaigners in this legislation, it seems that this amendment is necessary now, even if were it not beforehand.

The CHAIR (The Hon. Trevor Khan): The question is that The Greens amendment No. 9 on sheet C2018-045B be agreed to.

Amendment negatived.

Mr JUSTIN FIELD (00:31): By leave: I move The Greens amendments Nos 12 to 20 on sheet C2018-045B in globo:

- No. 12 **Applicable caps on electoral expenditure**
Page 23, clause 29 (2), line 12. Omit "\$122,900". Insert instead "\$61,450".
- No. 13 **Applicable caps on electoral expenditure**
Page 23, clause 29 (3), note, line 23. Omit "\$11,429,700". Insert instead "\$5,714,850".
- No. 14 **Applicable caps on electoral expenditure**
Page 23, clause 29 (4), line 28. Omit "\$1,288,500". Insert instead "\$614,500".
- No. 15 **Applicable caps on electoral expenditure**
Page 23, clause 29 (5), line 31. Omit "\$1,288,500". Insert instead "\$614,500".
- No. 16 **Applicable caps on electoral expenditure**
Page 23, clause 29 (6), line 34. Omit "\$122,900". Insert instead "\$100,000".
- No. 17 **Applicable caps on electoral expenditure**
Page 23, clause 29 (7), line 37. Omit "\$184,200". Insert instead "\$150,000".
- No. 18 **Applicable caps on electoral expenditure**
Page 23, clause 29 (8), line 40. Omit "\$184,200". Insert instead "\$150,000".
- No. 19 **Applicable caps on electoral expenditure**
Page 23, clause 29 (9), line 43. Omit "\$245,600". Insert instead "\$200,000".
- No. 20 **Applicable caps on electoral expenditure**
Page 24, clause 29 (12) (a), line 13. Omit "\$61,500". Insert instead "\$30,700".

I put The Greens' position in my second reading speech regarding the reduction of third-party spending to \$500,000. This suite of amendments Nos 12 to 20 seeks to proportionately reduce by half the applicable relevant expenditure caps throughout the bill for the different types of circumstances, including electoral expenditure for parties and candidates. I outlined the case clearly in the second reading debate. It appears the intent of the bill is to hobble one group that participates in the elections—third parties—but retains the capacity of political parties to expend money to a significant level. These amendments would correct that and go a long way to balancing the disproportionate impact on the democratic processes that the Government bill will have. I commend the amendments to the Committee.

The Hon. BEN FRANKLIN (00:34): The Government opposes The Greens amendments Nos 12 to 20 on sheet C2018-045B, which amend clause 29 of the bill to reduce the caps on electoral expenditure for State election campaigns. The bill maintains the caps on electoral expenditure—other than for third-party campaigners—that apply under the current Election Funding, Expenditure and Disclosures Act 1981. The expert panel considered the levels of the caps and found that they were appropriate. The Government opposes these amendments.

The Hon. ADAM SEARLE (00:34): Labor shares The Greens concerns about the attack on third-party campaigning rights, but we do not see that the answer is to seriously reduce the spending caps, as proposed by The Greens. We think there is a danger that it might make the electoral process unworkable, unless it was looked at very closely to ensure that the amounts were able to leave the system and all its remaining participants workable. We have some doubts about that. This is not the appropriate way to make these significant changes. We do not support the amendments.

Mr DAVID SHOEBRIDGE (00:35): I endorse the amendments moved by my colleague Mr Justin Field. If the Government seriously wants to reduce the influence of money in elections and make it more of a contest of ideas, it cannot do so by reducing only the amount that third parties are allowed to spend. These amendments say that if we are going to reduce the amount for third parties by half, or slightly more than half, we should reduce the amount that political parties are going to spend by half. Then we would have a level playing field. That may pass a challenge in the High Court because relativity would be maintained. The idea that we would collectively pass laws that privilege the voices of politicians and political parties while silencing the voice of the community is offensive and would be offensive to most people in New South Wales. These amendments say that what the Government does to third parties it should do to itself.

The CHAIR (The Hon. Trevor Khan): Mr Justin Field has moved The Greens amendments Nos 12 to 20 on sheet C2018-045B. The question is that the amendments be agreed to.

The Committee divided.

Ayes6
Noes33
Majority.....27

AYES

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

NOES

Ajaka, Mr	Amato, Mr L	Blair, Mr
Borsak, Mr R	Brown, Mr R	Clarke, Mr D
Colless, Mr R	Cusack, Ms C	Donnelly, Mr G
Fang, Mr W (teller)	Farlow, Mr S	Franklin, Mr B
Graham, Mr J	Green, Mr P	Harwin, Mr D
Houssos, Mrs C	MacDonald, Mr S	Maclaren-Jones, Mrs (teller)
Mallard, Mr S	Martin, Mr T	Mason-Cox, Mr M
Mitchell, Mrs	Mookhey, Mr D	Moselmane, Mr S
Nile, Revd Mr	Phelps, Dr P	Primrose, Mr P
Searle, Mr A	Secord, Mr W	Sharpe, Ms P
Veitch, Mr M	Ward, Mrs N	Wong, Mr E

Amendments negatived.

The CHAIR (The Hon. Trevor Khan): There are what appear to be conflicting amendments—The Greens amendments Nos 1, 2 and 3 on sheet C2018-046A and Opposition amendments Nos 5, 6 and 7 on sheet C2018-038F. The Greens amendments were received first. There is a conflict between The Greens amendment No. 2 and Opposition amendment No. 6—the amount is slightly different. There is an amount of \$644,300 in The Greens amendment and \$640,250 in the Opposition amendment.

The Hon. ADAM SEARLE: We are not having two separate provisions.

The CHAIR (The Hon. Trevor Khan): I hoped that would be the answer. On that basis, we will proceed with The Greens amendments, which were received first.

Mr JUSTIN FIELD (00:45): By leave: I move The Greens amendments Nos 1 to 3 on sheet C2018-046A in globo:

No. 1 **Applicable cap on electoral expenditure by third-party campaigners**

Page 24, clause 29 (10) (a), line 3. Omit "\$500,000". Insert instead "\$1,288,500".

No. 2 **Applicable cap on electoral expenditure by third-party campaigners**

Page 24, clause 29 (10) (b), line 5. Omit "\$250,000". Insert instead "\$644,300".

No. 3 **Applicable cap on electoral expenditure by third-party campaigners**

Page 24, clause 29 (11), line 7. Omit "\$20,000". Insert instead "\$24,700".

Given that the Committee refused to accept previous Greens amendments that sought to reduce the amount of money that political parties could spend on campaigns to a commensurate level with what has been put upon third-party campaigners, it makes sense that we seek to restore the capacity of third-party campaigners to participate in the election process. The Opposition spoke strongly in support of third-party campaigners and ensuring that their voice was protected. Given that this Parliament will now reduce that amount, the Opposition was not willing to support The Greens amendments to curtail party spending. We have an opportunity to correct that now. We can bring third-party spending in line with what it was and back to a level commensurate with party spending. I commend the amendments to the Committee.

The Hon. BEN FRANKLIN (00:47): The Government opposes The Greens amendments Nos 1 to 3. The amendments reinstate the current expenditure caps for third-party campaigners under the current Act. This is contrary to the recommendations of the expert panel following its detailed examination of the appropriateness of the proposed caps. It is contrary to the recommendations of the Joint Standing Committee on Electoral Matters, which supported reducing the amount of the caps. It is also contrary to The Greens' recommendation to the expert panel in its inquiry, which was to reduce the caps to \$250,000—which is half the amount in the Government's proposed bill. The Government's proposed spending cap of \$500,000 strikes the right balance. It will allow a third-party campaigner to reasonably present its case and have a genuine voice in the debate while guarding against third-party campaigners dominating election campaigns. The Government opposes the amendments.

The Hon. ADAM SEARLE (00:48): The Opposition supports The Greens amendments, largely because they are our amendments. They go to the heart of what we see as the fundamental flaw in the legislation. My reasons are set out in my contribute to debate on the second reading. The Government's chief justification for butchering third-party campaigning rights is to ensure that third-party campaigners do not dominate the political and electoral system and do not drown out the voices of political parties who are, in the main, the political combatants. One does not have to be a genius to know what has happened to third-party campaigning. Neither of these concerns are in any way justified by reality. There is no danger of third-party campaigners seeking to replace, or in fact replacing, political parties as participants in the system. There is no danger of third-party campaigners drowning out the voices of the registered political parties as—

The Hon. Ben Franklin: Reducing them to one-fiftieth is pretty valuable.

The Hon. ADAM SEARLE: I acknowledge the interjection, but the point is this is not the United States where super political action committees [PACs] and the like are, in fact, more powerful than the registered political parties and candidates and represent the most powerful voices in the American political system. That is not the case here, and it is not likely to be the case. The Government misses the point about third-party campaigners, which is that they are an important additional voice in the political system. Third-party campaigners do not operate in competition with the registered political parties, but are separate to and fulfil a different function from the political parties.

For those reasons, the Labor Opposition does not see that the mischief the Government says is addressed by the changes in the legislation is realistically based. We think the true motivation of the Government is to disable the progressive part of the political spectrum and to silence its critics. The Hon. Dr Peter Phelps made the point about the unions and the Labor Party essentially having it both ways. Many unions are affiliated to the Labor Party and have common interests with the Labor Party. However, the party and the unions do not necessarily always have the same interests in every context. Separate to that, many unions are not affiliated to the Labor Party and have their own independent concerns—

Mr David Shoebridge: Like nurses and teachers.

The Hon. ADAM SEARLE: —like nurses, teachers and police as well as others. The point is that we have a very nuanced political system, and the changes in the legislation do significant harm to the balance in the political system. I urge members to support the amendments.

Mr JUSTIN FIELD (00:51): The justification by the Government is that the expert panel made a recommendation to cap third-party funding. However, in the Minister's second reading speech, he said that the recommendation was based on figures following the 2011 election, when expenditure was lower than it was subsequently. The expert panel justified this recommendation based on historical figures, but if it had made this

recommendation at a subsequent time there is every chance that it would have recommended a higher figure based on historical experience. It is not reasonable to use this argument as a justification. In my contribution to the second reading debate I said that there needed to be research into what would be a reasonable level of expenditure to participate fairly in an election, and I believe this point was recognised by the Hon. Dr Peter Phelps. That research has not been done, and therefore that justification can be used. This is where the risk of a High Court challenge comes in.

To the points raised by the Leader of the Opposition, thankfully New South Wales does not currently have the problem he raised. I noted in my contribution to the second reading debate that that is not the case in the rest of the country, and we need to be careful not to allow New South Wales to have third parties dominate the political system at certain times and on certain issues, when these third parties come out in force. I ask the Opposition, the Government and third parties that are looking at the system and thinking about their interests to think about the bigger picture. At moments when corporate interests want to dominate, they do so in a big way.

The Hon. COURTNEY HOUSSOS (00:53): I do not seek to prolong this debate unnecessarily, but I place on the record a response to the Parliamentary Secretary's comments about the Joint Standing Committee on Electoral Matters and its recommendation that the cap for third-party campaigners should be set at \$500,000. The Labor members of the committee, of which I am one, moved amendments to change the original report. We spoke against this recommendation in the committee and in this Chamber, and we highlighted the issue during debate on the committee's report. Because the committee is administered by the lower House, there is no provision for dissenting reports. That means the Parliamentary Secretary can say that this was a recommendation of the committee, but it was not a unanimous recommendation. At this juncture it is important to note that this recommendation has been proposed for a long time. Indeed, the recommendation that was agreed to by the committee was that the Government should conduct an investigation. As other contributors to this debate have said, that investigation has not been conducted.

The CHAIR (The Hon. Trevor Khan): Mr Justin Field has moved The Greens amendments Nos 1 to 3 on sheet C2018-046A. The question is that the amendments be agreed to.

The Committee divided.

Ayes 19
Noes 20
Majority..... 1

AYES

Borsak, Mr R
Donnelly, Mr G (teller)
Graham, Mr J
Moselmane, Mr S
(teller)
Searle, Mr A
Shoebridge, Mr D
Wong, Mr E

Brown, Mr R
Faruqi, Dr M
Houssos, Ms C
Pearson, Mr M

Buckingham, Mr J
Field, Mr J
Mookhey, Mr D
Primrose, Mr P

Secord, Mr W
Veitch, Mr M

Sharpe, Ms P
Walker, Ms D

NOES

Ajaka, Mr
Clarke, Mr D
Fang, Mr W (teller)
Green, Mr P
Maclaren-Jones, Mrs
(teller)
Mason-Cox, Mr M
Phelps, Dr P

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

Mitchell, Mrs
Ward, Ms P

Blair, Mr
Cusack, Ms C
Franklin, Mr B
MacDonald, Mr S
Martin, Mr T

Nile, Revd

PAIRS

Voltz, Ms L

Taylor, Mrs

Amendments negatived.

Mr DAVID SHOEBRIDGE (01:02): By leave: I move The Greens amendments Nos 1 to 7 on sheet C2018-042C in globo:

No. 1 Caps on electoral expenditure—local government elections

Page 25, clause 31 (3) (a) and (b), lines 37–42. Omit all words on those lines. Insert instead:

- (a) \$5,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was 10,000 or fewer, and
- (b) \$10,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 10,000 but not more than 30,000, and
- (c) \$20,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 30,000 but not more than 50,000, and
- (d) \$30,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 50,000 but not more than 100,000, and
- (e) \$40,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 100,000 but not more than 150,000, and
- (f) \$50,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 150,000.

No. 2 Caps on electoral expenditure—local government elections

Page 26, clause 31 (4) (a) and (b), lines 1–6. Omit all words on those lines. Insert instead:

- (a) \$10,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was 10,000 or fewer, and
- (b) \$15,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 10,000 but not more than 30,000, and
- (c) \$25,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 30,000 but not more than 50,000, and
- (d) \$35,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 50,000 but not more than 100,000, and
- (e) \$45,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 100,000 but not more than 150,000, and
- (f) \$55,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 150,000.

No. 3 Caps on electoral expenditure—local government elections

Page 26, clause 31 (5) (a) and (b), lines 10–15. Omit all words on those lines. Insert instead:

- (a) \$10,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was 10,000 or fewer, and
- (b) \$15,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 10,000 but not more than 30,000, and
- (c) \$25,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 30,000 but not more than 50,000, and
- (d) \$35,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 50,000 but not more than 100,000, and
- (e) \$45,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 100,000 but not more than 150,000, and
- (f) \$55,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 150,000.

No. 4 Caps on electoral expenditure—local government elections

Page 26, clause 31 (6) (a) and (b), lines 19–24. Omit all words on those lines. Insert instead:

- (a) \$15,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was 10,000 or fewer, and
- (b) \$20,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 10,000 but not more than 30,000, and
- (c) \$30,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 30,000 but not more than 50,000, and
- (d) \$40,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 50,000 but not more than 100,000, and
- (e) \$50,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 100,000 but not more than 150,000, and
- (f) \$60,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 150,000.

No. 5 Caps on electoral expenditure—local government elections

Page 26, clause 31 (7) (a) and (b), lines 28–31. Omit all words on those lines. Insert instead:

- (a) \$5,000—where the number of enrolled electors at the previous general election for the local government area concerned was 10,000 or fewer, and
- (b) \$10,000—where the number of enrolled electors at the previous general election for the local government area concerned was more than 10,000 but not more than 30,000, and
- (c) \$15,000—where the number of enrolled electors at the previous general election for the local government area concerned was more than 30,000 but not more than 50,000, and
- (d) \$20,000—where the number of enrolled electors at the previous general election for the local government area concerned was more than 50,000 but not more than 100,000, and
- (e) \$25,000—where the number of enrolled electors at the previous general election for the local government area concerned was more than 100,000 but not more than 150,000, and
- (f) \$30,000—where the number of enrolled electors at the previous general election for the local government area concerned was more than 150,000.

No. 6 Caps on electoral expenditure—local government elections

Page 26, clause 31 (8) (a) and (b), lines 35–38. Omit all words on those lines. Insert instead:

- (a) \$10,000—where the number of enrolled electors at the previous general election for the local government area concerned was 10,000 or fewer, and
- (b) \$15,000—where the number of enrolled electors at the previous general election for the local government area concerned was more than 10,000 but not more than 30,000, and
- (c) \$20,000—where the number of enrolled electors at the previous general election for the local government area concerned was more than 30,000 but not more than 50,000, and
- (d) \$25,000—where the number of enrolled electors at the previous general election for the local government area concerned was more than 50,000 but not more than 100,000, and
- (e) \$30,000—where the number of enrolled electors at the previous general election for the local government area concerned was more than 100,000 but not more than 150,000, and
- (f) \$35,000—where the number of enrolled electors at the previous general election for the local government area concerned was more than 150,000.

No. 7 Caps on electoral expenditure—local government elections

Page 26, clause 31 (9) (a) and (b), lines 42–45. Omit all words on those lines. Insert instead:

- (a) \$10,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was 10,000 or fewer, and

- (b) \$15,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 10,000 but not more than 30,000, and
- (c) \$20,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 30,000 but not more than 50,000, and
- (d) \$25,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 50,000 but not more than 100,000, and
- (e) \$30,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 100,000 but not more than 150,000, and
- (f) \$35,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 150,000.

There was some discussion on these amendments in the second reading debate. This series of amendments was prepared by The Greens to seek to put a far more rational set of caps for expenditure on local council elections. The Government's bill provides these bizarrely disparate results for local councils across New South Wales. The bill provides for a spending cap for political parties that is limited to 21¢ per elector in the City of Sydney but ranges up to more than \$100 per elector in Central Darling. The Government's bill has electoral expenditure limited to 28¢ per elector in Campbelltown but runs up to \$3.68 in Woollahra. Two councils that are right next to each other: the council of Woollahra—which I accept is super important—has 41,000 electors, does not run the central business district of Sydney, and has a cap on electoral expenditure of \$150,000 for political parties—but the City of Sydney, with more than 140,000 electors and which runs the CBD, has a cap on electoral expenditure of \$30,000 for political parties.

It is irrational. If this system is in place for a local council election in 2020 it will bring the election into disrepute and produce bizarre outcomes across the State. I do not believe this is a cunning political play; it is an example of incompetent drafting and a lack of care. This Government has treated local councils with disdain and a lack of care now for years, and this is just one further example. I welcome the fact that the Government is proposing to refer this whole mess to the Joint Standing Committee on Electoral Matters, including these Greens amendments, but a far better solution would be to adopt the amendments where, instead of having two tiers where every ward or council with fewer than 200,000 electors is capped at 30,000, regardless of whether it has 200 electors or 199,000 electors, and with more than 200,000 it is capped at roughly \$40,000. The Greens amendments have a far more finely grained set of caps.

Whilst they vary slightly between party and the Independents—Independents as a general rule are given slightly more expenditure in the various iterations of these amendments—the basic structure is: the caps on electoral expenditures for parties would be limited to \$5,000 where the number of enrolled electors in either the local government area or the ward is less than 10,000; where the number of electors is between 10 and 30,000, the cap would be \$10,000; where the number of electors is between 30,000 but not more than 50,000, the cap would be \$20,000; where the number of electors is more than 50,000 but less than 100,000, the cap would be \$30,000; where the number of electors is more than 100,000 but less than 150,000, the cap would be \$40,000; and where the number of enrolled electors is greater than 150,000, the cap would be \$50,000.

That is a far more rational graduated process. It is not a linear relationship as the Government was, I think, implicitly critiquing them for; it recognises there are some fixed costs and that there is economy for scale as they proceed. The caps are reasonable and appropriately graded to the number of electors, and The Greens believe they will greatly improve the bill. We commend the amendments to the Committee.

The Hon. BEN FRANKLIN (01:07): The Government opposes The Greens amendments Nos 1 to 7. The bill as introduced delivers on the Government's commitment to introduce caps on electoral expenditure for local government elections. The caps will ensure a level playing field for parties, candidates and groups in local government elections and limit the expenditure arms race between parties and candidates. The Government's proposal includes higher expenditure caps for local government areas or wards with more than 200,000 electors but the Government recognises the legitimate concerns which have been raised about the extent to which expenditure caps may impact local government areas with different populations. These have been usefully put on the agenda by the member for Lake Macquarie and reflected in the amendments circulated by The Greens and Mr David Shoebridge today.

This is an issue of some complexity, given that some items of expenditure are generally fixed in cost while the cost of other items will depend on the number of electors, potentially. It is not necessarily the case that it is appropriate for the cap amounts to bear a direct linear relationship with the number of electors in a given area. The Joint Standing Committee on Electoral Matters is best placed to consider the impact of the expenditure caps

on different local government areas in consultation with stakeholders. The Government proposes to refer this matter and the proposals reflected in the amendments circulated by The Greens to the committee for inquiry. The committee will not call into question the requirement for caps on electoral expenditure but will look in detail at the impact of the caps on different local government areas.

Referring it to the Joint Standing Committee on Electoral Matters now will provide an appropriate time frame for the committee to report back and ensure that legislation can be made, if necessary, before the next local government election. This is the appropriate way to do it so, therefore, the Government does not support these amendments.

The Hon. ADAM SEARLE (01:08): The Opposition supports The Greens amendments in this regard. Although it would perhaps add to the bewildering complexity of the system of caps for local government, nevertheless, the proposition put by The Greens is far superior to the Government's in this area—particularly as it impacts on the rights of third-party campaigners, for example. The Opposition acknowledges that the Government is referring this to the Joint Standing Committee on Electoral Matters. That is to its credit, but it underscores the deficiency of the legislation before the Committee this morning in this important respect.

The Government has been dragged kicking and screaming to accept that there should be caps in place for local council elections—a matter that the Opposition has long championed and this Government has long avoided. What is in the bill is better than what is currently missing from the legislation, but we should at least do our level best with the material that we have before the Chamber this morning to put a line in the sand and to implement the best measures we can, notwithstanding the fact that this is going to be reviewed.

The answer to the argument that The Greens amendments should not be adopted now because there will be an inquiry is really an admission of defeat by the Government on this issue of local government campaign caps. The Opposition urges the House to adopt The Greens amendments and to have a better system of caps in place for local council elections.

Mr DAVID SHOEBRIDGE (01:10): I have listened to the Parliamentary Secretary and I have been convinced that I should move two more Greens amendments. By leave: I move The Greens amendment Nos 8 and 9 on sheet 2018-042C in globo:

No. 8 Caps on electoral expenditure—local government elections

Page 27, clause 31 (11), line 6. Omit "is \$2,500 for each by-election.". Insert instead:

, for each by-election, is:

- (a) \$2,500—where the number of enrolled electors at the previous general election for the local government area or ward concerned was 10,000 or fewer, and
- (b) \$4,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 10,000 but not more than 30,000, and
- (c) \$5,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 30,000 but not more than 50,000, and
- (d) \$7,500—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 50,000 but not more than 100,000, and
- (e) \$10,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 100,000.

No. 9 Caps on electoral expenditure—local government elections

Page 27, clause 31 (12) (b), lines 15 and 16. Omit "\$2,500 in respect of each such local government area or ward.". Insert instead:

, in respect of each such local government area or ward:

- (i) \$2,500—where the number of enrolled electors at the previous general election for the local government area or ward concerned was 10,000 or fewer, and
- (ii) \$4,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 10,000 but not more than 30,000, and
- (iii) \$5,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 30,000 but not more than 50,000, and

- (iv) \$7,500—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 50,000 but not more than 100,000, and
- (v) \$10,000—where the number of enrolled electors at the previous general election for the local government area or ward concerned was more than 100,000.

These amendments seek to increase the caps on electoral expenditure for third parties. It may seem peculiar for The Greens to move amendments to increase the caps on electoral expenditure for third parties, but the Government's bill is lacking in nuance in this regard—having a \$2,500 cap on third-party campaigners, whether they are campaigning in a ward which has 200 electors in it or in a council which has 200,000 electors in it. The legislation clearly fails to come to grips with the diversity of local government elections and local government campaigns.

The Greens members support 100 per cent caps on third party expenditure. We do not want to see glossy brochures from developers buying their way into local council elections. We strongly support caps on local council elections, but if we say to a third party campaigner in Campbelltown, where there are over 100,000 residents, "In a single election, you are limited to a spend of \$2,500," they will not be heard; they will not be seen. If the same limit of \$2,500 was applied to a third party campaigner in the city of Sydney, with the expensive media market they would face and the logistical demands of getting the message to 140,000 people, it would deny them the right to be heard—to have a say.

The Greens graduated cap proposes that if the contest is in a ward or a council area which has 10,000 or fewer electors, third party expenditure would be capped at \$2,500. However, if the ward of a local government area has more than 10,000 but fewer than 30,000 the third party would need a little more just to be heard, and the proposed cap is \$4,000. If the number of enrolled electors is between 30,000 and 50,000 The Greens propose a cap of \$5,000. If the number is between 50,000 and 100,000 electors the Greens propose a cap of \$7,500. If the contest involves more than 100,000 electors the cap should be at \$10,000. These are not the kinds of figures that would allow developers to buy elections, but they are the kinds of figures that would allow residents groups, if they wish to combine, to be heard.

These kinds of figures would allow the Save Bondi Pavilion campaign to be heard in Waverley. These kinds of figures would allow a residents' group concerned about saving the heritage of its township to run a campaign and be heard in a council election. We do not think third parties should dominate. We do not want developers buying council elections but the community must be allowed to be heard. That is why The Greens are moving these amendments.

The Hon. BEN FRANKLIN (01:13): The Government also opposes amendment Nos 8 and 9 for the reasons I gave in opposition to amendments Nos 1 to 7.

The CHAIR (The Hon. Trevor Khan): Mr David Shoebridge has moved The Greens amendments Nos 1 to 9 on sheet C2018-042C. The question is that the amendments be agreed to.

The Committee divided.

Ayes 16
 Noes 23
 Majority 7

AYES

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

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

Donnelly, Mr G (teller)
 Graham, Mr J
 Moselmane, Mr S
 (teller)
 Secord, Mr W
 Veitch, Mr M

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

 Sharpe, Ms P
 Walker, Ms D

NOES

Ajaka, Mr
 Borsak, Mr R
 Colless, Mr R
 Farlow, Mr S

Amato, Mr L
 Brown, Mr R
 Cusack, Ms C
 Franklin, Mr B

Blair, Mr
 Clarke, Mr D
 Fang, Mr W (teller)
 Green, Mr P

NOES

Harwin, Mr D

MacDonald, Mr S

Maclaren-Jones, Mrs
(teller)

Mallard, Mr S

Martin, Mr T

Mason-Cox, Mr M

Mitchell, Mrs

Nile, Revd

Pearson, Mr M

Phelps, Dr P

Ward, Ms P

PAIRS

Voltz, Ms L

Taylor, Mrs

Amendments negated.

The CHAIR (The Hon. Trevor Khan): The Committee will now deal with Opposition amendments Nos 9 and 10. There are identical Greens amendments Nos 23 and 27. The Opposition amendments were received first so we will deal with them and The Greens amendments will lapse.

The Hon. ADAM SEARLE (01:22): By leave: I move Opposition amendments Nos 9 and 10 on sheet C2018-038F in globo:

No. 9 **Third-party campaigner acting in concert**

Pages 28 and 29, clause 35, line 42 on page 28 to line 7 on page 29. Omit all words on those lines.

No. 10 **Third-party campaigner acting in concert**

Page 42, clause 58 (5), lines 28–33. Omit all words on those lines.

Opposition amendment No. 9 deals with the prohibition on third-party campaigners acting in concert in breach of the cap. Opposition amendment No. 10 deals with the penalty provisions in clause 58 and the double penalty—the over recoveries. With the cuts to the third-party campaigning caps, this provides a suite of measures to try to nobble third-party campaigners. Although I note the Parliamentary Secretary says it does not seek to aggregate the campaigning cap funds, nevertheless it is part of the panoply of measures that seeks to suppress the role and the activities of third-party campaigners in campaigns during the capped period—that is, from October to March preceding a general election.

It underscores the unfairness of the cuts in the campaigning caps in relation to the third-party campaigner expenditure that is permissible. This provision is unnecessary, and likewise the penalty provisions or double recovery provisions in clause 58. Even allowing for the cuts in the rights of third-party campaigners, there are other provisions that would adequately deal with this. It essentially harks back to the eighteenth century laws dealing with unlawful combinations and should have no place in modern electoral laws. I urge all honourable members to join with the Opposition to rid the legislation of these offensive provisions.

The Hon. BEN FRANKLIN (01:24): The Government opposes Opposition amendments Nos 9 and 10. Amendment No. 9 would remove clause 35, which introduces a new offence to prevent third-party campaigners from circumventing the caps by procuring other individuals or entities to campaign on their behalf. Third-party campaigners should not be allowed to circumvent the expenditure caps by setting up front organisations. I reinforce that the offence does not seek to aggregate the expenditure caps from multiple third-party campaigners who are each campaigning on a particular issue. The offence does not prevent third parties with a common interest from campaigning on the very same issue. It applies where a third-party campaigner acts under an agreement to incur expenditure in excess of a third-party campaigner spending cap. The expert panel considered the acting in concert offence to be important to maintaining a fair and balanced electoral contest and to the integrity of the expenditure caps generally. Therefore, the Government will oppose amendment No. 9.

Amendment No. 10 is also opposed as it removes the provision that allows the Electoral Commission to recover from third-party campaigners that incur expenditure in contravention of clause 35 double the amount that they exceeded their expenditure cap by. That is an important deterrence measure for serious contraventions of electoral funding laws. For that reason, the amendment is opposed.

Mr JUSTIN FIELD (01:25): The Greens support the amendments. I do not understand the Government's position if this is not about aggregating the expenditure of multiple third parties. This is not related to associated entities, which is when an entity controls another political party that controls another entity. That is a separate provision. There are caps on electoral expenditure for third parties already. They are not allowed to exceed the cap anyway, so I do not understand how this works. I do not understand the argument that the Hon. Ben

Franklin just put. Is the Government suggesting that an existing entity that may not intend to participate in an election or to incur electoral expenditure can somehow be encouraged to participate in an election even though they would not otherwise have an interest in the election? Any third party is entitled to do that. An individual can be a third party and is entitled to participate in an election.

The Hon. Courtney Houssos: And to encourage others.

Mr JUSTIN FIELD: They are also entitled to encourage others. The caps already in legislation prevent them from exceeding the expenditure cap, so this is not related to aggregation. I do not understand what the Government is doing. The explanation by the Parliamentary Secretary was not clear at all. Am I acting in concert if, as a parliamentarian, I meet with a community group and encourage them to engage in campaigning in a council election—keeping in mind that the third-party expenditure caps at that level are very low? A community group in Gloucester that might want to campaign against a candidate who supports the Rocky Hill mine would not have to spend too much to exceed the cap as it is. If I have encouraged them and they would not have otherwise spent that money are they therefore acting in concert in a way that would go against the provision? What the provision seeks to do is not clear. Other elements of the bill deal with breaching caps for associated entities. The Greens support removing the provision and seek further explanation from the Government about how it would apply.

The CHAIR (The Hon. Trevor Khan): The Hon. Adam Searle has moved Opposition amendments Nos 9 and 10 on sheet C2018-038F. The question is that the amendments be agreed to.

The Committee divided.

Ayes 19
Noes 20
Majority 1

AYES

Borsak, Mr R
Donnelly, Mr G (teller)
Graham, Mr J
Moselmane, Mr S
(teller)
Searle, Mr A
Shoebridge, Mr D
Wong, Mr E

Brown, Mr R
Faruqi, Dr M
Houssos, Ms C
Pearson, Mr M

Buckingham, Mr J
Field, Mr J
Mookhey, Mr D
Primrose, Mr P

Secord, Mr W
Veitch, Mr M

Sharpe, Ms P
Walker, Ms D

NOES

Ajaka, Mr
Clarke, Mr D
Fang, Mr W (teller)
Green, Mr P
Maclaren-Jones, Mrs
(teller)
Mason-Cox, Mr M
Phelps, Dr P

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

Blair, Mr
Cusack, Ms C
Franklin, Mr B
MacDonald, Mr S
Martin, Mr T

Mitchell, Mrs
Ward, Ms P

Nile, Revd

PAIRS

Voltz, Ms L

Taylor, Mrs

Amendments negatived.

Mr DAVID SHOEBRIDGE (01:36): By leave: I move The Greens amendments Nos 10 and 11 on sheet C2018-042C:

No. 10 **Local government campaign accounts of parties—allowable deposits**

Page 30, clause 37 (4). Insert after line 28:

(e) party subscriptions referred to in section 26 (7) (a),

- (f) payments made to the party under Part 4 (Public funding of State election campaigns) at any time,

No. 11 **Local government campaign accounts of parties—prohibited deposits**

Page 30, clause 37 (5) (a), line 33. Insert "(7) (b)" after "section 26".

Both of these amendments relate to the money that political parties can use to contest local council elections. Under the law as it is proposed in this bill, and it is a recent development that has come about through some regulations that were passed under the current law only in the last two years or so, the Government proposes to preclude political parties from using membership fees to run their local council election campaigns. It has not been explained to us why anyone would want to preclude membership fees from being used to run in local council election campaigns.

I will be quite clear: For a part of The Greens and for many of our local groups, membership fees that come from their members in their geographical area have been an important part of funding of local council campaigns. We cannot see what the corruption problem is in having membership fees used to run local council campaigns. It is not as though we have membership fees at \$5,000 or \$10,000. Our membership fees are in the order of \$50 to \$120. We believe members should be able to contribute their membership fees to run a local council election campaign, but this bill prohibits that. We think that is a bad principle. We cannot understand an intellectual rationale for it. We cannot understand what corruption issue there is from using membership fees to run for local council election campaigns. We think that prohibition should be lifted and membership fees should be allowed to be used.

I know there is a broader definition of subscriptions in the bill. There are two elements of that: sections 27 (7) (a) and 27 (7) (b). Section 27 (7) (a) is about individual membership fees and section 27 (7) (b) is about union affiliation fees and other affiliation fees, which can be far larger. We are not proposing to allow affiliation fees to be automatically used in local council election campaigns. We are simply limiting it to the individual fees from individual members to political parties. We think they should be able to be used for local council election campaigns, which is why we move the first part of amendment No. 10 and amendment No. 11.

The second part of amendment No. 10 is also to allow the public funding of State election campaigns to be used for local council campaigns. Again, we cannot understand what corruption risk this is being directed at. We are talking about moneys that have been previously expended by a political party for a State election campaign that gets reimbursed from the State Government. We believe that money should also appropriately be allowed to be used in local government election campaigns, subject to tight caps. We have put our position on the record about what we think the tight caps should be under elections. We move the amendments together. We think they are rational and would assist democracy, and we would hope for the support of the Chamber.

The Hon. BEN FRANKLIN (01:39): The Government opposes The Greens Amendments Nos 10 and 11. The bill preserves existing provisions under the current Act which provide that party subscription fees may only be used for the party's administrative expenditure. These provisions were considered by the expert panel in its inquiry and the panel was not inclined to recommend lifting the current restrictions. The purpose of the provisions is to reduce opportunities to circumvent the political donations caps but to allow for the raising of funds for administrative uses through other means. There are concerns that removing the restriction may result in increased opportunities for avoidance.

However, I note that not only The Greens have raised this as an issue but so have the Shooters, Fishers and Farmers Party in my discussions with its members. The Government intends therefore to refer the proposal to remove the restriction on the use of party subscriptions as reflected in the amendments circulated by The Greens to the Joint Standing Committee on Electoral Matters. The committee will be asked to consider the impact of the proposal to remove the restriction in the context of its inquiry into the impact of the local government expenditure caps. The Government thinks it prudent to oppose these amendments and to wait and see what the Joint Standing Committee on Electoral Matters says when it reports back.

The Hon. ADAM SEARLE (01:40): The Opposition is sympathetic to what The Greens have outlined as the rationale behind the two amendments. The Opposition will not support them on this occasion. I am gratified that the matters are being referred to the Joint Standing Committee on Electoral Matters. These are serious matters and the differing impacts that electoral laws may have on different political parties must be considered to ensure that the political system as a whole operates fairly. I am not making light of the matters raised this evening by The Greens. The Opposition supports the reasons outlined by the Government as to why it is currently not adopting the amendments but referring the issue to be properly investigated and reported upon. I signal our sympathy to these measures.

The CHAIR (The Hon. Trevor Khan): Mr David Shoebridge has moved The Greens amendments Nos 10 and 11 on sheet C2018-042C. The question is that The Greens amendments Nos 10 and 11 be agreed to.

Amendments negatived.

Mr JEREMY BUCKINGHAM (01:42): By leave: I move The Greens Amendments Nos 24, 25 and 26 on sheet C2018-045B and The Greens amendment No. 1 on sheet C2018-041A in globo:

No. 24 Additional prohibited donors

Page 38, clause 51. Insert at the end of line 29:

- , or
- (d) a mining or petroleum industry business entity, or
- (e) a person who has contracted with the State government,

No. 25 Additional prohibited donors

Page 39, clause 53. Insert after line 37:

- (5) Each of the following persons is a *mining or petroleum industry business entity*:
 - (a) a corporation engaged in a business undertaking that is mainly concerned with an extractive industry,
 - (b) a corporation that has made an application for any of the following:
 - (i) an authorisation under the *Mining Act 1992*,
 - (ii) an exploration permit, retention lease or production licence under the *Petroleum (Offshore) Act 1982*,
 - (iii) a petroleum title under the *Petroleum (Onshore) Act 1991*,
 - (c) a corporation that has made a relevant planning application in relation to development for the purposes of an extractive industry,
 - (d) a person who is a close associate of a corporation referred to in paragraphs (a), (b) or (c).
- (6) Each of the following persons is a *person who contracts with the State government*:
 - (a) a corporation engaged in a business undertaking that has, in the previous 4 years (following the commencement of this Act), applied for or held a contract for the provision of goods or services to the government of the State or any of its agencies with a value of \$50,000 or more,
 - (b) a person who is a close associate of a corporation referred to in paragraph (a) or (b).

No. 26 Additional prohibited donors

Page 40, clause 53 (5). Insert after line 18:

extractive industry means any industry that primarily involves any of the following:

- (a) prospecting or mining for minerals within the meaning of the *Mining Act 1992*,
- (b) prospecting for or mining petroleum on land within the meaning of the *Petroleum (Onshore) Act 1991*,
- (c) exploring for or recovering petroleum in an adjacent area under the *Petroleum (Offshore) Act 1982*,
- (d) the winning or removal of extractive materials other than minerals or petroleum (including sand, soil, gravel, rock or similar substances) by methods such as excavating, dredging, tunnelling or quarrying, including the storing, stockpiling or processing of extractive materials by methods such as recycling, washing, crushing, sawing or separating.

No. 1 Prohibited donors to include not-for-profit liquor or gambling industry business entities

Page 39, clause 54 (4) (a), lines 32–33. Omit ", but only if it is for the ultimate purpose of making a profit".

These amendments—the "drain the swamp" amendments—deal with the corruption risks recognised by the expert panel. The Schott inquiry recognised that, if we were to remove restrictions on certain prohibited donors, it would "enliven" corruption risks, in the words of that panel. At the time the Joint Standing Committee on Electoral Matters was considering this the High Court had the matters before it and supported keeping a list of prohibited donors. The majority of the High Court rejected a claim that the ban was an impermissible restriction on the implied freedom of political communication in the Constitution. The joint judgement of Chief Justice Robert French and Justices Susan Keifel, Virginia Bell, and Patrick Keane stated:

These are provisions which support and enhance equality of access to Government, and the system of representative government which the freedom protects. In a separate judgement, Justice Stephen Gageler said the provisions met the "compelling statutory object ... of preventing corruption and undue influence in the government of the State." The High Court, the Joint Standing

Committee on Electoral Matters, the Schott report and most reasonable people recognise that there should be a list of prohibited donors. At the moment, the list contains tobacco and alcohol and property developers who were brought in after a long campaign by The Greens. My colleague Mr Justin Field will deal with the issue of not-for-profit liquor or gambling industry entities in his contribution, but I will refer to the need to include mining and petroleum industry business entities and extractive industry entities, as stated in amendments Nos 24 and 25. Mining industry advocates are property developers on steroids. Those gargantuan property developers have access to government, to combined donations, and to a revolving door of former members of Parliament who go to work for mining companies and who facilitate access.

They have a massive impact on the community and, of course, seek to influence governments and the enormous range of decisions that governments make that are of benefit to the mining industry. In comparison, the tobacco industry has very little to gain because this Government is not responsible for most of the regulation that it seeks to undo. On the other hand, the mining industry has much to gain, such as favourable strategic plans, billion-dollar windfalls from the allocation of licences, and favourable planning instruments. Members may remember the issues surrounding Newcrest Mining Limited. There was a challenge to a licence of the \$1 billion goldmine. A few phone calls and donations were made and legislation was rushed through in the middle of the night, undermining the rights of people who were contesting the licence.

The Hon. Don Harwin: What?

Mr JEREMY BUCKINGHAM: The Minister might not remember it; it occurred under Minister Hartcher. A bill was rushed through in 24 hours which ensured Newcrest could not be challenged on its mining lease in Orange. I believe that was facilitated by political donations—any reasonable person could make that assumption. The Transparency International submission to the 2017 Federal Parliament Select Committee into the Political Influence of Donations included a 2017 report entitled "Corruption Risks: Mining Approvals in Australia", which documented the existing system of checks and balances for transparency and accountability in exploration licences and mining leases in Australia. The report states:

A key risk identified for large scale mining and coordinated projects (associated infrastructure) is inadequate due diligence investigation into the character and integrity of applicants for mining approvals. This includes a lack of investigation of beneficial ownership.

...

The risk assessment also identified a high potential for industry influence and state and policy capture in the awarding of mining approvals.

An Australian Institute report entitled "The tip of the iceberg: Political donations from the mining industry" identified:

The mining industry has disclosed donations of \$49.9 million to federal political parties over the last decade. Of donations to major parties, 81% went to the Coalition, often in years donors paid no company tax and lobbied for approvals and particular policy reforms.

...

The mining industry has disclosed donations of \$16.6 million to major political parties over the last ten years.

...

Donations correlate with the election cycle, timelines on project approvals, and debates on key industry policies...

People can see the correlation between donations and decisions. We have seen it before with Operation Spicer and big man Nathan Tinkler.

The CHAIR (The Hon. Trevor Khan): Order! I am a little concerned that the member is starting to go quite wide. I remind him that he is speaking to the amendments and not making a contribution to the second reading debate.

Mr JEREMY BUCKINGHAM: I know. I have eight minutes to go. I did not make a contribution to the second reading debate.

The CHAIR (The Hon. Trevor Khan): With respect, that is not the criterion. The member should speak to the amendments, not give a speech appropriate to a second reading debate.

Mr JEREMY BUCKINGHAM: Operation Spicer found that former corrupt Minister Tripodi leaked information that was of enormous benefit to Nathan Tinkler, who was clearly a representative of mining and extractive industries. Tinkler was a major donor to both the Labor Party and the Liberal Party. People expect that to end. They recognise that property developers, mining entities and people associated with mining should be prohibited persons. That was seen in Operation Spicer. Nathan Tinkler's company Buildev was working to facilitate the development of the T5 coal loader, something that the people of Newcastle objected to vehemently. It never saw the light of day.

AGL also breached donation laws when it was seeking to turn the Vale of Gloucester into a coal seam gas field. It was found to have breached donation laws—11 counts of failing to properly disclose political donations—and was fined \$144,000. AGL was seeking turn that area into a gas field, but that did not happen. It was prosecuted for that, but it is a corruption risk. Amendments Nos 24, 25 and 26 deal with that issue. They strengthen the laws and ensure that what the High Court supported, the Joint Standing Committee on Electoral Matters and the Schott inquiry supported go further. The amendments make sure that corruption risks are removed in the key area of mining and extractive industries in the State.

Mr JUSTIN FIELD (01:51): The Greens amendment No. 1 on sheet C2018-041A seeks to add not-for-profit liquor and gaming entities and businesses to the prohibited donor list in New South Wales. I will be honest: I cannot make the same case that my colleague Mr Jeremy Buckingham made about the mining industry. It is not as clear cut and there is not the same level of corruption risk, given the demonstrated evidence of historical wrongdoings when it comes to political donations by the mining industry. But make no mistake: the gaming industry, the gambling industry, particularly the pokies industry, have been huge political donors at a Federal level. Members have seen the level of influence they have been able to exert on Federal and State campaigns.

In my contribution to the second reading debate I talked about what happened recently in Tasmania. Let us not forget that the people, the businesses and the not-for-profit entities that contribute to ClubsNSW drive its agenda. ClubsNSW has signed a memorandum of understanding [MoU] with the Liberal-Nationals Government. It had one in 2011, it had one 2015, and I do not doubt it is negotiating one right now—if it is not already negotiated and ready to be announced for the next election. The reality is that the Government has taken steps to do nearly every single thing in that MoU.

There is a perception risk here. To give the public confidence that that is not being bought through political donations, the not-for-profit gambling entities—largely the not-for-profit clubs—the big gambling clubs should be added to the prohibited donor list. We have seen them have massive tax breaks. Club grants are used by local members of Parliament. Clubs give a grant to local community groups, they invite the local member, they get a photograph and it goes into the club's newsletter. Ultimately, it is a tax break that is being used for local electioneering purposes.

Mr David Shoebridge: It's a fraction of what they used to pay.

Mr JUSTIN FIELD: It is a fraction of what they used to pay. This is an industry that should not be allowed to donate to political parties. We have seen it abuse its influence to get beneficial tax arrangements. It does that despite the immense level of harm their product causes the community. It makes sense for the not-for-profit gambling clubs in New South Wales to be added to the prohibited donor list, primarily so that the community does not misconstrue what it sees through the memorandums of understanding and in the behaviours of local members of Parliament. What it sees cannot be related to or perceived to be related to donations. We are proposing to remove the capacity for those entities to make those political donations legally.

The Hon. BEN FRANKLIN (01:54): The Government opposes The Greens amendments Nos 24 to 26 on sheet C2018-045. It also opposes The Greens amendment No. 1 on sheet C2018-041A. With respect to amendments Nos 24 to 26 the expert panel considered the existing prohibited donor provisions and did not recommend any changes to prohibit other organisations and individuals from making donations. Any such prohibition would need to be carefully considered given the obvious potentially deleterious effect on the constitutional freedom of political communication.

Amendment No. 1 on sheet C2018-041A seeks to extend the prohibited donor provisions so that they apply to not-for-profit liquor or gambling business entities. The existing prohibitions apply only to those entities that engage in a business undertaking for the ultimate purpose of making a profit. The independent expert panel examined the current prohibited donor provisions closely and did not recommend that any changes be made. Further, the potential risks associated with donations from a not-for-profit entity will be significantly lower than for businesses acting in the interests of shareholders and seeking to maximise profits. On that basis, the Government opposes the amendments.

The Hon. ADAM SEARLE (01:55): The Opposition is sympathetic to broadening the range of prohibited donors, but it has to be done carefully and thoughtfully and not at 2.00 a.m.. The bill contains a number of risks in terms of impermissibly burdening the implied freedom of political communication. We have discussed this in some detail this evening. I have no issue with expanding the list of prohibited donors to including those industries that depend on State regulation for their profitability and financial wellbeing. I am not impugning any misbehaviour to those industries, but because of that regulation there must be an inherent risk of corruptibility. If we are to proceed down this path, we must do so on the basis that more robust research be conducted. The material that Mr Jeremy Buckingham has put forward is heading in that direction but, if we are going to take the step of making these groups prohibited donors, the position must be developed more robustly before we legislate if we

are to ensure that any provisions we put in place can stand the rigorous legal test. We do not support The Greens amendments Nos 24 to 26 on sheet C2018-045.

With respect to The Greens amendment No. 1 on sheet C2018-041A, which deals with the not-for-profit liquor or gambling business entities, the not-for-profit sector is in a qualitatively different position to the for-profit sector. I am not closing the door on examining this sector, but it must be done thoughtfully, carefully and advisedly to ensure that any legislation we develop will stand in the courts. As I said, my side of politics embarked upon the prohibited donor lists relating to legislation on the electoral funding laws. We are not averse to expanding that, but we must do so in a legally appropriate and robust way.

The Hon. Dr Peter Phelps: One that doesn't fall foul of McCloy.

The Hon. ADAM SEARLE: I acknowledge that interjection. To ensure that these provisions are rigorous, we do not discredit the regime or give a free kick to industries that we think might be dangerous to the public good. If we are to do this we have an obligation to get it right, which means not doing it this evening. I know that will disappoint some members, but that is our position.

Mr JEREMY BUCKINGHAM (01:58): In response to the contributions of the Parliamentary Secretary and the Leader of the Opposition, I remind members that the Schott inquiry and the Joint Standing Committee on Electoral Matters did not make recommendations on political donations by prohibited persons, because the McCloy matter was before the High Court, as stated in both reports. The court upheld the provisions and said they were not illegal because they were designed to reduce corruption. The Schott inquiry report said that to remove the provisions concerning prohibited persons, especially in terms of local government personnel, would enliven the risk of corruption.

It is obvious that having a list of prohibited persons benefits the community and boosts its confidence in the political system. Expanding the list to include the names of big developers in the State—those who make the most money from government decisions—makes sense. We are not talking about builders of dual occupancies in western New South Wales who slip a councillor \$5,000 to approve the development application; we are talking about people routinely making donations in the millions of dollars to political parties and candidates to ensure they make windfall projects in the billions of dollars. That does not pass the pub test. These developers should have been on the list from the beginning, and they will be on the list one day. Their inclusion on the list is long overdue.

The CHAIR (The Hon. Trevor Khan): Mr Jeremy Buckingham has moved The Greens amendments Nos 24 to 26 on sheet C2018-045B and amendment No. 1 on sheet C2018-041A. The question is that the amendments be agreed to.

The Committee divided.

Ayes6
Noes33
Majority.....27

AYES

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

NOES

Ajaka, Mr	Amato, Mr L	Blair, Mr
Borsak, Mr R	Brown, Mr R	Clarke, Mr D
Colless, Mr R	Cusack, Ms C	Donnelly, Mr G
Fang, Mr W	Farlow, Mr S	Franklin, Mr B (teller)
Graham, Mr J	Green, Mr P	Harwin, Mr D
Houssos, Ms C	MacDonald, Mr S	Maclaren-Jones, Mrs (teller)
Mallard, Mr S	Martin, Mr T	Mason-Cox, Mr M
Mitchell, Mrs	Mookhey, Mr D	Moselmane, Mr S
Nile, Revd	Phelps, Dr P	Primrose, Mr P
Searle, Mr A	Secord, Mr W	Sharpe, Ms P
Veitch, Mr M	Ward, Ms P	Wong, Mr E

Amendments negatived.

The CHAIR (The Hon. Trevor Khan): I have been advised that The Greens amendment Nos 28 and 29 on sheet C2018-045B will not be moved.

The Hon. ADAM SEARLE (02:10): I move Opposition amendment No. 11 on sheet C2018-038F:

No. 11 **Duties of senior office holders**

Page 59, clauses 100 and 101, lines 12–20. Omit all words from those lines.

This amendment relates to the duties of senior office holders and seeks to omit clauses 100 and 101. So that there is no misunderstanding, I indicate that we are all for raising the standard of obligations of party officers, but the language of those two provisions runs the significant risk of making internal party disputes justiciable or otherwise able to be regulated in a way that I do not think is necessary or appropriate. These obligations are well understood and have a significant role to play in relation to financial institutions. But we are discussing benefit to a party overall. The internal dynamics of a political party, where matters of necessity are often hotly contested, mean that the subject is not susceptible of empirical or objective standards of analysis.

Mr Justin Field: Hear, hear!

The Hon. ADAM SEARLE: I acknowledge the interjection. It is very subjective. I think these two provisions run a significant risk of making internal party disputes regulated by the state, which I do not think is the intention and would not be good for democracy. Amendment No. 11 proposes that those two provisions be removed from the bill.

The Hon. BEN FRANKLIN (02:11): The Government does not oppose this amendment.

The CHAIR (The Hon. Trevor Khan): The Hon. Adam Searle has moved Opposition amendment No. 11 on sheet C2018-038F. The question is that the amendment be agreed to.

Amendment agreed to.

The Hon. ADAM SEARLE (02:11): By leave: I move Opposition amendment Nos 12 to 14 on sheet C2018-038F in globo:

No. 12 **Investigation powers**

Page 73, clause 139 (1) (b), line 7. Insert ", by notice in writing," after "request".

No. 13 **Investigation powers**

Page 73, clause 139 (1) (c), line 9. Insert ", by notice in writing," after "request".

No. 14 **Investigation powers**

Page 73, clause 139. Insert after line 16:

- (2) A person being examined by an inspector under subsection (1) is entitled to be represented by an Australian legal practitioner.

These three amendments taken together relate to investigative powers and are designed by the Opposition to enhance the integrity and efficacy of proposed clause 139 in the legislation. We are committed to raising the standards of administration of political parties. These investigative powers are very important. However, we want to make sure that these powers are properly exercised by the regulatory authority. It is not unreasonable that these significant powers be conditioned by being able to be exercised only after notice is given in writing. We also think that persons being examined should be entitled to be represented by an Australian legal practitioner. That is a safe and careful approach, which does no injustice to the standards that we expect to be exhibited by political parties and those charged with their administration, but puts it on a proper basis and guards against any excess of power by the regulatory authority.

The Hon. BEN FRANKLIN (02:13): The Government does not oppose Opposition amendments Nos 12 to 14 on sheet C2018-038F.

The CHAIR (The Hon. Trevor Khan): The Hon. Adam Searle has moved Opposition amendments Nos 12 to 14 on sheet C2018-038F. The question is that the amendments be agreed to.

Amendments agreed to.

The Hon. ADAM SEARLE (02:13): I move Opposition amendment No. 15 on sheet C2018-038F:

No. 15 **Disclosure of further information regarding loans—transitional**

Page 86, Schedule 2. Insert after line 25:

7

Disclosure of information regarding existing loans

Section 19 (6) (c) and (d) do not apply to any relevant reportable loan in existence at the commencement of those paragraphs. This is in the nature of clarification. We have no issue with disclosure of loans. However, we understand that these provisions in the legislation are designed not to capture existing loan arrangements but to apply only to loans entered into after the enactment of this legislation. If that is in fact the intention of the legislation, that is not entirely clear and a clarifying measure, such as amendment No. 15, would put that matter beyond doubt. I think that would be a safe and careful approach to take rather than have a lack of clarity over what is expected, differing views and some controversy arise when it need not.

The Hon. BEN FRANKLIN (02:14): The Government opposes Opposition amendment No. 15. This amendment would mean that parties and candidates would not have to disclose details of current loans, including the amount of the loan and the terms and the condition of the loan. Requiring the details of reportable loans is an important transparency measure that should apply equally to current and future loans. Therefore, the Government opposes the amendment.

The CHAIR (The Hon. Trevor Khan): The question is that Opposition amendment No. 15 on sheet C2018-038F be agreed to.

Amendment negatived.

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

Bill as amended agreed to.

The Hon. BEN FRANKLIN: 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. BEN FRANKLIN: On behalf of the Hon. Don Harwin: I move:

That the report be adopted.

Motion agreed to.

Third Reading

The Hon. BEN FRANKLIN: On behalf of the Hon. Don Harwin: I move:

That this bill be now read a third time.

The Hon. ADAM SEARLE (02:16): As I indicated at the outset in my contribution to the second reading debate, the Opposition has grave concerns about what it regarded as fundamental flaws in the integrity of the legislation—in particular, the attack on third party campaigner rights. I will not reiterate that position. I indicated that if the Opposition could not secure amendments it felt were necessary to make a fair and balanced set of electoral laws, it could not support the passage of the legislation in this place. In good faith we have engaged in the Committee stage and have achieved, I think, by working with parties across the Chamber, significant improvements to the legislation. The Opposition welcomes cooperation and the spirit with which it was reached. No doubt there are many good and worthwhile things in this legislation, both in its original iteration and particularly after it has been amended. However, it is still fundamentally flawed in the way we indicated at the outset, and those fundamental flaws are such that we cannot, on the third reading of this bill, support its passage.

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

The House divided.

Ayes22

Noes17

Majority.....5

AYES

Amato, Mr L
Brown, Mr R
Cusack, Ms C
Franklin, Mr B

Blair, Mr
Clarke, Mr D
Fang, Mr W (teller)
Green, Mr P

Borsak, Mr R
Colless, Mr R
Farlow, Mr S
Harwin, Mr D

AYES

Khan, Mr T

MacDonald, Mr S

Maclaren-Jones, Mrs
(teller)

Mallard, Mr S

Martin, Mr T

Mason-Cox, Mr M

Mitchell, Mrs

Nile, Revd

Phelps, Dr P

Ward, Ms P

NOES

Buckingham, Mr J

Donnelly, Mr G (teller)

Faruqi, Dr M

Field, Mr J

Graham, Mr J

Houssos, Ms C

Mookhey, Mr D

Moselmane, Mr S
(teller)

Pearson, Mr M

Primrose, Mr P

Searle, Mr A

Secord, Mr W

Sharpe, Ms P

Shoebridge, Mr D

Veitch, Mr M

Walker, Ms D

Wong, Mr E

PAIRS

Taylor, Mrs

Voltz, Ms L

Motion agreed to.*Adjournment Debate***ADJOURNMENT****The Hon. DON HARWIN:** I move:

That this House do now adjourn.

PALLIATIVE CARE

The Hon. GREG DONNELLY (02:26): As all members know, there have been various debates in Australian legislatures over the past few years about whether assisted suicide and euthanasia should be legislated.

The Hon. Catherine Cusack: Point of order: I am having trouble hearing the Hon. Greg Donnelly because of the noise in the Chamber.

The PRESIDENT: Order! I uphold the point of order. Members who wish to have private conversations will do so outside the Chamber.

The Hon. GREG DONNELLY: Almost to a person, the proponents of such laws, when speaking in favour of their proposals, tip their hats to the importance of high-quality, broadly available end-of-life care. Members will not find a political speech in favour of assisted suicide and euthanasia that fails to mention palliative care in glowing terms.

The Hon. Catherine Cusack: Point of order: It is a long-established tradition in this place, and it is in the standing orders, that members must be intelligible and able to be heard while they are speaking. The Hon. Greg Donnelly is speaking far too quickly and muttering into the microphone, and it is almost impossible to understand a word he is saying.

The PRESIDENT: I uphold the point of order. The Hon. Greg Donnelly should be a little clearer. I was having difficulty understanding him, and I am sure Hansard was having the same problem.

The Hon. GREG DONNELLY: Indeed, some of the more manipulative proponents of assisted suicide and euthanasia make the dishonest claim that these practices are part of a holistic approach to end-of-life care. Of course, this is a political ruse designed to desensitise people to the true nature of both assisted suicide and euthanasia. When debates occur in terms of words and actions regarding palliative care, inevitably the legislative proponents of assisted suicide and euthanasia are nowhere to be seen. That is until the debates return to the legislature once again. Of course, there are some exceptions, but what I have outlined is generally the case.

This evening I draw the attention of the House to the public release of the March 2018 Productivity Commission report entitled, "Introducing Competition and Informed User Choice in Human Services: Reforms

to Human Services", which is available on the commission's website. I specifically refer the House to chapters 3 and 4 on pages 109 to 169. Not only do they provide a wealth of information about the current state of affairs regarding end-of-life of care in Australia but also they contain a number of important recommendations about how this most important element of health care can be enhanced and improved for all citizens. I strongly encourage all members of this House and others to read those chapters.

It makes a number of important points, including that the proportion of people who could potentially benefit from end-of-life care vary typically from 50 per cent to 90 per cent of those who die. The annual number of deaths will double in Australia in the next 40 years. This will mean that end-of-life care providers will face a tsunami of palliative care admissions. While there are examples of excellent end-of-life care, its supply is limited and only a small proportion of people who die each year receive it. Many—perhaps tens of thousands—people cannot access desired support to die in their own home and they die in hospital instead.

State and Territory governments should establish standards for community-based palliative care services and fund the provision of these services for people who wish to end their life and die at home. While there are potential savings for governments from having fewer hospital admissions, providing more people with access to high-quality palliative care should be the primary driver of reform. Governments should develop and apply performance frameworks for the provision of community-based palliative care that are focused on service users and outcomes. Residents of aged care facilities need to be provided with greater access to palliative care services delivered by clinically qualified staff. Finally, the COAG Health Council should oversee the development and implementation of a data strategy for end-of-life care.

I have outlined just a small sample of the rich vein of ideas and thinking contained in chapters three and four of the Productivity Commission report. Not all, of course, should necessarily be adopted and implemented, although they should be examined and discussed. I conclude by acknowledging that this week is National Palliative Care Week. This year's theme is "What matters most?" It addresses the need for Australians to plan ahead for their end-of-life care and to discuss it with their loved ones and health professionals. I thank Linda Hansen, Executive Officer of Palliative Care NSW, for writing to all members of the Legislative Council and the Legislative Assembly and engaging with them directly regarding National Palliative Care Week. I encourage members of both Houses to take up her invitation to use National Palliative Care Week as a discussion starter with constituents. Everybody should celebrate life and talk about end-of-life care wishes.

ABORIGINAL INCARCERATION RATES

Mr DAVID SHOEBRIDGE (02:31): As early as 1938 first nations people held the Day of Mourning in Sydney to protest dispossession and the many atrocities perpetrated against them. This Saturday is Sorry Day, a day that we remember and commemorate the mistreatment of this country's first nations people. We will always need to engage in this project of remembering the cruelties of the past but we do not need to keep adding to the list of crimes. We cannot change our past but we can be honest about it and we must change the future.

It is no exaggeration to say that right now in New South Wales we have a criminal justice system that targets Aboriginality. Of course, there is nothing in the law that expressly requires it to do so but laws that are notionally race blind can and do still have a starkly discriminatory impact in their application. From the racist Suspect Target Management Plan [STMP], which are targeted investigations by police, to bail refusal, sentencing and biased parole decisions, Aboriginal people face harsher justice for similar offending. In New South Wales Aboriginal people are more likely to be charged, more likely to be refused bail and more likely to spend time in jail than are non-Aboriginal people who commit the same offence.

I will give some of the data. Just 5.6 per cent of kids in New South Wales are Aboriginal but police data shows that 51.5 per cent of the 400 young people targeted by the secret stop and search Suspect Target Management Plan are Aboriginal. Aboriginal young people aged 17 and under are almost 19 times more likely to be on this secret police list. Aboriginal children under the age of 15 are almost 31 times more likely to be targeted by police on this list than are their non-Aboriginal counterparts. One cannot but call that racist policing. Since this Government came to office in 2011, the number of Aboriginal people refused bail and held in jail awaiting trial has increased by 75 per cent, from 707 in March 2011 to 1,237 in March 2018.

The 2014-15 changes to bail laws have seen an 87 per cent increase in Aboriginal people being refused bail, despite no change in the seriousness of offending. Across the board for the rest of the population it is an 11 per cent increase. Young Aboriginal children aged 10 are up to 56 times more likely to come into contact with the criminal justice system than non-Aboriginal children the same age. Almost one in eight Aboriginal people born in 1984 have received a custodial penalty compared to one in 62 non-Aboriginal people born in the same year. Aboriginal children are also 10 times more likely to be taken from their families and put in out-of-home care than non-Aboriginal children. After 230 years of invasion, our parliaments have created a system of structural

disadvantage where Aboriginal people are the most incarcerated people in the world and they continue to die in custody.

It is this system that has a secret police suspect list, watching Aboriginal kids as young as 10. It is this system that has an out-of-home care scheme taking Aboriginal children from their families at double the rate that occurred at the time for which the national apology was given. It is this system that has a public housing structure with chronic housing shortages which especially impacts upon Aboriginal Australia. The data and the daily experience of Aboriginal people prove that they are the ones who bear the brunt of broken bail laws and a systemically racist criminal justice system.

A just and effective criminal justice system protects the community, reduces the social impacts of crime, addresses the causes of crime, protects the human rights of victims and fairly deals with suspects. It should offer a range of interventions in addition to the loss of liberty and jail. What we have in New South Wales does not look like a just and effective criminal justice system. Here justice is not just, it is not quick and it is not cheap. That is particularly obvious in the cases of young Aboriginal people. It is clear that if we build prisons for children in this country the justice system will fill them up with young Aboriginal children. We need a radical overhaul of what can only be called a systemically racist criminal justice system that targets first nations people. It should start with ensuring that young people are not put in jail in the first place. In fact, it is time we closed every juvenile jail in this country.

WESTERN SYDNEY BUSHFIRES

The Hon. LOU AMATO (02:35): It is suspected that the recent bushfires in south-west Sydney were deliberately lit. It is sad that people find that sort of act amusing. It is tragic that someone could engage in an act that may cause considerable property damage and loss of life. However, it has been said that there is only beauty because there is ugliness and that as individuals we can only define good because there is evil. During the horrendous bushfires in south-west Sydney, wind-fuelled flames consumed thousands of hectares of bushland. The evil act by those responsible for starting the blaze was absolutely overshadowed and made insignificant when compared with the outstanding goodness of our emergency service personnel.

During the fires I was able to keep in contact with friends who were trapped in their homes as emergency services personnel rose to the call. Every person I spoke to who was affected by the fire had the same story to tell. That story was of gratitude for the professionalism of the Rural Fire Service and the police. When a raging bushfire is moving at up to 40 kilometres per hour fuelled by roaring winds and high temperatures, loss of life and property is the usual outcome. Yet no lives or homes were lost. We owe our emergency services personnel a great debt. It is only because of their dedication and professionalism that no lives were lost. Listening to the stories of fellow citizens, it is easy to see that our emergency service personnel are the finest in the country and the world.

As the fire front moved towards homes, all residents in danger were immediately contacted via telephone and a recorded message informed them of the safest action to take. Every mobile phone in the vicinity of danger also received text messages that notified residents well in advance about the need to evacuate. Police and emergency services workers were at key evacuation points to direct residents to safe locations, such as local clubs which made their premises available for evacuated residents to take shelter. Moorebank Sports Club housed local residents and provided food, shelter and a place to sleep until the danger had passed. An elderly lady realised when she arrived at the sports club that she had forgotten to pack her husband's critical medication. Because it was too dangerous for her to attempt to travel back into the affected area to get the medication, the Rural Fire Service workers got it for her.

Police were on the job to assist elderly and incapacitated people to evacuate while escape was still possible. It is that type of dedication and community spirit that makes our emergency personnel the very best in the world. Those in affected areas all said in discussions how proud and grateful we should be that New South Wales has the finest emergency response personnel. The professionalism of our emergency response teams is not limited to those on the ground fighting the fires but consists of an entire network of people working as a team. Residents reported wave upon wave of reconnaissance aircraft observing the movement of the blaze. Reports were sent to logistic centres, where teams of personnel formulated evacuation plans and the most effective utilisation of emergency crews. In some instances the wind-fuelled fire swept across escape routes and trapped residents from leaving. Immediately messages were sent to residents to take shelter as the risk of leaving was too great. But no suburb was abandoned to the flames. Emergency fire crews and water bombing aircraft were there within minutes to protect life and property.

I take this opportunity to thank our emergency personnel, who did an exemplary job in the recent south-west Sydney bushfires. Through their efforts and professionalism not one life was lost and no homes were destroyed. There will always be those in our community whose evil deeds such as arson will deeply disappoint

us, but deeds of greatness will always overshadow evil and, as in the case of the recent bushfires, the incredible community spirit of the wonderful people of New South Wales will never be beaten.

GALLIPOLI DAWN SERVICE

The Hon. MICK VEITCH (02:39): Recently I participated in a self-funded trip to Turkey with other members of this place. My initial intention was to attend the Dawn Service at Gallipoli on 25 April. My great-grandfather, James David Taylor, landed at Ariburnu—now known as Anzac Cove—with the 14th Battalion on the morning of 25 April 1915. I have always had a wish to visit the site and in particular to attend the Dawn Service. But the cross-party and multi-jurisdictional expedition delivered so much more than I expected and aspects of the trip have certainly left an indelible impression on me. The Hon. Trevor Khan recently delivered a speech in this place about our visit to the Syrian refugee facility organised by Red Crescent. I concur with his statements, and that experience has stayed with me, particularly the time we spent with the kids. I, like most, had tears in my eyes. We simply cannot sit by and do nothing about helping Syrian refugees. To do so would be inhumane and irresponsible.

The delegation with which I travelled was able to attend a number of memorial ceremonies as a part of the 103rd commemoration of the Gallipoli campaign—seven commemoration ceremonies in total. On 24 April we observed the Turkish memorial ceremony and visited the Turkish war cemetery. The Turks have really gone out of their way to ensure the whole campaign has been remembered. The Turkish war cemetery has a very Turkish design—a very Turkish feel to it. It is sensitive and respectful. I was impressed by the way in which Turkish people ensured that the whole Gallipoli peninsula, and in particular the entire Anzac battlefield area, remains as important to them as it is to us. The Turkish war ceremony was impressive and something I recommend people take some time to attend if they get the opportunity.

We also observed the French ceremony and visited the French war cemetery. The French war cemetery is intentionally simple and ensures respect to the fallen is not influenced by status. The cemetery is impressive in its simplicity. Following this, we observed the Commonwealth and Ireland memorial service at Cape Helles. The bugle playing the Last Post always sends a shiver up and down my spine, particularly at Anzac Day ceremonies, but the inclusion of the Irish pipes during this ceremony was so moving that words escaped me.

During the afternoon of 24 April the delegation took the opportunity to visit the site of the beach landing for the Australian and New Zealand Army Corps at Gallipoli. I finally had the opportunity to see where my great-grandfather set foot on Turkish soil—his experience was obviously very different from mine. This was such a serene, peaceful and, indeed, beautiful place. Birds chirped away as we strolled around, all of us in quite a solemn mood. As one stands on the stony beach and looks up toward the escarpment, one is immediately overwhelmed by what is referred to as the sphinx—the Gallipoli Sphinx. I can only imagine the thoughts and internal conflicts our troops would have had to address or indeed suppress. It is a natural feature that is both impressive and quite imposing.

After spending much time reflecting on the sheer enormity of the task that would have presented itself to our troops we then walked around to the beach cemetery. As one strolls around, a number of things become apparent. The dates on the headstones provide evidence of each military offensive, both Anzac and Turkish. The other information one gathers is that the combat mortality was not restricted to the infantry; there are payroll clerks, medical aides and doctors also buried at the beach cemetery. It is a moving experience. I am glad we had time to visit the site before the formalities of the next day. It allowed me to ascertain with clarity exactly what our troops encountered at this place.

Very early on 25 April the delegation departed our motel at Canakkale and took the ferry across the Dardanelle Strait. We arrived at the site in darkness where those people who had camped overnight were watching on a big screen that wonderful short film *Telegram Man*. The Anzac ceremony is alternated each year between the Australian and New Zealand Defence Forces. The 2018 Dawn Service was conducted by the New Zealand Defence Force. The weather was eerily similar to that fateful day in 1915. As we sat awaiting the commencement of the service there was a gentle breeze and a clear sky, and the birds were chirping. I am glad I attended. The Kiwis did us all proud.

From there we attended the ceremonies at Lone Pine and Chunuk Bair. The New Zealand Defence Force haka was intimidating. Indeed, to have the New Zealand Defence Force chaplain perform the haka only metres from where we sat—and I mean literally metres—was very intimidating. I am glad I participated in this parliamentary delegation. I thank my colleagues for the way in which the delegation conducted itself. I learned so much more than I expected.

CHILDHOOD OBESITY

Ms DAWN WALKER (02:44): Obesity is one of the most important public health challenges facing us today. Recently ABC's *Four Corners* investigated the obesity and diabetes epidemic that we are facing in Australia. It was an eye-opening program but there was one fact that stuck with me: The youngest person with type 2 diabetes in Australia is just five years old. Type 2 diabetes used to be considered a disease of age, which was only seen in the elderly. That does not seem to be the case anymore. Type 2 diabetes is characterised by someone's body losing its ability to respond to insulin. When a person's pancreas cannot make enough insulin, the body loses its ability to properly regulate blood sugar levels—a symptom of diabetes. So how is it that a disease that has previously been slow and progressive has managed to affect someone as young as five years old?

Last week I spoke to two experts from the University of Wollongong about childhood obesity to try to get my head around what is happening when it comes to our kids' health. They recently published a paper on junk food marketing and childhood obesity, and I was shocked to see the results. Exposure to junk food advertising has been clearly demonstrated to be linked to childhood obesity. Every parent in this room knows the difficulty of getting their kids to eat well. It is made even harder in the face of what feels like relentless junk food advertising. Pester power is a very real thing, but even if parents are able to resist the relentless pleas of their kids for junk food there is a substantial body of evidence to demonstrate that simply being exposed to junk food advertising negatively affects children's eating behaviours and dietary health.

Advertising to children at all is widely regarded as ethically dubious. Young children cannot distinguish between advertisements and regular content, and older children, even if they understand the purpose and role of an advertisement, are still often emotionally and unconsciously influenced. This is particularly troubling when it comes to junk food advertising, which is linked to higher levels of weight and obesity in children. Shockingly, studies have shown that children as young as three recognise many more unhealthy food brands than healthy ones. We have regulations in place in Australia to limit junk food advertising but we need to do more. One in five children in New South Wales is classed as obese or overweight, which can lead to lifelong health problems. We have a responsibility to do all we can to ensure the best outcomes for children.

Much of this kind of regulation falls within the power of the Federal Government, but there are steps we can take at a State level. One area we could vastly improve is the outdoor advertising of junk foods. Children are exposed to this kind of advertising on billboards near their schools, at bus stops and on the Sydney metropolitan train system. We could easily address this by regulating the kind of advertising allowed on public transport routes that are frequently used by schoolchildren. We could ensure that when we encourage families to take public transport we are not exposing their children to harmful advertising. We have a chance to step in and make sure that the next generation of Australian children grows up happy and healthy. We need to act now to ensure that the current obesity and diabetes epidemic does not capture the next generation. We need to regulate junk food advertising to protect the health and wellbeing of our children.

TATHRA BUSHFIRES

The Hon. NATASHA MACLAREN-JONES (02:48): Tonight I speak about the Tathra bushfires in March this year and acknowledge the hard work and dedication of the Rural Fire Service, Fire & Rescue NSW and all the volunteers who came together to support the community during the devastating fires and who continue to provide support to the Tathra community during its recovery. Last week I visited the community of Tathra and met with volunteers from the Tathra Volunteer Rural Fire Brigade. I thank them for their time. It goes without saying that the Tathra bushfires have had a devastating effect on that close-knit community. With 65 homes destroyed, 48 homes damaged and more than 30 caravans and cabins levelled, the bushfires are a horrible and sad reminder of the sheer devastation that natural disasters can cause. However, the dedication and hard work of more than 150 firefighters who battled the blaze is testament to their continuing duty to keep our State safe and protected.

Despite the ferocity of the fire, there were no casualties and 810 houses were saved or untouched by the fires. This stands as a testament to the skill and dedication of the NSW Rural Fire Service and Fire & Rescue NSW. Without them, the aftermath of the fires could have been much worse and the possibility of lives lost very much a reality. I thank all our firefighters and volunteers, not only for the work they undertake during critical times but also for the unspoken work they do 365 days a year. These dedicated people make our State a safer place, and they do it without any expectation of praise or gratitude. I sincerely thank them for their tireless work in protecting our local communities.

Despite the destruction the fires have caused, the community has remained resolute in its will to recover and rebuild. The recovery effort is well and truly underway. The New South Wales Government has provided \$10 million in emergency funds to support the recovery efforts in the region, with the funds going to relief and clean-up efforts. The local community and volunteer organisations have been key in dealing with the initial fire

and the continued recovery and rebuilding of the town of Tathra. Thank you to the Far South Coast surf clubs, specifically the Bermagui, Tathra and Pambula clubs, for their help in supporting emergency services. The clubs were some of the first responders, using inflatable boats and jet skis to evacuate people from Tathra to their surf clubs. These clubs were turned into makeshift accommodation that housed more than 300 people and offered support with food, water and medical assistance.

I note the work of Team Rubicon Australia for Operation Dawes, which provided disaster relief and recovery assistance to the people of Tathra: 83 volunteers provided more than 5,300 volunteer hours to clean up and assist the community and to help them come to terms with the immediate and long-term clean-up. Team Rubicon is a not-for-profit organisation made up of skilled and experienced defence force veterans. They respond to emergency disasters around the world and their motto is "Disasters are our business. Veterans are our passion." Many other local initiatives were undertaken to aid in the recovery process. The Tathra Sea Eagles Football Club raised more than \$38,000 to help with the recovery process and the Mayoral Appeal Fund has already raised more than \$1 million.

Across New South Wales many organisations and residents have raised funds to contribute towards the recovery effort. Residents from Springwood, Lake Tyres, Cooma-Monaro, Goulburn, Marulan, Adelong and Tumut have all aided in providing a wide variety of support measures, from monetary funds to care packages. New South Wales has stood by the town of Tathra. Although it has been a long process to recovery, the town of Tathra remains determined to rebuild. This House and the New South Wales Government stands behind you. Despite the heartache and loss, countless volunteers and everyday people from the local community of this coastal town have come together in an incredible show of support.

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

Motion agreed to.

The House adjourned at 02:52 on Thursday 24 May 2018 until 10:00 on the same day.