



**New South Wales**

# **Legislative Council**

## **PARLIAMENTARY DEBATES (HANSARD)**

**Fifty-Seventh Parliament  
First Session**

**Thursday, 19 November 2020**

Authorised by the Parliament of New South Wales



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## LEGISLATIVE COUNCIL

**Thursday, 19 November 2020**

**The PRESIDENT (The Hon. John George Ajaka)** took the chair at 10:00.

**The PRESIDENT** read the prayers.

### *Bills*

#### **MANDATORY DISEASE TESTING BILL 2020**

##### **Received**

**Bill received from the Legislative Assembly.**

**The PRESIDENT:** According to the resolution of the House of 17 November 2020, as the message on the bill has been received from the Legislative Assembly, the bill now stands referred to the Standing Committee on Law and Justice for inquiry and report.

#### **DRUG SUPPLY PROHIBITION ORDER PILOT SCHEME BILL 2020**

#### **NATIONAL PARKS AND WILDLIFE LEGISLATION AMENDMENT (RESERVATIONS) BILL 2020**

##### **Returned**

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

### *Motions*

#### **WORLD CHILDREN'S DAY 2020**

**Ms ABIGAIL BOYD (10:02:34):** I move:

- (1) That this House notes that 20 November 2020 is World Children's Day.
- (2) That this House acknowledges the importance of UNICEF and World Children's Day in raising awareness of the issues faced by children around the world.
- (3) That this House notes that:
  - (a) there are more than 1.3 million children aged 14 and under in New South Wales;
  - (b) as of 2019 more than one in six children in New South Wales are living in homes below the poverty line;
  - (c) youth, defined as young people aged 12 to 24, make up one-third of all homeless people in New South Wales;
  - (d) youth homelessness increased by 50 per cent between 2011 and 2016;
  - (e) just 17 per cent of homeless children and teenagers have access to supported accommodation; and
  - (f) children have been hit particularly hard by the effects of the COVID-19 pandemic, such as lockdown and online learning.
- (4) That this House affirms that:
  - (a) children are not responsible for their family's financial situation;
  - (b) childhood poverty has a lifelong impact on an individual's health and wellbeing;
  - (c) safe, reliable alternative housing is essential to support homeless teenagers and young adults;
  - (d) all children have the right to safe, affordable and high-quality education; and
  - (e) supporting children benefits them, their families, the economy and the community at large.

**Motion agreed to.**

#### **OPEN STUDIOS - BALLINA, BRYON & BEYOND**

**The Hon. BEN FRANKLIN (10:02:59):** I move:

- (1) That this House notes that Open Studios – Ballina, Byron & Beyond [OSBBB] will be held on the weekends of 28 and 29 November and 5 and 6 December.
- (2) That this House notes that:

- (a) Open Studios – Ballina, Byron & Beyond is an arts adventure trail of 34 local artists' studios that open to the public to showcase the outstanding creative talent in the Northern Rivers;
  - (b) OSBBB was initiated in 2018 by renowned local artist Paul Button; and
  - (c) OSBBB aims to share diverse art forms with the community and encourage the idea that anyone can create and enjoy art.
- (3) That this House recognises OSBBB would not be possible without the work of the organising committee comprised of:
- (a) Maria and John Heaton;
  - (b) Deb McFarlane;
  - (c) Angela Parr; and
  - (d) Rosie Kaplan.
- (4) That this House acknowledges that:
- (a) COVID-19 forced the event originally scheduled for May 2020 to be cancelled;
  - (b) OSBBB has worked incredibly hard to make sure the event can now go ahead in a COVIDSafe way; and
  - (c) The trail is available free of charge to all members of the public so that they can access and enjoy a range of impressive works by local artists.

**Motion agreed to.**

### **HURFORD HARDWOOD PORTRAIT PRIZE**

**The Hon. BEN FRANKLIN (10:03:17):** I move:

- (1) That this House congratulates Antoinette O'Brien of Lismore on being awarded the 2020 Hurford Hardwood Portrait Prize on 6 November 2020.
- (2) That this House notes that the Hurford Hardwood Portrait Prize is open to artists nationally who depict a subject with a connection to the Northern Rivers.
- (3) That this House notes that:
  - (a) Antoinette O'Brien was awarded the prize for her ceramic of Helen Deravenchecko entitled "Lacuna", a woman who was a nurturing and guiding figure in Antoinette's life;
  - (b) Judge Abdul Abdullah said of the portrait that "the work drew me into a story about memory; and how moments attach themselves to our experience";
  - (c) the 2020 competition featured over 65 finalists; and
  - (d) the entries are on display at the Lismore Regional Gallery until 31 January 2021.
- (4) That this House acknowledges that the Hurford Hardwood Portrait Prize is important to the cultural and creative landscape of the Northern Rivers and forms part of the permanent collection at the Lismore Regional Gallery.

**Motion agreed to.**

### **BYRON BAY WILDLIFE HOSPITAL**

**The Hon. BEN FRANKLIN (10:03:36):** I move:

- (1) That this House notes that on 28 September 2020 the Byron Bay Wildlife Hospital opened its doors and will soon launch Australia's largest mobile wildlife hospital.
- (2) That this House notes that the hospital will:
  - (a) admit, diagnose and treat native animals including mammals, birds, reptiles and marine life;
  - (b) run full-time veterinary services from their Lennox Head branch;
  - (c) operate Australia's largest mobile wildlife hospital;
  - (d) be led by wildlife specialist Dr Bree Talbot; and
  - (e) conduct regular land regeneration working bees with Byron Rangers at the hospital site.
- (3) That this House acknowledges the hospital and mobile hospital has attracted widespread community and international support, including from:
  - (a) the United Nations;
  - (b) Wild Ark;
  - (c) Odonata; and
  - (d) World Animal Protection.

- (4) That this House thanks the tremendous efforts of all those involved in making the hospital a reality; including veterinarians, donors and volunteers and notes the dedication of the following:
- (a) Stephen Van Mil – founder;
  - (b) Adam and Simone Bennett-Smith – who donated the 100 acre site for the hospital;
  - (c) the board of the Byron Bay Wildlife Hospital; and
  - (d) "Biggy Pop" – the founding patron of the hospital and pet cockatoo to Iggy Pop of The Stooges.

**Motion agreed to.**

### **HUMANS OF LISMORE**

**The Hon. BEN FRANKLIN (10:03:54):** I move:

- (1) That this House acknowledges the Humans of Lismore Facebook page was founded in 2014 and shares stories of people from all walks of life who call Lismore home.
- (2) That this House notes that the page:
  - (a) began after founder Denise Alison overheard a conversation in a cafe of two people talking negatively about Lismore;
  - (b) was inspired by the Humans of New York Facebook page;
  - (c) has amassed over 22,000 organic "likes" and engages people across the globe; and
  - (d) brings the community together to share in the diverse lives of everyday people in the local community.
- (3) That this House congratulates the page founder Denise Alison for her work in capturing the unique stories of people who make up the heart of the Lismore community.

**Motion agreed to.**

### **MARGARET FISHER CUP**

**The Hon. BEN FRANKLIN (10:04:14):** I move:

- (1) That this House notes that the inaugural Margaret Fisher Cup was played in Bangalow in September 2020.
- (2) That this House notes that the Margaret Fisher Cup:
  - (a) was played in honour of Margaret Fisher – a world champion tennis player who lived in Byron Bay and passed away in December 2019, aged 89;
  - (b) was played as a ladies doubles tournament comprised of 16 players; and
  - (c) celebrates women in tennis and supports the growing popularity of the sport in Bangalow.
- (3) That this House recognises the late Margaret Fisher:
  - (a) as a world champion tennis player who competed at Wimbledon; and
  - (b) returned to competitive tennis in her 80s, played in seven world championships and won the following titles:
    - (i) Australian over 80s tennis champion;
    - (ii) world super seniors over 80s silver medallist; and
    - (iii) world over 85s women's doubles and mixed doubles tennis champion.
- (4) That this House acknowledges and thanks tennis coach Jack Cox for launching the Margaret Fisher Cup and ensuring the tournament was a success.

**Motion agreed to.**

### **UNITY EXHIBITION**

**The Hon. NATALIE WARD (10:04:39):** I move:

- (a) Yitzhak Rabin served as Prime Minister of Israel from 1974 to 1977 and again from 1992 until his assassination on 4 November 1995;
- (b) Yitzhak Rabin was awarded the Nobel Peace Prize in 1994 for his work to create peace in the region, which included signing key agreements with Palestine as part of the Oslo Accords and a peace treaty with Jordan;
- (c) on 4 November 2020, being 25 years since Yitzhak Rabin's assassination, the "Unity" exhibition dedicated to the life and achievements of Yitzhak Rabin was launched at the B'nai B'rith Centre in Kensington;
- (d) the distinguished guests present at the "Unity" exhibition launch included:
  - (i) Unity Exhibition Curator, Mr Alexandra Hillman;
  - (ii) United Israel Appeal NSW President, Mr Andrew Boyarsky;



- (iii) B'nai B'rith NSW President, Ms Anna Marks;
  - (iv) Jewish National Fund Australia CEO, Mr Dan Springer;
  - (v) Jewish National Fund NSW President, Mr David Moses;
  - (vi) Jewish National Fund NSW Jerusalem Emissary, (Shaliach) Yossi Eshed;
  - (vii) Chair of B'nai B'rith Courage to Care, Mr James Altman, OAM;
  - (viii) NSW Jewish Board of Deputies President, Mr Lesli Berger;
  - (ix) NSW Jewish Board of Deputies, CEO, Mr Vic Alhadeff;
  - (x) NSW Jewish Board of Deputies Executive Member, Mr Yosi Tal;
  - (xi) Zionist Council of NSW President, Mr Rodney Naumburger;
  - (xii) Zionist Council of NSW Vice-President, Orli Zahava;
  - (xiii) NSW Police Force Assistant Commissioner, Mr Michael Willing, APM;
  - (xiv) Executive Council of Australian Jewry Co-CEO, Mr Peter Wertheim, AM;
  - (xv) Zionist Federation of Australia Honorary Secretary, Ms Rebecca Lacey Ehrlich;
  - (xvi) Zionist Federation of Australia Life Member, Dr Ron Weiser, AM;
  - (xvii) Sister Giovanni Farquer;
  - (xviii) Rabbi Levi Wolff;
  - (xix) Embassy of Israel in Australia Deputy Chief of Mission, Mr Ron Gerstenfeld;
  - (xx) Chargé d'Affaires a.i. of Israel Dr Tibor Shalev-Schlösser;
  - (xxi) Mr Eitan Neishlos;
  - (xxii) Miss Lee Levi;
  - (xxiii) The Hon. Gabrielle Upton, MP, member for Vaucluse;
  - (xxiv) Mr Dave Sharma, MP, member for Wentworth;
  - (xxv) Mr Julian Leeser, MP, member for Berowra;
  - (xxvi) Senator the Hon. Eric Abetz;
  - (xxvii) The Hon. Walt Secord, MLC;
  - (xxviii) Senator The Hon. Kristina Keneally; and
  - (xxix) The Hon. Natalie Ward, MLC.
- (e) importantly, following the signing of the Abraham Accords between Israel and the United Arab Emirates, the Ambassador of the United Arab Emirates to Australia His Excellency Abdullah Al Subousi was in attendance at the launch in an historical demonstration of peace.

**Motion agreed to.**

**SOUTH-WESTERN SYDNEY KOALA POPULATION**

**Ms CATE FAEHRMANN (10:05:00):** I move:

- (1) That this House notes that the koalas of south-western Sydney are:
  - (a) one of the few koala populations in New South Wales that is growing and expanding its territory;
  - (b) the only koala population in New South Wales not afflicted by chlamydia, a disease which affects around 70 per cent of koalas across the country;
  - (c) under threat from urban development which is set to clear their core habitat and corridor connections and isolate the population; and
  - (d) essential to the survival of koalas in New South Wales, which are on track to become extinct before 2050 as a result of climate change, bush fires and ongoing habitat loss and fragmentation of their habitat.
- (2) That this House thanks Save Sydney's Koalas tireless campaigners, including Sue Gay, Pat and Barry Durman, Maria Bradley, Scott Melhuish, Diana and John Pryde, Merrill Witt, Pru Wawn; Doro Babeck from the Bob Brown Foundation, Saul Deane from the Total Environment Centre and many others whose advocacy over many years contributed to the creation of a Georges River Koala Reserve, the first step towards protecting the south-west Sydney koala population and their habitat.

**Motion agreed to.**

*Documents***TABLING OF PAPERS**

**The Hon. SARAH MITCHELL:** I table the report of the New South Wales Department of Education entitled *Progress Report: Improving outcomes for students with disability 2020*. I move:

That the report be printed.

**Motion agreed to.**

*Ministerial Statement***SCHOOL DISABILITY STRATEGIES**

**The Hon. SARAH MITCHELL (Minister for Education and Early Childhood Learning) (10:05:41):** I speak to this year's progress report regarding improving outcomes for students with disability in New South Wales public schools. It has been an extraordinary year—one of change, delivering education in new and innovative ways, and working harder than ever to support all of our students, no matter where they are from or what their circumstances are, to continue to learn and thrive in educational settings. That is why I am proud that the implementation of the New South Wales Government's Disability Strategy is well underway, 18 months after its launch in February 2019. The strategy built on the New South Wales Government's response to the parliamentary inquiry into education of students with a disability or special needs in New South Wales.

One of the parliamentary inquiry's recommendations was that each year the education Minister make a statement in Parliament reporting on the educational progress of students with disability. This is the second report giving effect to that recommendation. I am very pleased to report on the breadth of achievements in 2020, which supports the New South Wales Government's vision to build a better education system for students with disability in New South Wales public schools. It is important to ensure that every student in New South Wales has the chance to thrive academically and socially, and has the opportunity to live a fulfilling, independent life after school. I know that there is support across the Chamber to strengthen the supports for students with disability.

The release of the Disability Strategy in February 2019 marked an important shift within the New South Wales education system by publicly recognising the need to focus our efforts on improving outcomes for students with disability across all government schools in New South Wales. The Government has made significant progress in delivering the initial focus areas it committed to in the Disability Strategy. I am proud that more than two-thirds of the immediate focus areas are now complete. The Government has also made significant improvements to ensure the wellbeing of students with disability is front and centre to everyday practice in our public schools. When our students feel included and welcomed they can learn to their fullest potential. Every student with disability in our public schools must be known, valued and cared for.

I am proud that this year the Government has strengthened its approach to inclusion in New South Wales schools through the release of its inclusive education statement for students with disability. Schools are the cornerstones of our communities and they should welcome and nurture students with disability. Inclusive education means that of our students can access and fully participate in learning, regardless of their circumstances. We have a responsibility to ensure that students are supported by reasonable adjustments to their learning environments and teaching strategies that are tailored to meet their individual needs. Inclusion is embedded in all aspects of school life. It is supported by a school's culture, policies and everyday practices. The Government is committed to improving learning and wellbeing for students with disability in mainstream schools and their support classes, and in schools for specific purposes.

Our schools will continue to work with parents and education experts to find the most appropriate setting for every child to learn. The Government will continue to listen to students and parents, to create individualised learning goals with high aspirations for all students. Access to information and the availability of resources and support for families can improve their experience of and their connection to school. The Government remains focused on improving how families and carers are welcomed in our schools and how they find the information and advice that they need. That is why it has launched a new, accessible online resource for families and carers of children with disability, to make it easier for them to find the advice and information that they need to support their child through their education journey.

We have also developed new professional learning for non-teaching staff on welcoming and guiding families of students with disability. Students are at the centre of everything we do in education. We will continue to expand opportunities for students to have a direct influence on education and school policy. Earlier this year I announced the establishment of a new Minister's Student Council to give New South Wales public school students, alongside department and Government decision-makers, an opportunity to have their say on the future of education. To ensure diversity and inclusion, the council will include representatives with lived experience of

disability. A new online student voices hub has also been launched this year, giving all New South Wales students a platform to share their views and creativity with the wider community. We are actively looking at opportunities to increase the participation of students with disability in the new online community.

Our goal is for students, families and schools to receive consistent and transparent support throughout their school journey and at key transition points. We have continued to improve the access request process. We have streamlined how students and their families access support at school. We are also developing career pathways and work readiness support programs to help students with disability as they transition out of school and into a fulfilling life post-school. We know that 2020 has been a challenging year for many students and their families. We continue to better support our students' mental health and wellbeing by growing the number of school counselling staff and partnering with leading youth mental health organisations and universities to offer support programs.

We know that extracurricular activities have a huge impact on students' mental health, so we are working to improve the delivery of inclusive physical activity in our schools through professional learning opportunities and improved access to sport and physical activity for students with disability. We are also providing a range of inclusive teaching, learning and performance opportunities in dance, visual arts, music and drama. We know that the most positive learning outcomes occur when students attend school regularly. That is why in August this year I invited community input on a draft student behaviour strategy. The draft strategy was developed after identifying the need to better support a range of student behaviours and to increase the time students spend at school engaged in learning. That will help us drive improvements in student learning, wellbeing and independence through a range of initiatives that embed positive behaviour support and inclusion in schools.

Our partnerships with the NSW Education Standards Authority [NESA] and universities will continue to support ongoing improvements in our inclusive practice by building teacher capability through all undergraduate teaching degrees and postgraduate degrees. We are working closely with NESA to deliver a new curriculum with an ambitious time line in response to the review of the New South Wales curriculum. An inclusive curriculum is one of the design principles of the review. We will maintain a strong focus on the imperative to support all students to access the curriculum and on the support that our teachers will need to do that well.

The Department of Education remains focused on building the evidence base for schools on effective practices for students with disability, working closely with a broad range of academics and education experts to undertake new research. We have continued to strengthen the professional learning of our school-based staff to improve our inclusive practice. We have developed resources to help schools build effective learning and support teams and mandated disability standards for education training for all school leaders. Through our inclusive practice in education scholarship, we are supporting more than 160 teachers to undertake a master's degree in inclusive or special education in 2020. This year we have expanded the available options to include a graduate diploma in inclusive education and a master's qualification specialising in vision impairment, or deafness and hearing loss.

In 2021 I want to ensure that we continue to deliver the remaining Disability Strategy focus areas and that we do even more to build on those reforms. We will stay focused on improving outcomes and experiences for students with disability in New South Wales and on enhancing support for our teachers and school staff. There is always more to be done in that space. Over the coming year we will continue to improve how we collect, connect and share our data and how we use it to draw insights that will support our continuous improvement. We will implement an outcomes measurement system for students with disability and develop a framework for improving our use of data. We will look at opportunities for innovation that will drive systemic change, build evidence and target schools that need flexible resources. We will also share learning from our school-led innovation program trials, testing ideas to improve the learning and wellbeing of students with disability.

While awaiting the release of the findings of the New South Wales Government review of the Disability Inclusion Act 2014 and the Australian Government-led review of the National Disability Strategy, we will also review and refresh the education department's Disability Inclusion Action Plan. We will ensure that the action plan aligns with work underway through the Disability Strategy and more broadly across the department to support students and staff with disability. We will continue to build the inclusivity of our education system for every student in New South Wales. Crucial to improving outcomes for students with disability are our ongoing efforts to build the capacity of our teachers and our schools so that they are better equipped to support the needs of our students and they can grow their inclusive practice. We have high expectations of all students. Our schools will continue to work with parents and education experts to make the student and family experience better.

There is no one-size-fits-all model for improving education for students with disability. We will ask students what they need, talk to their parents and carers, and engage with their support workers, teachers and our schools. As Minister, I am absolutely committed to improving the learning and wellbeing of students with

disability in every classroom in every public school in New South Wales. Only by working together can we bring about positive change for students with disability, now and into the future.

**The Hon. PENNY SHARPE (10:15:02):** I thank the Minister for Education and Early Childhood Learning for giving me a heads-up that she would deliver the *Progress Report: Improving outcomes for students with disability 2020* today and for allowing me to look at that important report. It emanates from many years of advocacy and campaigning, and from some very good committee work done in this place to address the needs of children and young people with disability in our school system. There is only one test, with an underlying sub-test, that determines how they are going. The only test that we should use to measure and understand that progress is whether every child with a disability who is born and lives in New South Wales is able to attend their local school and get the high-quality education that they deserve. That is the key test. The sub-test is whether our teachers, schools and principals have the right level of support that they need to make that happen. That is all that matters if we are serious about kids with disability getting the education to which they are entitled. One of the most important things that a State Government does is deliver education to children.

I am pleased that we consider this issue every year and that we receive a progress report on it. I make some broad comments about the report, which contains many words and quite a few self-congratulatory ticks around progress and what is happening for children and young people with disability. But clearly some real problems still exist in moving to a genuinely inclusive education system. Often my office receives reports from parents of kids with disability who, when they turn up at their local school extremely excited about enrolling their child, are told that they cannot do so because the school cannot cope, deal with, accept or enrol their child. Through groups like Family Advocacy, reports come to me of parents going to 10 or 11 schools where their child is not able to be enrolled. We will not have a truly inclusive system until those children can go down the road to their local school and the school says, "Yes, we are ready for you. Bring it on. We can't wait to see you here". That is not the reality for many kids.

There has been good progress. The Minister did not go into a lot of the numbers but from last year to this year there has been a modest increase in the number of specialist support classes, specialist teachers, classes for specific purposes and students in those classes. Some 97 per cent of students with disability are in mainstream schools. Some work has been done on professional development support for teachers, including the 160 special education degree and master's degree scholarships. Again, there is a range of innovative programs. But let us be honest: Yet again we are mired in pilots. It is all pilot programs. We know that some schools are doing brilliant things. Almost 200 schools applied to be part of the Government's innovation fund program, which is only one example.

The Government's Disability Strategy included a commitment to "launch an innovation fund for schools to trial and evaluate new resourcing models to give schools greater resourcing and flexibility to tailor education to students' needs." That is terrific. However, I understand that 262 applications were received from 197 schools, which shows the demand for that kind of support. The Government is working with 16 schools, which is great for them but not for the other hundreds of schools that have yet again missed out and are waiting. The real test is when good work and innovation that is happening—as we know is happening in all schools across the State—will get the resourcing that is needed to scale up so that it is in every school, not just in a few pockets of schools. That remains one of the biggest challenges in delivering a truly inclusive education system.

I reflect on the fact that the recent Teaching and Learning International Survey had some very disturbing figures on how teachers feel prepared and how schools are able to be inclusive. Only around 38 per cent of teachers said they felt prepared coming out of their training to teach children with special needs, even though 74 per cent have been trained. If they are not prepared and they are not willing, that is reflected in the culture of the school. It becomes hard when we have the problem where parents and kids knock on the door and the school says no. Teaching students with special needs requires skills that develop with time and ongoing support. The Hon. Anthony D'Adam has talked a lot about professional development but the nub is: Where is the investment in teachers so that they can teach with support in the classroom and across the school to make sure that children and young people can do their work, learn to the best of their ability and get the great education that we know is provided at our schools?

The budget this week provided some money but not enough is going into supporting teachers in the classroom so that kids can go to their local school and have a great education. One of the things I highlight is that the Teaching and Learning International Survey also said that one in five principals report that the quality of their school's inclusive education is hindered greatly by a shortage of teachers. That is the key to change. As I said, the other change that we need is in the culture so that every kid can go to their local school and get the support that they need. We must put programs in place so that children can learn side by side. Again, we are commissioning a lot of research, but all of this work is going on without being informed by the existing research. Existing research

is clear that kids do best in mainstream schools in their mainstream community where they have the support that they need and there are no barriers to their learning. It is not hard but it does cost money.

The Minister will be well aware of that. Although there is some good progress, my plea today is for more to be done. Everyone knows that 2020 has been an incredibly difficult year. But one of the things we have learnt during 2020 through the pandemic is that for people with disability, adjustments that were previously impossible all of a sudden become possible. I have some optimism that the new practices that have occurred with online learning will be of great benefit to kids with disabilities. Given that progress and seeing what reasonable adjustment means and the sort of support that can go through, I hope we do not go back to the old ways of doing things. I thank the Minister for the report and I thank all of those who require this to be discussed in Parliament, even if it is just for a brief time once a year. I look forward to being back next year to hopefully see the rest of those things implemented.

I again call on the Government to properly invest in the support of teachers in schools and classrooms. If we are honest, we are fiddling around the edges and are yet again trapped into too many pilot programs and not enough broadscale rollouts that guarantee every school the support that it needs. Finally, I thank kids with disability and special needs who have battled through what has been an incredible year. For those who did their HSC, I hope they all do well and that their parents survived. For all of us it is been a tough year. I admit to the House that I was not good at homeschooling; the fights over timetabling were fierce.

**The Hon. Scott Farlow:** Did you win?

**The Hon. PENNY SHARPE:** No. It has been a tough year but there are opportunities— [*Time expired.*]

#### *Documents*

### **TABLING OF PAPERS**

**The Hon. BRONNIE TAYLOR:** I table a report of the Mental Health Commission of New South Wales entitled *Living Well in Focus 2020-2024: A strategic plan for community recovery, wellbeing and mental health in NSW*. I move:

That the report be printed.

**Motion agreed to.**

#### *Announcements*

### **BRETT WRIGHT**

**The PRESIDENT (10:24:23):** I draw members' attention to the presence in the President's gallery of Brett Wright. Today the Parliament farewells one of its longest serving and most valued employees. After 38 years' service, Brett Wright, Senior Manager, Property and Facilities, is retiring at the end of the year. He will be sorely missed. Brett commenced his career at Parliament as a mechanical fitter in the plant section of building services on 8 November 1982. During the early to mid-1990s Brett assisted with the implementation and running of gas engines to produce electricity and chilled water for air conditioning for the building. In the year 2000 Brett contributed in a major way to the delivery of the Parliament's sustainability initiatives, which saw the installation of solar cells on the tower block roof, water-harvesting system and air-conditioning and lighting energy-efficiency upgrades. Since the mid-2000s Brett has managed all Ministers' and members' accommodation relocations following each election or change to the Cabinet. The biggest relocation occurred after the 2011 election, with over 160 rooms being swapped.

Brett has had a particular connection with the Legislative Council as he has been instrumental in preparing the building for the openings of Parliament, for instance, by supervising the very careful removal of the Legislative Council Chamber table, setting up the broadcasting technology and running red carpet throughout the front of the building and across the forecourt. With his radio announcer's voice, he also provides the voiceover each year at 11.00 a.m. for Remembrance Day. For the past year Brett has been acting in the senior manager position and has successfully implemented the transfer of electorate offices from the Legislative Assembly to the Department of Parliamentary Services. In whatever role he has undertaken, Brett is a person who gets things done and fixes problems. He also tells people very clearly when something cannot be fixed. He is a respected employee. We thank him for his many years of loyal and professional service to the Parliament of New South Wales. We wish Brett and his family all the best in his retirement.

*Documents***AUDITOR-GENERAL****Reports**

**The CLERK:** According to the Public Finance and Audit Act 1983, I announce receipt of the following reports from the Auditor-General:

- (1) Performance Audit report entitled *Government Advertising 2018-19 and 2019-20*, dated November 2020, received and authorised to be printed this day.
- (2) Financial Audit report entitled *State Finances 2020*, dated November 2020, received and authorised to be printed this day.

**DARYL MAGUIRE, FORMER MEMBER FOR WAGGA WAGGA****Dispute of Claim of Privilege**

**The PRESIDENT:** I inform the House that on 17 November 2020 the Clerk received correspondence from the Hon. Adam Searle disputing the validity of a claim of privilege on certain documents lodged with the Clerk on 12 November 2020 relating to the interests and representations of Mr Daryl Maguire. According to standing order, the Hon. Keith Mason, AC, QC, was appointed as the Independent Legal Arbiter to evaluate and report as to the validity of the claim of privilege. The Clerk released the disputed documents to the Hon. Keith Mason, AC, QC.

*Business of the House***POSTPONEMENT OF BUSINESS**

**The Hon. DAMIEN TUDEHOPE:** I move:

That business of the House notice of motion No. 1 be postponed until a later hour.

**Motion agreed to.**

**ATTENDANCE OF THE MINISTER FOR ENERGY AND ENVIRONMENT TO EXPLAIN THE  
ELECTRICITY INFRASTRUCTURE INVESTMENT BILL 2020**

**The Hon. MARK LATHAM (10:35:39):** According to Standing Order 163 I move:

- (1) That according to section 38A of the Constitution Act 1902, this House consents to the Hon. Matt Kean, MP, Minister for Energy and Environment to sit in the Legislative Council for the purpose only of explaining the provisions of the Electricity Infrastructure Investment Bill 2020.
- (2) That the Minister may take part in any debate or discussion in the Legislative Council on the bill during the second reading and in Committee of the Whole.

I am sure that members around the Chamber will welcome the presence of the Minister for Energy and Environment to explain this very complex, detailed legislation. I know that he has collaborators in the Chamber, but even they would welcome his assistance as we go through a bill that quite plainly imposes a new electricity tax in New South Wales that threatens jobs and investment in so many ways. The Government members would support this proposition to make it available to the Minister to be here because he is the genius on energy policy who has driven this initiative and they would surely welcome their champion to be here to explain it to our fine Chamber.

For my part, I have a number of issues that I would like to raise with the Minister directly, having been frustrated on many other fronts. For example, I would be asking why the three new renewable energy zones do not appear in the Australian Energy Market Operator's [AEMO] integrated system plan—a remarkable oversight in the orderly planning of energy infrastructure not only in New South Wales but in the country—and why his initiative is destabilising the National Electricity Market. I would also ask what is to be the output capacity of those renewable energy zones. We have heard from AGL, and I know others agree, that it is reviewing all its existing energy commitments, particularly the generators. Will it be spooked further by the addition unilaterally by members from Botswana and other Third World countries in their initiatives to add the Hunter, the Central Coast and the Illawarra ad hoc, on the spur of the moment, in the other place? We should get a detailed explanation as to what that means for investment.

**The Hon. Don Harwin:** Botswana is a well-run country

**The Hon. MARK LATHAM:** The Minister at the table says Botswana is a well-run country.

**The Hon. Don Harwin:** It is.

**The Hon. MARK LATHAM:** That, of course, is a reflection on how he sees his own Government, if that is the standard he is working off. We need to get this information and have the Minister here. It has happened before in this Chamber. Mr President, as you and other members would be aware, the Hon. John Fahey appeared in this Chamber in the Greiner years to shepherd through legislation to do with industrial relations and that, I understand from that period, was a very, very successful venture in providing information. Who is afraid of information? Who is afraid of the facts as the Minister for Energy and Environment would set them before our Chamber?

We also would ask, from a One Nation perspective, about the new electricity tax in New South Wales. The Minister's bill and policy is to allow the distributors to collect money from consumers to claw back the charges from consumers, as they are allowed to do under the Australian Energy Market rules, and pass it on to consumers to raise the money to underpin the new financial arrangements for the rent-seeking renewable companies. This new electricity tax in New South Wales very much questions the Minister's claims about having lower electricity prices in the State. If the distributors are allowed to make these charges and pass them on to consumers surely consumers will be paying more. This is a regressive tax. I am sure all those progressives who oppose flat regressive taxes would want to question the Minister about this matter.

**Mr David Shoebridge:** Yesterday it was a conspiracy. Today it is a tax. You have got to get your script right.

**The Hon. MARK LATHAM:** The member is talking about conspiracies as he looks in the mirror. That is the nature of the interjection.

**Mr David Shoebridge:** You are the tinfoil hat conspiracy man.

**The PRESIDENT:** Order! I will call Mr David Shoebridge to order if he keeps interjecting. The member speaking should not encourage interjections.

**The Hon. MARK LATHAM:** The electricity tax and the divestment strategies and freezing of investment that we have heard about already are important matters. Have any new investors come forward in the past 10 days since the infrastructure road map was released? I have not heard of any. I have looked through some of these renewable energy websites. Not a single new investor is saying, "Here is my money on the table", but we know of existing investors worried about their money, the jobs that money would provide and the security in our electricity system to keep the lights on and power up manufacturing and the entire New South Wales economy.

I also ask Minister Kean, who is welcome in this Chamber, to give us more information about the nature of his plan. Why has the Minister not made the audit on the Aurora modelling publicly available? That audit says the Aurora modelling assumptions are grossly optimistic and that we run the risk of the existing power sources divesting and closing earlier. Furthermore, why has he not released the letter that I have pointed to from AEMO, dated 4 September? That letter says his proposal does not address the risk of the early closure of the existing generators, which could cause a supply crisis in New South Wales and drive up prices. Plus that would be a wrecking ball through the New South Wales economy, particularly in the manufacturing strongholds of the Illawarra and the Hunter. These are critical matters. Getting them all on the table is in the public interest.

This bill, which is so desperately rushed, needs to at least have the Minister accountable in this House for all these factors that I have raised about jobs, prices, regressive taxes and the whole future of the New South Wales economy. I know the budget was this week, but this legislation is even more important than that. This Minister, who says a lot about these issues in every available forum, should have the opportunity to come to our forum, put forward his facts and analysis, answer some points of critique and give the people of New South Wales at least the peace of mind of knowing that there was a fair dinkum process to ensure that the bill was scrutinised under the great traditions of this Chamber of review. I commend this motion to the House.

**The Hon. DON HARWIN (Special Minister of State, and Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts) (10:42:21):** I wish to move a motion to defer consideration of this motion until a later hour.

**The PRESIDENT:** Before I consider what the Minister is raising, I remind members of what Standing Order 163 says. It provides:

- (1) Any Minister of the Crown who is a member of the Legislative Assembly may, at any time, on motion agreed to by the Legislative Council, according to section 38(A) of the Constitution Act 1902, sit in the Legislative Council for the purpose of explaining the provisions of any bill relating to or connected with any department administered by that Minister.
- (2) Such motions may be moved without notice at any time after the bill has been read a first time.
- (3) The question will be decided without debate or amendment, except for a statement, not exceeding 10 minutes, by the mover in support of the motion.

- (4) Under this standing order a Minister who is a member of the Legislative Assembly may take part in any debate or discussion in the Legislative Council, but may not vote.
- (5) Unless otherwise decided, the consent will extend only to the second reading of a bill and the proceedings in committee following the second reading.
- (6) Only one Minister of the Crown who is a member of the Legislative Assembly may sit in the Legislative Council at any one time under this standing order.

**The Hon. DON HARWIN:** I move:

That consideration of the question be deferred until a later hour of the sitting.

**The Hon. ADAM SEARLE (10:44:39):** By leave: I indicate at the outset that the Opposition is minded to support the motion put forward by the Hon. Mark Latham, but the Government wishes to have some time for discussions. We are also open to that so we will support the adjournment motion from the Leader of the Government at this time.

**The Hon. MARK LATHAM (10:44:58):** By leave: I support the adjournment motion. I have notified the Minister that he is very welcome to be here. He has thanked me for that notification.

**The Hon. John Graham:** He is Kean.

**The Hon. MARK LATHAM:** He is green and Kean. The passage of time up to the resumption of debate will allow us to negotiate and discuss further. Obviously, it relies on the consent of the Minister. I hope that is very much forthcoming.

**The PRESIDENT:** The Hon. Mark Latham has moved a motion, under Standing Order 163, to which the Hon. Don Harwin has moved that consideration of the question be deferred until a later hour of the sitting. The question is that the motion of the Hon. Don Harwin be agreed to.

**Consideration deferred.**

### *Privilege*

### **AUSTRALIAN FEDERAL POLICE EXECUTION OF SEARCH WARRANTS**

**The Hon. PETER PRIMROSE (10:46:12):** I move:

- (1) That this House, having considered report No. 81 of the Privileges Committee entitled *Execution of search warrants by the Australian Federal Police No. 2*, dated November 2020:
  - (a) adopts the recommendations of the report;
  - (b) upholds the claim of parliamentary privilege made by Mr John Zhang and the Hon. Shaoquett Moselmane in relation to the following documents, currently held by the Clerk of the Parliaments:
    - (i) document # 5 (Index of Zhang Shared Network Drive (I drive));
    - (ii) document # 7 (Index of Zhang Shared Network (I drive)); and
    - (iii) document # 6752, 2782, 7377, 6157 (SP03.26JUN20.009).
  - (c) not uphold the claim of privilege made by Mr Zhang over the following documents, currently held by the Clerk of the Parliaments, as they do not meet the criteria of the three-step test previously adopted by the House:
    - (i) document # 94 (SP04.26JUN20.001);
    - (ii) document # 28 (SP03.26JUN20.19);
    - (iii) document # 15 (SP03.26JUN20.45);
    - (iv) document # 44 (SP03.26JUN20.45);
    - (v) document # 69 (SP03.26JUN20.45);
    - (vi) document # 6 (Index of Zhang Shared Network (I drive));
    - (vii) document # 10 (SP03.26JUN20.45);
    - (viii) document # 25 (SP03.26JUN20.45);
    - (ix) document # 26 (SP03.26JUN20.45);
    - (x) document # 27 (SP03.26JUN20.45); and
    - (xi) Document # 38 (SP03.26JUN20.45).
- (3) That the House order the Clerk of the Parliaments to:
  - (a) return those items over which privilege is upheld to Mr Zhang within seven days of the passing of this resolution; and



- (b) return all other remaining documents and other things held by him to the AFP within seven days of the passing of this resolution.
- (4) That this resolution be communicated by the President to the Commissioner of the Australian Federal Police and to the legal representatives of Mr Zhang and Mr Moselmann.

This matter arises out of the Privileges Committee report that I tabled in the House yesterday.

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

**Motion agreed to.**

#### *Committees*

### **PRIVILEGES COMMITTEE**

#### **Reference**

**The Hon. PETER PRIMROSE (10:46:33):** I move:

- (1) That the Privileges Committee inquire into and report on the following matters arising from reports Nos 80 and 81 of the committee relating to the execution of search warrants by the Australian Federal Police:
  - (a) the rights available to a staffer to make a claim of privilege over documents;
  - (b) the rights available to a member to make a claim of privilege over documents held by their staffer, regardless of any claims of privilege made by the staffer;
  - (c) the privileged status of translations of parliamentary proceedings, and the implications for members if such translations are not protected by parliamentary privilege;
  - (d) the merits of adoption of a formal memorandum of understanding between the Parliament of New South Wales and the Australian Federal Police (AFP);
  - (e) the application of the current NSW Parliament Memorandum of Understanding with the ICAC to searches of members' homes or other locations outside of the parliamentary precincts, and to other statutory provisions for the compulsory production of documents and electronic records to the ICAC;
  - (f) remote searches and surveillance of members and staff by investigative agencies in circumstances where the Parliament has not been made aware a search has been undertaken, including the experience of other parliamentary jurisdictions;
  - (g) the alleged seizure of material from Mr John Zhang by the Australian Border Force on 28 January 2020;
  - (h) any future claim of parliamentary privilege made by the parties the subject of the search warrants by the AFP and arising from the current or a related investigation; and
  - (i) any other related matter.
- (2) That, for the purposes of this inquiry, the committee have access to correspondence and submissions received during the committee's first and second inquiries into the execution of search warrants by the Australian Federal Police.

**Motion agreed to.**

#### *Matter of Public Importance*

### **NEWCASTLE JOBS PLAN**

**The Hon. MARK LATHAM (10:47:12):** I move:

That the following matter of public importance be discussed forthwith:

The importance of a jobs plan for Newcastle.

This is an urgent and important matter for the Chamber, mainly for the reason that this week the New South Wales Government has gone heavily into debt. Obviously, revenues are down, but there is plenty of capital works expenditure flying around the State. It is hard to identify if any of it goes directly into Newcastle. This is a matter of public importance because Newcastle is our second New South Wales city, only behind Sydney. But if we make all the rhetoric and debate in this Chamber about Sydney, it divorces the importance of Newcastle, which gets scant attention in this Chamber and, notwithstanding the wonderful efforts of the member for Newcastle in the other place, indeed in the Legislative Assembly itself. It is particularly important because Newcastle is a city—the capital of the Hunter Valley—where one has never seen so many politicians go there mainly for the purpose of talking about how jobs can be lost.

When they turn up in the Hunter, all the energy proposals and climate change initiatives that they talk about mean job losses. The reality is that coal is fundamental to the future of that region. It provides 15,000 jobs directly and 60,000 indirectly. One only has to listen to the member for Hunter, Joel Fitzgibbon, to know that he thinks even his own party has sold out on those coal and mining jobs in the Hunter Valley. When the member for Hunter is talking about jobs for Newcastle and the Hunter Valley, we should be talking about it here to ensure that there

is a coordinated approach and a huge public focus on the importance of that city and, indeed, the entire Hunter region. I will quote again a very good point made by the Hon. Anthony D'Adam. I do not quote him all that often.

**The Hon. John Graham:** Shame.

**The Hon. MARK LATHAM:** Do you really think it is a shame? In his inaugural speech he made the very good point that when there is economic restructuring, it is working people that cop it in the neck. That is really the threat in the Hunter. I know that people have passionate views about the climate debate and that they are advocating a certain very flawed energy approach, but in the Hunter this is a big warning bell. Where is the transformation of the economy and where are the replacement jobs? It is the replacement jobs that all members in the House should agree on. Members might disagree on those other issues, but the replacement economic strategy is critical. This State—and indeed our entire country—has never had a rust belt region in the tradition of the United States, de-industrialised to the point where the parents do not have jobs and the kids are on drugs and the whole place just degenerates into a social tragedy. If we want to avoid that then we must all be committed to an alternative economic strategy for the Hunter. Up until this point in time, the work of the Berejiklian Government and the Baird and O'Farrell governments before that have been paltry.

I have looked at the studies where coal provides 75,000 direct and indirect jobs in the Hunter. The reports of the Coalition Government say that there are 5,000 replacement jobs. The best scenario that it can muster is 5,000 jobs, leaving a 70,000-job deficit. That is completely and utterly unacceptable. I pay tribute to the member for Newcastle, who is a community leader, along with Lord Mayor Nuatali Nelmes. They are providing community leadership in a formerly working-class place that is undergoing transformation. I can relate to that and I applaud it. I know from my own time in municipal politics in Liverpool, and representing south-western Sydney in a working-class area, that if we do not have leadership then we have nothing. If people do not stand up and strike out in a direction—albeit sometimes controversially—then those places get left behind and the D'Adam rust belt scenario takes hold. I congratulate the State and municipal leaders in Newcastle and as a member of the Legislative Council I want to add to their work.

I suggested to the Government that there be a specific jobs plan for Newcastle in the budget, but I cannot find any mention of it or any of the initiatives that are needed. The outstanding measure that needs to be taken to support economic adjustment and replacement jobs for Newcastle is one that the Labor Party has been hammering for quite some time: the Port of Newcastle container terminal. It will take \$1.8 billion in private capital to build that, providing 15,000 new jobs and a permanent \$2.5 billion boost to GDP. It is so hard to believe during a recession—a time when unemployment has gone up and when we worry about the economic future of most of the families in New South Wales—that somehow there is a blockage in the State Government whereby a private investor cannot get on with a \$1.8 billion capital development, with 15,000 new jobs and a \$2.5 billion permanent boost to GDP. It is very important for the Chamber to debate this.

This is critical work for the second largest city in New South Wales, providing employment opportunities that run up the Hunter Valley. The container terminal must proceed. It is important not just for the Hunter and for Newcastle but indeed for economic efficiency, for the movement of produce and other goods in all of the northern half of New South Wales. A State like ours should have two container terminals, not just Port Botany but also the Port of Newcastle. With all of the produce that can move down from Armidale and Tamworth and the North Coast, the container terminal should have the support of The Nationals to break the impasse. What is the nature of the impasse with the container terminal? It is the tragic and anti-competitive decision that was cooked up years ago by Ministers Constance and Berejiklian to punish the people of Newcastle, that if they move containers above a very low cap then they have to pay a financial penalty. We found out through the work of the Labor Party that that money is paid directly to their competitors at Port Kembla and Port Botany.

As a member of the Federal Parliament who spoke very strongly in favour of the Keating Government competition reforms in 1995 I say that that is a shameful action by the State Government, which signed up to competitive principles and competition agreements. Technically under the law the States are exempted. But if we sign an agreement to national competition principles and policies then we should stick by them and never engage in the anti-competitive practice of holding back one city or one facility for the sake of providing a financial reward to its competitors. This matter is now before the Federal Court. I strongly urge the State Government to intervene in that matter, call off the dogs and say it got it wrong. The anti-competitive agreement that favoured Port Botany and Port Kembla was wrong in competition law.

**The Hon. Adam Searle:** It was crook.

**The Hon. MARK LATHAM:** I note the interjection that it is crook. It is certainly crook on the people of Newcastle, who need those jobs. Anyone in this place, across all political parties, who is serious about replacement jobs and aiding the economic transformation of the Hunter Valley must support this project. It is the big kahuna. It is the big one that becomes the foundation stone of decent levels of employment and prosperity in Newcastle

and right up the Hunter Valley. Surely Government members in this matter of public importance will outline the importance of government intervention to end this dreadful, anti-competitive arrangement and liberate the prospects of the container terminal project.

I am not known overall as a great supporter of arts and culture other than rugby league and hanging out at the pub. But I support the outstanding Newcastle Art Gallery, having recently visited, hosted by the Lord Mayor and the Deputy Lord Mayor. It has been waiting years for a \$16 million capital grant, creating 150 shovel-ready jobs in construction and bigger cultural industry tourism gains thereafter. Indeed, it is not as if the State needs to provide all of the funding for this. The council has put up \$10 million and a private bequest has put up another \$10 million.

Again, it is just a matter of the State Government liberating money that is already available from a private source and the local council to build on a vision of Newcastle as no longer being an entirely blue-collar workforce, but to recognise instead that it is becoming a more cosmopolitan place. New middle-class people are moving in, million-dollar apartments are being sold and two five-star hotels are opening next year. Parliament needs to support that by building up the tourism and hospitality potential of Newcastle, which is immense. There has been very useful public investment like the light rail, the university and the Honeysuckle in the centre of Newcastle. Now is the time to go to the next level. The matter of public importance is to build on some of the existing infrastructure to truly develop a wonderful, first-class, internationally competitive tourism and hospitality market for Newcastle.

The Newcastle Art Gallery project is an important part of that, as are other initiatives that I will mention in the main debate. But one important thing that is already happening is building on the work of the Hon. Natalie Ward's committee and of shadow Ministers like the Hon. John Graham—and of course the local member—to run a trial on the liquor laws. This will again liberate Newcastle from the dead hand of the solution that they had in 2007, recognising that it is an entirely different place now. If people do not have somewhere to go and enjoy themselves—middle-class tourism-type precincts in the centre of Newcastle, all of that beautiful infrastructure, the heritage buildings and so forth—then of course we are not going to realise the potential. For all of those politicians who go there talking about job losses, let us get together and build up the job advantages for this great city.

**The Hon. DAMIEN TUDEHOPE (Minister for Finance and Small Business) (10:57:23):** The Government acknowledges the concerns that have been raised by the Hon. Mark Latham but today is a Government business day. There are opportunities to raise those sorts of matters over a long period of time, which the member has never sought to avail himself of. There is a significant amount of Government business. On the *Notice Paper* today—potentially the last day of Parliament sittings—there are three bills to be debated, including the budget. To take up more time on this matter, on this day of all days, defies belief in terms of the commitment to get through the things that are really important to get through today. I acknowledge that this is a very important issue and I understand that members opposite will also want to contribute to debate. The Government will not oppose the matter being listed as a matter of public importance. I know that the Hon. Taylor Martin will want to have a say and other Government members will be contributing to the debate. But when there is so much Government business that needs to be transacted, today is a day on which it should not have been done.

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

**Motion agreed to.**

**The Hon. MARK LATHAM (10:59:32):** I thank the Chamber for its support to bring on further debate. I cannot imagine debating anything more important on a day like today than jobs in Newcastle. It is okay to live in Sydney. I love Sydney; I adore western Sydney. But Sydney does not have the problem of people running around with climate change policies and other energy initiatives that specifically target major industries in our part of the world, which may wipe out all of the jobs, not just some of the jobs. That is due to the advocacy of The Greens and its perennial threat to working people right around the State. Wonderful country towns in other parts of the State can fall back on agricultural industries. The Illawarra has been transformed in many ways. It is doing so much better than the recession of the 1970 and 1980s. But Newcastle stands out exposed.

I am surprised that the Leader of the House, a senior Minister, would not step in to outline the Government's jobs plan for Newcastle in a detailed way, because that was missing from the budget. That was a great chance for the Treasurer, who has spent so much money and who has taken on so much debt, to say that the number one economic priority in employment is in Newcastle and the Hunter Valley. While all parts of the State have been ravaged by the COVID lockdown, Newcastle has had the double whammy of the COVID impacts plus the threat to its traditional resource and employment base. That city needed to stand out in the budget. A Newcastle jobs plan needed to be front and centre. The matter of public importance is a chance for the Chamber to pull that

together in a constructive, bipartisan way. The Hon. Taylor Martin will make a great contribution on behalf of the Government.

Labor members are committed to those measures in the Hunter because they would not want to see working people thrown on the scrap heap. But where was the initiative in the budget? Where is the beef from the Government to get that done? The Chamber must unite and say to the Treasurer, "Look, you have the budget, you have spent a lot of money and you are talking about capital works. Put a spotlight on Newcastle and its unique needs." Newcastle has the double problem of COVID and exposure to the loss of traditional resource jobs that would leave it on its knees. Newcastle must be an absolute top priority. Earlier, I mentioned the importance of the container terminal. The Government should make that the number one intervention to liberate \$1.8 billion worth of investment, create 15,000 jobs and stimulate all of that economic efficiency.

We hear a lot about productivity, but there is nothing more productive than clearing the roads and the transport blockages to allow all of the produce from the north of New South Wales and the Hunter Valley to come down to a container terminal. That is a wonderful funnel for the export industry and for prosperity in that part of the State. The Treasurer should also build on some of the funding that he has provided for entertainment precinct zones—he may well have stolen that initiative from the Hon. John Graham and his policy work. On top of the liquor trial, there must be sensible, moderate, evidence-based efforts to lift the dead hand of the Newcastle solution for the city. That process must be streamlined to get a good tourism and entertainment precinct up and running.

That may include middle-class artistic ventures in the civic precinct near the old council chambers in Newcastle, or the new rail interchange, which may well be a great entertainment precinct for the live music industry. That must be done in a way that is sensitive to the needs of residents, but those industries must be up and running. Newcastle has a beautiful waterfront, magnificent heritage buildings and ample new infrastructure with the light rail, the university presence and the Honeysuckle development. It is just waiting for those industries to emerge, and the Government has a role to facilitate that process. The entertainment precinct zonings would be a great initiative. Newcastle should be the first location in the State to trial that approach in collaboration with Minister Rob Stokes. That is the best way to create investment certainty and address residential noise concerns. That could potentially herald a new era for Newcastle as a tourism and entertainment city. That must be its reputation.

When people think of visiting New South Wales, of course they will want to see Sydney Harbour, the Opera House and the attractions in our great city, but they also must think about the benefits of a visit to Newcastle. I want Newcastle to be the second destination in New South Wales for tourism, jobs and hospitality—second only to Sydney. That process of developing those entertainment precinct plans would be very important. Destination NSW should run a tourism promotion campaign to let people know about one of the best kept secrets. Newcastle is a beautiful city and it has a lot of potential. I recommend that the State Government get moving with the old railway station and the Wickham School of Arts. Those sites are heritage sensitive, but they need redevelopment. The Hunter and Central Coast Development Corporation has been sitting on those two land parcels for too long. When I visited the old railway station it was quite sad. The Station is not even open for people to view the industrial heritage of those buildings. Some people in Newcastle love their heavy rail, but progress has moved on and it must be said that the light rail has been a good success. It may not have the volumes that we want at this stage, but that will build up if we get tourism and hospitality right.

**The Hon. Taylor Martin:** It'll get there.

**The Hon. MARK LATHAM:** Yes, as the member said, it will get there. It has fulfilled the vision of uniting the old part of the city that runs along the long retail strip of Hunter Street with the new Honeysuckle development. Indeed, that took a long while. I visited the site with Bob Carr in the late 1980s when the heavy rail debate was raging. Members of Parliament suffered long and hard to try to get an improvement. Finally, it happened. The Premier, Gladys Berejiklian, opened the light rail. But I understand at the time that she copped a razz from some of the locals and she is not too keen to go back to the city of Newcastle, which is a shame. I hope the Treasurer and the Premier visit Newcastle to announce the jobs plan in the near future, after having missed the opportunity in the budget. It is not too late to do it now to get the place moving.

Those are two heritage opportunities. COVID has closed The Station even for people who want to look at those beautiful buildings. There is no redevelopment despite the commercial opportunities and the jobs that could come out of those sites. The Deputy President the Hon. Shayne Mallard is a great supporter of the arts and culture. He could move along those developments through his access to members like the Hon. Don Harwin to ensure that those redevelopments are done in a heritage-sensitive way. Let's face it: If we get the heritage protection right we can build on the strength of those tourism attractions. No-one wants to look at a place that has been overdone with unsuitable aesthetics and architecture. Those heritage features must be kept, but they can be turned into new eateries, live music venues and cultural, exhibition and performance spaces. That could work really well as part of an integrated tourism strategy.

Further, people in the Hunter love their sporting competitions, particularly the Newcastle Knights. The 2017 Venues NSW plan for improvement to the Hunter Sports and Entertainment Precinct, which surrounds the McDonald Jones Stadium, the home of the Knights, must be kickstarted. That must finally move on three years after the Venues NSW plan was released. It has long been delayed, so to get that moving now would be very timely, because Newcastle is one of the host cities for the 2023 FIFA Women's World Cup. In particular, major job creation could be achieved by redeveloping the land in a sensitive way surrounding Broadmeadow railway station, which is the gateway to the sporting precinct, for higher density residential and commercial opportunities. Ideally, Minister Andrew Constance should commit to upgrading the station because it is in dreadful condition.

I was amazed when I saw the station earlier this year. It is so dilapidated. That is the gateway entrance for people who visit the Hunter Sports and Entertainment Precinct and it needs an upgrade. Legislation was moved not long ago by Minister Geoff Lee to create the Venues NSW super body. It has a very important responsibility in the Hunter, not just because of the pressure on existing jobs, but also because the facility that surrounds the McDonald Jones Stadium has been neglected for far too long. There is so much open space and land. The money could be raised quite easily for commercial development of the area, to support the locals and raise capital funds to make those sporting upgrades. It would be so good for Newcastle to have those thriving tourism and hospitality industries, complemented by vibrant night-life entertainment in the centre of the city, plus those sporting attractions. That would be a great package, but many elements are missing at the current time.

The other opportunity in capital funding is to recognise something that was missing from the budget on Tuesday. In the Federal budget, the Federal Government stepped in to provide the capital funding for the much-needed Newcastle bypass road. That would have made available the \$150 million State commitment that seemingly disappeared out of Newcastle and the Hunter. The State committed \$150 million to the project but the Federal Government took over and said, "We'll do the lot." Where has the \$150 million gone? It should have stayed in Newcastle and the Hunter. It should be funding the art gallery expansion and the redevelopment of the sporting precinct, and supporting other attractions in the city. All of those measures provide potential for an integrated Newcastle jobs plan. I welcome the forthcoming contributions from other members of the Chamber to build on the measures that I have set out, which I have passed on with recommendations to the Treasurer's office.

I have worked in this space with the Lord Mayor and the State member to try to get this right. I hope there is a firm commitment around the Chamber to create a jobs plan for Newcastle, for Government members to push it forward and to make sure that the neglect from Tuesday night is corrected. It is vital work. In other parts of the sitting we will have disagreements about energy policy, climate and the like, but we should all be united on the central proposition of providing replacement jobs in the Hunter Valley—particularly in Newcastle, the capital city of the Hunter—so that people have a future and we do not end up with rust bucket regions in any part of our State. We acknowledge the importance of economic support and those elements of transformation. The potential is there. The building blocks are available to get this right. I am stunned that so little has been done in this budget and the previous budget, in some respects by both sides of politics, to unleash and liberate the full potential of the great city of Newcastle. I very much welcome contributions from other members.

**Ms ABIGAIL BOYD (11:11:43):** Instead of members of Parliament telling the people of Newcastle what they think they want, imagine if we could instead listen to the people of the Hunter while they tell us what they need. The recently formed Hunter Community Alliance says that the Hunter needs three things: an up-front public process involving the public and stakeholders to plan for and adjust to changes in the thermal coal market; government spending on new industries and support for workers and communities; and tangible and immediate actions to create meaningful jobs while benefiting the environment. I note that none of those things involve coal.

The alliance proposes three long-term jobs prospects: first, transforming the Tomago Aluminium smelter to renewable energy; second, using government funds to retrofit Hunter schools and about 250,000 houses with solar, batteries and energy-efficient technology over five years, employing 10,000 people a year; and third, reusing power station fly-ash, with an estimated 150 million tonnes stored next to the Hunter's four coal-fired power stations, where it is causing contamination concerns. The people of Newcastle and the Hunter are smart enough to see the writing on the wall. They know the thermal coal bubble has burst. They know what an unsupported transition looks like because they lived through the collapse of the steel industry, and they know the impact that an unsupported transition has on a community over decades. They know that the region must be looked at as a whole, not through a Newcastle-centric and coal-biased lens.

For decades now we have been fed a false dichotomy between jobs on the one hand and environmental protection and action on climate change on the other. Coal communities have been exploited by climate change deniers and political parties beholden to the fossil fuels industries, and used as an excuse for lack of action.

**The Hon. Mark Latham:** Is that what they are saying in Newcastle?

**The DEPUTY PRESIDENT (The Hon. Shayne Mallard):** Order! I did not hear any interjections during the Hon. Mark Latham's interesting contribution. I ask the member not to interject when other members are speaking.

**The Hon. Taylor Martin:** I had a little bit to say.

**The DEPUTY PRESIDENT (The Hon. Shayne Mallard):** I now recall the Hon. Taylor Martin did interject, so I also ask him not to.

**Ms ABIGAIL BOYD:** In fact, that baseless argument imperils and lets down the very workers and communities who work in mining and energy. The more delay there is, the less time and resources there will be for a smooth, just transition and the greater the negative impact on places like the Hunter. The Hunter Jobs Alliance is remarkable. Like The Greens, it knows that the "jobs versus environment" argument is dividing workers and it wants full employment, good union jobs, a thriving and healthy living environment, an equitable society, a stable climate and renewable prosperity. Steve Murphy from the Australian Manufacturing Workers' Union [AMWU] joined forces with the Hunter Community Environment Centre, Lock the Gate Alliance and the Nature Conservation Council of NSW to form the Hunter Jobs Alliance earlier this month. They have already been joined by the New South Wales branches of the AMWU, the Electrical Trades Union, the Australian Services Union, the NSW Teachers Federation, the Independent Education Union, NSW Nurses and Midwives' Association, the United Workers Union, the Community and Public Sector Union, the National Tertiary Education Union, Hunter Workers and Unions NSW.

None of the jobs planned by the alliance are pie in the sky. All not only lead to new jobs and a cleaner environment, but also improve people's quality of life. They are good, meaningful jobs that improve the region, provide housing, improve schools, make transport cleaner and quieter, and transform the aluminium industry into an industry fit for the future. Electric buses, retrofitting buildings, green aluminium smelters, offshore wind generation, coal ash and mine rehabilitation—that is not utopia. It is now. It is clean, safe, just, secure, meaningful and prosperous. Yes, it can be done with private support, but it should be done with large-scale public investment. Public support is vital to ensure that the community is well-informed and adequately consulted. Public funding will allow those projects to scale up quickly, attract industry funding and provide security to support workers. Work on public housing, schools and land means that the benefits of public funding are multiplied, providing jobs, better public facilities and better experiences for those who live or go to school in the area.

Let us compare the jobs involved: There are 13,000 coal industry jobs currently in the Hunter, yet that great jobs panacea has left the Hunter with an unemployment rate higher than the State average. Instead, the Hunter could have 10,000 people employed to retrofit 264,000 schools and homes with solar and batteries, making them cheaper to live in, cooler and more resilient, especially in flood- and fire-affected areas. It could have 2,627 jobs rehabilitating former mining land; 160 jobs building 8,000 electric buses to transition the whole New South Wales fleet to zero emissions; a brand new industry reusing coal ash to clean up power station sites and produce building supplies for New South Wales; and offshore wind energy. It could transform the Tomago Aluminium smelter to run on green electricity, employing 10,000 people a year. That is 22,787 jobs—already 10,000 more than coal provides—and we are only just getting started.

There are numerous other benefits for agriculture and tourism once we get dirty, ugly coal mines out of the landscape and coal trains off the tracks. Coal is failing the people of the Hunter and by clinging to it as economic security blanket, the Government is condemning them to a grim future. Economist Paul Krugman was reported as saying that:

The ... "war on coal" ... happened a generation ago ... "waged not by liberal environmentalists but by the coal industry itself," when it turned to machinery to produce more coal, using far less miners. "And coal workers lost," ...

The people of Newcastle and the Hunter do not need us to lecture them. They are resilient, skilled and willing to move forward. They need us to govern for them, with real consultation, transparent decision-making, incentives for new industries and renewables, and large-scale investment in transitioning vital industries like manufacturing. Newcastle deserves a better future and they know how to pave the way for that future.

**The Hon. JOHN GRAHAM (11:18:16):** I speak on the motion. I am a bit upset with the member for bringing it before the Chamber; the risk is that the secret is out about the beautiful part of the State where I grew up. I graduated from Newcastle High School. I have many family members, friends and comrades around the Hunter and in Newcastle. It is one of the secrets of the State just how beautiful it is and what a great place it is to grow up, bring up a family, work and live. It is amazing that it does not get more attention, but that is one of the beautiful things about it. It is such a remarkable place. I welcome the fact that the motion deals with the real need for serious, good, long-term jobs for that important part of the State.

It is remarkable that there is no jobs plan for the Hunter. Opposition members support the creation of jobs plans right across the State. At all times it should be fundamental but it is very important now that we have tipped back into recession after such a long period of prosperity in the country and in the State. It should be at the centre of discussion in this House. It is doubly important in the Hunter. But that has not been the discussion, nor is it the approach in the budget. I commend the views of the member for Newcastle, Tim Crakanthorp, about whom the Hon. Mark Latham made generous comments. Tim Crakanthorp has made very clear that he is disappointed with the lack of funding in the Government's 2020-21 budget in many of the areas outlined already in this debate.

It is time to look at some of the real opportunities. I agree 100 per cent with the observations that have been made about the Port of Newcastle. The port has been the subject of scrutiny by Legislative Council committees. It is an insult to the Hunter to suggest that the future of the great city of Newcastle and of that great region should be held back by an inability to take part in containerisation, which is the future of shipping, and that the Port of Newcastle must remain a coal port, banned by those uncompetitive arrangements. It is an economic constraint on the sort of jobs that would make up a jobs plan. The idea that Newcastle is carved out of that future is an insult.

I would like to see it become part of the renewable energy future. That will be the subject of discussion when the House considers the Electricity Infrastructure Investment Bill 2020. It is not about moving away from the good jobs that exist now. I want the Hunter to have a slice of the jobs that are to come. We must build on the work of the CSIRO and the University of Newcastle. Obviously we will discuss the details of that later but it concerns me that the region could be locked out of the future because of port arrangements or locked out of the renewable energy future envisaged that the Minister proposed originally.

The Hon. Mark Latham spoke about the night-time economy in Newcastle. Massive opportunities exist for that. Newcastle should be the first place to introduce the new entertainment precincts that this Chamber drove into the planning law in an attempt to reshape incentives in the licensing and planning systems to encourage venues to offer music and entertainment and to move away from a focus on alcohol and pokies. I am hopeful that that will take place with the work of the local council and local members. Newcastle has a real hospitality and tourism future. I am glad the member mentioned the Newcastle Art Gallery, which is one of the most important projects. It needs a little bit of help through State funding. It has a massive underlying volunteer base who support it and its visitors. My father was a volunteer at the gallery. Late in his life he loved playing a role there.

Education built on the TAFE system, which is under real pressure from the Government, and on the University of Newcastle is very important to the future of the Hunter region. The skills of the workforce are a big part of the future of the Hunter. That is what sustained the Hunter through some of the big economic changes that happened in the past. There is massive potential there. The number one thing that must happen, which was not referred to but which I consider essential, is the strengthening of connections between Newcastle and Sydney and Newcastle and the rest of the world. That includes fixing the rail connections. Unbelievably, it is slower to travel by train from Newcastle to Sydney now than it was when I left school. Based on train travel times, a person is further away now than when I was a school student. Addressing those connections will be better for families and better for jobs. Boosting connections has massive future potential for Newcastle Airport. Contaminated land around the airport has been a problem.

Opportunity exists to create a vision for the area where we expand it dramatically, create jobs and build on the defence jobs in the area. The transport and the communications connections should be strengthened. That is the key to laying a foundation for good jobs in the region down the track. Why should this happen? The area has many advantages. A big one is that it has done it before. I was walking along Hunter Street when the Newcastle earthquake occurred. After the earthquake Newcastle rebuilt. The closure of BHP was a body blow but the area fought back. That was a very tough moment for kids who were leaving school and wondering what they would do for work. The area and the city has moved on, which is a tremendous advantage as it moves into the next phase. Built into the mental toughness of the city is the ability to bounce back and the knowledge that it has bounced back before. The cooperation between local government members—Lord Mayor Nuatali Nelmes is doing a fantastic job—State member Tim Crakanthorp and Federal member Sharon Claydon and the local members around the Hunter region who work together well is a tremendous advantage. It is part of a long Labor legacy.

The Hon. Mark Latham spoke about the foreshore. I recognise the first female Lord Mayor of Newcastle, Joyce Cummings, who had the vision to open up the foreshore. That is now coming to fruition. The diversity of skills in the workforce across the Hunter will be an advantage as we approach the next period. But a jobs plan and support from the Government is needed. The other strength of Newcastle and of the Hunter is its diversity. Members should not look at the next decade for this region, thinking about coal or about the energy challenges. The real future of the Hunter is to build on its diversity. We should not take a narrow view about what that future is. Sometimes that is how it seems when we observe the region from Sydney or from this Chamber. The real strength is the diversity. It is the families who have settled and built a future there. It is a diverse workforce and

its diverse skills. That is the strength that we must build on. A jobs plan and a serious focus from the Government and the Parliament would help that along greatly.

**The Hon. TAYLOR MARTIN (11:28:13):** It is incorrect to suggest that the Government does not have a jobs plan. We have a jobs plan that will improve employment opportunities and get people back to work across the entire State. We are very proud of that because we are the Government of New South Wales; not the Government of only some regions. I congratulate and thank a few of the many local Hunter organisations that must be credited for their long-term commitment to job creation in the Hunter. In particular, I thank the University of Newcastle, my alma mater. Many other members who have represented the region in this Parliament and in the Federal Parliament also went to that university. I thank the Hunter Joint Organisation, which represents all councils across the Hunter. All those councils, particularly those I have worked with, do an excellent job in representing their areas, creating the jobs of the future and managing their own business.

The Committee for the Hunter and the Hunter Business Chamber also do an excellent job. Earlier in the debate members mentioned a jobs plan for Newcastle. It is disappointing to talk about the region as if it is some kind of rust-bucket region because it is not. It is not a region in need of extreme welfare; it is doing well and has been for a while. As the Hon. John Graham mentioned, for 20 years Newcastle has been transforming from a steel city to a smart city. That is the result of the locals, who are driving economic activity from the bottom up, rather than some kind of old-school, government-led, top-down economic stimulus from politicians and Sydney decision-makers.

I speak particularly about tourism and the travel industry because they play a vital role in the New South Wales economy, especially in the broader Hunter region with the Hunter Valley's wineries, Port Stephens, Lake Macquarie and further afield to the north. As members would be well aware, tourism is an increasing source of employment in regional New South Wales. In 2018-19 around 15,800 people were directly employed in tourism in the Hunter. That is 4.9 per cent of all employment in the region. Another 6,600 people were indirectly employed in industries that support and feed into tourism, making a total of 22,400 workers who contribute to the Hunter tourism industry. In the same year tourism consumption in the region was \$3.5 billion. The uncertainty surrounding the COVID-19 pandemic has undoubtedly caused disruption to the way we live, work and travel. It goes without saying that, in turn, that has impacted the visitor economy, particularly in our regions.

I do not want to spend too much time patting ourselves on the back, but it is well recognised that New South Wales has led the way in ensuring that the downturn is shorter and sharper than the long, drawn-out period of economic pain that other jurisdictions across the world face. Through Destination NSW the Government is working exceptionally hard to help regional tourism businesses recover from the devastating effects of the COVID-19 pandemic. Recently Destination NSW CEO Steve Cox visited Port Stephens, Newcastle and the Hunter Valley to meet with tourism operators and industry leaders to listen to their stories. Although we know some are doing it tough, there is rising optimism in the region with business booming over the September and October school holidays. We know that getting people travelling, spending and investing in our regions again as soon as we can is key to a strong economy.

Through Destination NSW, a \$10 million tourism recovery package is underway to encourage travel to New South Wales, fund new local events and, importantly, assist tourism businesses to develop, promote and sell their products. That hands-on assistance is needed. We have a plan and we are working to it. The recovery package also included the Love NSW campaign, which encourages travellers to book a break away and give back to struggling regional communities, including the wider Hunter, Port Stephens and the Lake Macquarie areas. The campaign continues to promote the wider tourism industry across New South Wales, which will, in turn, help keep small and large businesses alive. As the Hon. John Graham will appreciate, our \$1 million Regional Event Fund will help to provide funding support for sporting, the arts and cultural and lifestyle events to bring an economic and social boost to towns and regional areas like the Greater Hunter.

In addition to the work of Destination NSW, this year the Government has announced over \$8.3 billion in measures to support businesses across the State in response to COVID-19. That includes a \$1 billion Working for NSW fund to sustain businesses, create new jobs and retrain employees. That will be of great benefit to the Hunter. I mention one project in particular: the Astra Aerolab infrastructure investment, which has received \$11.7 million from the Government from the Growing Local Economies Fund for vital infrastructure, including an access road, power, water, gas, sewer and data connections. That 76-hectare precinct covers the Williamstown airport. Without that kind of funding, such things are hard to get off the ground. It is helping to create up to 5,500 jobs, including aerospace engineers, and aviation, information technology and avionics specialists supporting the Royal Australian Air Force. It is all part of the Williamstown Special Activation Precinct, which the Deputy Premier has worked on for quite a while now. It is great to see it now coming to fruition.

Over the past few years I have been there multiple times. It was great to visit earlier this year with the Deputy Premier and the Parliamentary Secretary for the Hunter, the Hon. Catherine Cusack. The precinct will



create new, long-term, well-paid jobs. As I said earlier, the Hunter has been undergoing a 20-year transition from a steel region to a smart region and the precinct is a great part of that, especially this financial year. As I said at the outset, I reject the notion that a special plan from the Government is needed to tell locals what to do. As Ms Abigail Boyd said, communities know what they want and we must talk to them. That is happening in the Hunter already: They are getting on with the job. Local organisations and businesses are going about their business and receiving support from the Government. I could stand here all day and mention many projects—

**The DEPUTY PRESIDENT (The Hon. Shayne Mallard):** You have only two minutes.

**The Hon. TAYLOR MARTIN:** —but I will not. There are so many great projects. The mover of the motion mentioned the light rail, which will work well over the long term. In years to come we will look back and say that it was a great investment. The region has already seen some projects come to fruition, and the University of Newcastle is currently constructing a new campus at Honeysuckle. I do not have time to mention all the great projects. In my 3½ years in this place representing the Hunter and the Central Coast for the Liberal Party, I have mentioned many projects and I will continue to mention the great work being done by not only the Government but also the locals. As I said at the beginning, that is what it is really about.

**The Hon. ADAM SEARLE (11:37:05):** I make a contribution to debate on the matter of public importance, which the Opposition fully supports. I associate myself with the good points made by my colleague the Hon. John Graham in his contribution. However, to pick up on the point made by the Hon. Taylor Martin, budgets are not just about telling people or regions what to do; they are a window into the soul of the Government. When the Government opened the window earlier this week, we saw clearly that it has no soul and it has no plan, particularly for the Hunter. The budget this year has largely failed to fund shovel-ready projects in Newcastle, missing the opportunity to stimulate the local economy and deliver jobs as part of a post-COVID recovery plan in the State's second-largest city. Yet again, no funding is allocated to the long-announced Hunter Sports and Entertainment Precinct or the Newcastle Education Precinct.

There is no new funding for the lower Hunter freight corridor. Year after year the same unspent funds are re-announced but the project never progresses. The restoration of the Victoria Theatre and the redevelopment of the Newcastle Art Gallery have also missed out. The John Hunter Health and Innovation Precinct remains largely unfunded and, despite the State being part of a global pandemic, the project has not been fast-tracked. The sell-off of social housing continues in Newcastle, with no new properties announced for that electorate in the budget. The Government's failure to act on social housing more generally stands in stark contrast to the \$5.3 billion social housing initiative put in place by the Victorian Government in its budget. In his speech the Treasurer spoke about the need for jobs and investment but failed to mention that \$1.8 billion worth of private investment and 15,000 jobs are being held up by anti-competitive red tape preventing the diversification of the Port of Newcastle.

The Hon. Mark Latham, who moved this motion, mentioned the Port of Newcastle issue. Of course, that remains a continuing scandal. It was a scandal that we on this side of the House pursued through budget estimates. When the current Premier was the Treasurer we pressed her at budget estimates on whether there was any cap in place on the port, and she said, on oath, that there was no legislated cap. I said that I understood that there was no legislated cap but I asked her if there was any cap. She said, "No." The following year it was a matter of public record that the port commitment deed, which came to light, showed that there was a cap—a tax on the Port of Newcastle inhibiting the development of not just the Port of Newcastle but the entire Hunter region. Although it is Newcastle that is the centrepiece of this motion, what happens to Newcastle and to the Port of Newcastle is not only an important driver of the Newcastle economy but also of the whole Hunter Valley.

In 2014 the Government privatised the Port of Newcastle for \$1.75 billion and in 2016 the confidential port commitment deed document was leaked to the media, showing that there was a secret and shady deal requiring the Port of Newcastle to pay a fee to Newcastle ports to then compensate the operators of Port Botany and Port Kembla for every container processed in Newcastle over a limit of approximately 30,000. That is an inhibition; this policy creates a monopoly on containers in New South Wales and enables the Government to extract a higher price for the sale of Port Kembla and Port Botany. It is a matter of record that this is now a matter being pursued in the Federal Court.

It is just a complete scandal and it holds back the multi-use deepwater terminal proposal at the Port of Newcastle. A study conducted by HoustonKemp in 2020 estimated that the project would generate for the lower Hunter \$671 million of direct and flow-on contribution to household income, with more than 9,000 full-time equivalent direct and indirect jobs; \$1.3 billion of direct and flow-on contribution to the lower Hunter economy; a \$1.1 billion direct and flow-on impact on household income across the State; an employment contribution of more than 12,600 full-time equivalent direct and indirect jobs; more than \$2.2 billion of direct and flow-on economic contribution to the State as a whole; \$1.3 billion of direct and flow-on contribution to household income across the nation, with nearly 15,000 full-time equivalent direct and indirect jobs; and \$2.5 billion direct and

flow-on contribution to the Australian economy more generally. There are so many more benefits that would flow from that project being allowed to proceed, or at least to be considered.

The Government, in its defence, used to say that it had not got anywhere near the 30,000 containers, but knowing that the cap is in place the private sector has its hand on the handbrake and it cannot progress. That is a continuing scandal, perpetrated by this Government because it was more interested in its privatisation agenda. What else has been missed? The Fassifern to Hexham freight rail bypass, which would significantly ease the chronic congestion at the Adamstown and Clyde Street rail gates at Islington is no closer to becoming a reality. The \$13 million previously announced for planning and preservation has been rolled over again. I mentioned the John Hunter Health and Innovation Precinct remaining unfunded; and it appears that the Hunter Sports and Entertainment Precinct infrastructure statement under the heading of "Advanced Planning and Assurance Review" is still being planned.

Those shortcomings affect not only the State electorate of Newcastle but also all the surrounding Hunter electorates. I join with the mover of this motion in acknowledging the outstanding civic leadership provided by the member for Newcastle, Mr Tim Crakanthorp, MP, and the Lord Mayor of Newcastle, Nuatali Nemes. In this short contribution I have highlighted a few things. In relation to jobs and manufacturing, the Premier is on the record as saying New South Wales is no good at making things and that is why New South Wales has got to buy them from overseas. Members on this side of the House do not accept that policy of failure and despair. We believe in jobs and manufacturing. We believe that we need to re-industrialise, and that means we need to have cheaper energy, which is why we look forward to supporting the energy infrastructure legislation, if this Government ever brings it on. For some reason, the Government seems to be getting cold feet.

We believe that not just cleaner but cheaper energy will help industry and will drive jobs and that the \$32 billion that can be leveraged from the energy road map should be shared by the Hunter and Central Coast region. Renewable energy zones are the sinkholes for the investment and it was staggering that the Hunter was to miss out, but that has been addressed in the other place and there will now be a Hunter-Central Coast renewable energy zone to ensure that the people of the Hunter have access to the investment and the jobs that will come with those new industries, which will help re-industrialise and support manufacturing and local jobs in Newcastle and across the Hunter. I could say more but I will stop my contribution there. I look forward to hearing the rest of the debate.

**Reverend the Hon. FRED NILE (11:45:31):** People may wonder what I know about jobs for Newcastle. I lived in Mayfield in Newcastle and as an activist I got very involved with many of the issues there. I was very active in the protests over the closure of the Newcastle railway line into the heart of Newcastle. Many of the people who lived in the regional cities, like Maitland, wanted to use that railway to come to Newcastle to shop. Closing the heavy rail had an economic impact on Newcastle, so I took part in the protest at what is still the old railway station, which is just sitting there rusting away. I also helped to reopen some of the movie theatres that had closed down and they were converted into youth entertainment centres in the heart of Newcastle. I was pleased to see that happen for the young people of Newcastle.

I also had a lot to do with the residents around the Royal Australian Air Force base, who were upset over the contamination from the refuelling depots there. I tried to have some changes made for the benefit of those residents and I took part in those protests as well. Jobs for Newcastle is a very important theme and I thank the Hon. Mark Latham for moving this matter of public importance. I also recognise the Government's unease that this is taking us away from the agenda planned for today, but that is democracy in action. That is why I am only speaking briefly to the motion supporting jobs for Newcastle.

**The Hon. MARK BUTTIGIEG (11:47:58):** I was not going to speak on this matter of public importance, but it is very important. I congratulate the Hon. Mark Latham on moving the motion because I believe it is emblematic of the problems that we have to deal with, given the advent of renewables and the way that the market is moving towards what the economist Joseph Schumpeter would have termed "creative destruction". I will touch on the points that my honourable colleague the Hon. Taylor Martin made because what he said speaks to the chasm in the philosophical and ideological approach between our side of the House and the other side, where those opposite are happy for the market to let these things unfold. They think that if it takes 10 years, 20 years or 30 years for the economy to adjust and create those new jobs that is fine because that is how the market works.

Essentially, what my colleague the Hon. Mark Latham instinctively was driving at is that it is not good enough. If we are going to be in a situation where regions like those have a disproportionately high reliance on older economy jobs, is it not incumbent upon government to invest in those regions to compensate for that transition that is happening? The flipside to not doing that is that you are actually throwing people on the job scrap heap. That is why it is critically important that we dispense of these terms that have been used. The response to this problem hitherto has pretty much been to say that we must have "just transition". What is just transition? It is a platitude. Unless it has got dollars pinned to it and active and proactive investment to compensate for those job

losses in those areas, it is meaningless. This budget speaks volumes about where this Government's priorities lie. There is no proactive plan on the ground backed in by investment to stimulate these regions and create a long-term jobs plan.

It is not, as my honourable colleague termed it, "welfare". It is actually anticipating where the market is going. There will be market failures. One of those is job losses. If one thinks that these things are going to adjust automatically, one will be waiting 20 to 30 years. We have seen examples overseas in countries like Germany and in northern Europe, where they have dealt with these problems by putting in place things like, for example, not shutting down any coal-fired power stations or coal-fired job creation places until they are sure that the other market is sufficiently mature enough to create those jobs for people to transition into. Or they make sure that anyone who wants to stay in those industries has the option to keep their jobs or get paid a redundancy. We see none of this foresight from that side of the House at all. It merely says that this is the path it is going down and it supports renewable energy—of course, we on this side of the House do too—but in terms of proactive investment to try to create jobs, forget it. It says that the market will fix it all up.

Well, the market will not fix it up. We have seen that time and time again. The idea of bringing down a State budget and leaving this region neglected beggars belief. How many times do we need this pointed out to us? It is a matter of public importance and urgency because, if we have a State budget that is not able to cater for a jobs calamity up there, it shows that the Government is abrogating its responsibility. On this side of the House we are very focused on jobs, in particular in those areas where we are conscious that they are going to suffer disproportionately because of what is happening in those regional economies. I again thank the member for raising this. It is a matter of public importance.

I can assure him that the Labor Party will have a comprehensive investment plan to stimulate those local economies. It is not just a matter of stimulating them out of the other side of the COVID-induced recession, it is actually proactive forward planning to create the jobs that are going to sustain those economies into the future. As my colleague the Hon. Adam Searle pointed out, a lot of that may actually be putting the money into new parts of the economy that are going to create those jobs, part of which of course is renewable energy. We cannot leave this up to the market. It is not welfare. It is the same sort of thing that created the jobs of the twentieth century, for example, investment in rail, road and all those things. It speaks to the lack of foresight and, probably more pertinently, the blind commitment to an ideology which says that, if we let the market do this, an individual initiative will fix this all up and it will all be okay. It will not be. That is why unemployment in those areas is rising disproportionately to the rest of the State.

**The Hon. PENNY SHARPE (11:54:08):** I will speak on this matter of public importance and the importance of a jobs plan for the Hunter. It does not matter where someone lives in New South Wales. Having a job, the ability to feed their family and put a roof over their head is one of the fundamental ways in which they actually get to live their life in a quality way and do that properly. There are constant challenges in terms of jobs and the jobs market. We know that in 2020 we have seen some of the worst rising unemployment and difficulties in the jobs market in four decades. The good days of perpetual growth in Australia are well and truly over. COVID-19 is part of that. There are more people unemployed than there have been for decades. We know that young people, women and, in fact, everyone has been impacted by that.

The Hunter has been no different. It is also undergoing other pressures. In some ways, it is in the middle of a culture war around action on climate change and jobs for the future. The reality is that we need to come to grips with that. Unmanaged care for secure jobs for people in the Hunter has led over the last decades to thousands of jobs going with no transition planning, structural adjustments or working with the communities there. The people of the Hunter know that. I will shout-out the work that the Australian Manufacturers Workers' Union and other unions and community alliances in the Hunter have done with the development of the Hunter Jobs Alliance. They have a very clear vision for what needs to happen in their communities. They are tired of so much talk and so little action. The alliance says in its declaration:

The Hunter region has powered New South Wales for decades with its vast natural resources and generations of skilled workers.

The Hunter Jobs Alliance aims for a future for our region with full employment, good union jobs, a thriving and healthy living environment, an equitable society, a stable climate, and renewable prosperity.

We will campaign for local and sustainable jobs in energy, manufacturing and supply-chains, food-production, education and health and care, with union agreements and the best possible terms and conditions. We will campaign for all new energy sources to be renewable energy with low carbon firming.

We focus not on what divides us, but on our shared interest in diversifying and strengthening the Hunter economy. In a time of change, we need to build new sustainable industries and opportunities to ensure the Hunter remains a great place to live for both us and our children.

The real shame here is that the New South Wales Government is doing nothing to assist with that aim. No-one can disagree with what needs to happen in the Hunter. It is a wonderful place with beautiful beaches and incredible

farming and agriculture. It has obviously got the vineyards and also the horse and equine industries. It also has the coal industry and for many years had advanced manufacturing. But that manufacturing has also been undermined by this Government. In this budget it has failed to really come to grips with plans for jobs in the Hunter.

**The Hon. MARK LATHAM (11:57:51):** In reply: To facilitate the business of the House, I will be brief. I thank the honourable members who have spoken so well in such an important debate. I was informed by the Hon. Shayne Mallard that Newcastle was a regular topic of debate in the last term of the Parliament. So it was good to have this important city and its job opportunities back on the agenda. I thank the Hon. Adam Searle, the Hon. Penny Sharpe, the Hon. John Graham, the Hon. Mark Buttigieg, Ms Abigail Boyd, Reverend the Hon. Fred Nile and also the Hon. Taylor Martin. It has been a very good debate indeed. The bottom line is that there is a harmony and consensus around the Chamber that, whatever our views on energy and climate policy might be, Newcastle faces particular challenges as the capital of the Hunter Valley.

There need to be job replacement investments and coordinated economic programs that essentially provide restructuring not just for industry but an entire region. From the debate, it is possible to quite readily identify where the replacement jobs should come from: the container terminal in particular, and the entertainment, hospitality and tourism industries. The basis is there for the Treasurer to admit that he could have done better on Tuesday, pick up the plan that has been outlined to the House today and take this all important action for the second most important and largest city in New South Wales, the city of Newcastle.

**Discussion concluded.**

#### *Announcements*

#### **CHAMBER MICROPHONES**

**The PRESIDENT (11:59:14):** There is an issue with microphones not being switched on when a member is speaking. It cannot be picked up by Hansard. More importantly, it cannot be picked up by the webcam if someone is watching us live. I ask honourable members to please ensure that their microphones are on. I try to switch them on for members but the reality is that it should not be the job of the Chair to do so. Each member should ensure that the microphones are on. Secondly, when a member wishes to address the Chair—in particular with points of order—I ask that members seek the call and then go to the lectern so that they can be picked up by the microphone.

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

#### *Questions Without Notice*

#### **STATE RECORDS**

**The Hon. ADAM SEARLE (12:00:38):** My question without notice is directed to the Special Minister of State, and Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts. Given that State Archives and Record Authority director Adam Lindsay has confirmed that documents shredded by the Premier's office are defined as a "State record", what steps is the Government taking to respond to the destruction of important documents such as those?

**The Hon. DON HARWIN (Special Minister of State, and Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts) (12:01:07):** In light of the statement at the beginning of the question asked by the Leader of the Opposition, I want time to consider that position. I will therefore take the question on notice.

#### **FILM INDUSTRY**

**The Hon. LOU AMATO (12:01:36):** My question is addressed to the Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts. Will the Minister update the House on new screen productions coming into New South Wales?

**The Hon. DON HARWIN (Special Minister of State, and Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts) (12:01:49):** I am pleased to say that the announcement of an extra \$175 million investment over five years in the Made in NSW fund is already delivering for New South Wales. On Sunday I announced that Netflix's production *Pieces of Her* will call New South Wales home, with the new series creating 400 local jobs and contributing an estimated \$58 million to the State's economy. *Pieces of Her* will be filmed in western Sydney and will begin production in early 2021. The production team will work with Screen NSW, Ausfilm and the Australian Film Television and Radio School—and this is great—on industry training needs and opportunities for talented emerging filmmakers to work on the production. That is a huge win for our State, because it is all about the future and not just about what is happening now. This new

eight-episode dramatic thriller TV series for Netflix stars Emmy and Golden Globe winning actress Toni Collette and very much acclaimed actor David Wenham.

**The Hon. Greg Donnelly:** What about the Modern Slavery Act?

**The Hon. DON HARWIN:** The series is based on *The New York Times* bestselling thriller from renowned crime author Karin Slaughter and published by William Morrow. It follows Andy Oliver and her mother, Laura. A random act of violence in their sleepy Georgia town takes them on a dangerous journey across America. The production of *Pieces of Her* was meant to commence in Vancouver earlier this year but was delayed due to COVID-19. Due to our State's successful ongoing management of COVID-19, Netflix—like other international studios such as Disney—considers New South Wales to be a very safe place for this production.

**The Hon. Greg Donnelly:** Not for slavery.

**The PRESIDENT:** Order! The Clerk will stop the clock. I understand that the Hon. Greg Donnelly is very passionate about what he is continually calling out by way of interjections. It has absolutely nothing to do with the question being asked. The Minister is being directly relevant to the question and the Hon. Greg Donnelly is being disorderly in continuing to interject. I counted approximately eight interjections. I will call the Hon. Greg Donnelly to order if he interjects one more time. The Minister has the call.

**The Hon. DON HARWIN:** Thanks to our \$175 million investment in the Made in NSW fund, and our State's incentives and support for our screen sector, the screen industry is well placed to contribute to the State's economic recovery. International productions bring immediate economic benefits because production and expenditure can start within weeks of a decision, with hundreds of jobs for cast and crew across metropolitan and regional locations. Those jobs in the New South Wales screen sector are highly skilled jobs for the future. New South Wales really is the place for every story and it is open for business. It is great news for our filmmakers of the future.

#### STATE RECORDS

**The Hon. PENNY SHARPE (12:05:24):** My question without notice is directed to the Special Minister of State, and Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts. Will the Minister confirm his written answer sent to my office on 11 November indicating that private emails of Ministers are not automatically considered part of the State Records Act 1998?

**The Hon. DON HARWIN (Special Minister of State, and Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts) (12:05:46):** I will take the question on notice.

**The PRESIDENT:** I again remind members to please switch the microphone on. If there is a light problem then we will try to clarify it. If my desk is showing that there is no light on then I will ask the member to check, because we should be consistent.

**The Hon. Penny Sharpe:** Mr President, the light is not working on the lectern so we cannot tell if it is on or off.

**The PRESIDENT:** The Clerk will make a note of that because it does cause a huge problem. I thank the Hon. Penny Sharpe for bringing it to my attention.

#### NATIVE FOREST LOGGING

**Mr JUSTIN FIELD (12:06:35):** My question is directed to the Minister for Education and Early Childhood Learning, representing the Minister for Regional New South Wales, Industry and Trade. Given the now public dispute between the Department of Regional NSW and the NSW Environment Protection Authority over the rules around burnt forest logging in public native forests, what action is the Government taking to ensure that forestry practices in the State's public native forests are consistent with ecologically sustainable forest management principles as required under the Forestry Act 2012?

**The Hon. SARAH MITCHELL (Minister for Education and Early Childhood Learning) (12:07:10):** I thank Mr Justin Field for his question. I advise the member that the New South Wales Government takes its responsibilities for ecologically sustainable forest management and its related obligations under the Forestry Act 2012, Integrated Forestry Operations Approval [IFOA] requirements and Regional Forest Agreements very seriously. The Department of Regional NSW and the NSW Environment Protection Authority are not in dispute. Both agencies agree that protecting the environment and sustaining regional jobs and communities are critical responsibilities of this Government and are working closely with the State-owned Forestry Corporation to find immediate and long-term solutions that will deliver on both of those objectives.

The rules for harvesting in fire-affected forests are set out in the Coastal Integrated Forestry Operations Approval. Where additional or alternative conditions are required, they are being developed on a site-by-site basis by the NSW EPA in consultation with the Forestry Corporation of NSW [FCNSW] and guided by best available information. To ensure transparency, the NSW EPA has been publishing site-specific operating conditions on its website. Since the bushfires the FCNSW has been adopting a cautious approach to its harvesting operations, including harvesting in plantations to minimise disturbance to wildlife, selectively harvesting in lower risk sites and undertaking site survey work to assess risks and inform decision-making.

The New South Wales Government is engaging experts to provide scientific advice to inform the management of our important State forests. The Natural Resources Commission has been engaged in developing forest monitoring programs to track progress against IFOA requirements. The Government is considering appropriate ways for FCNSW to recommence operating under standing IFOA conditions and prescriptions where site-specific operating conditions are in place and elsewhere in fire-affected areas across the region.

**Mr JUSTIN FIELD (12:09:10):** I ask a supplementary question. Given the Minister acknowledged that the Natural Resources Commission [NRC] has been engaged to chart a course back to the use of the Coastal Integrated Forestry Operations Approval in burnt forest logging circumstances, will the Government make an undertaking to communities on the South Coast that the compartments of land that Forestry Corporation has suggested it wants to go into under the old CIFOA rules will not occur until the NRC review has been conducted? I appreciate that the Minister may need to take the question on notice.

**The Hon. SARAH MITCHELL (Minister for Education and Early Childhood Learning) (12:09:39):** It will not surprise members of the House to learn that I will take the question on notice, as it was quite detailed. I have provided the information that was made available to me by the Deputy Premier. I am happy to take the supplementary question on notice and come back to Mr Justin Field with a response.

#### **PRESCHOOL FUNDING**

**The Hon. TAYLOR MARTIN (12:10:01):** I address my question to the Minister for Education and Early Childhood Learning. Will the Minister outline to the House what the New South Wales Government is doing to support working families and young children in New South Wales?

**The Hon. SARAH MITCHELL (Minister for Education and Early Childhood Learning) (12:10:20):** I thank the Hon. Taylor Martin for his question. The COVID crisis has been hard on many people, but it has been particularly tough for working parents in New South Wales. As one of a few working mums in the Chamber, I know that families right across the State are under a lot of pressure to try to balance their budgets and give their kids the best start in life. The Government has been committed to supporting families since the beginning of the pandemic. In April 2020 the Government announced additional temporary funding support for community and mobile preschools in response to the COVID-19 pandemic. Funding was provided for terms 2, 3 and 4 in 2020. That funding saved countless services and jobs, and kept children learning during some of their most important years.

Support for families and children has been a key element for the Government during the pandemic. I am delighted to inform the House that parents in New South Wales will continue to receive relief from preschool fees in 2021 thanks to the \$120 million funding package that the Government has announced in this week's budget. That funding will be made available to 700 State-funded community preschools and 38 mobile services. That means that we will support the provision of early education for up to 45,000 three- to five-year-old children in the critical years before school. I am proud of the Government's commitment to working mothers in New South Wales. In addition to easing the cost-of-living pressures for families, offering access to free community preschool will provide more families, especially women, with opportunities to take on paid work. Prior to the pandemic, the overall workforce participation of women was a major driving force for the New South Wales economy.

That is why the Government will continue its preschool subsidy as a key focus in its post-COVID recovery, along with the great work that has been done by my colleague, the Minister for Mental Health, Regional Youth and Women, the Hon. Bronnie Taylor. It is my strong belief that, even during the toughest times, children's education should never come second. The significant benefit to enrolling children in 600 hours of quality early childhood education in the year before school is that when they start kindergarten they are ready to participate in ongoing learning. We do not want any child to miss out on those important educational opportunities. I am pleased that the funding will provide families some assurance that, regardless of their financial position, their children can continue with their preschool education.

I am also happy that it will provide funding certainty to preschools in an unpredictable time. The more than 7,400 preschool teachers and educators can be confident that they will remain employed. Those preschool and

early childhood educators are vital to their communities. It is important that parents continue to have access to preschool services during the pandemic. On behalf of all members of the Chamber, I conclude by thanking all of our early childhood educators across New South Wales, who have done an incredible job this year and who have been so resilient and innovative. They have continued to provide high-quality education and care during a very difficult and challenging period throughout the COVID-19 pandemic. We are all very grateful for their hard work and for the support that they have provided to families and communities.

### ANIMAL CRUELTY

**The Hon. EMMA HURST (12:13:22):** I direct my question to the Minister for Mental Health, Regional Youth and Women, representing the Minister for Agriculture and Western New South Wales. Last week the owner of travelling reptile show, Crocodile Encounters, was convicted of animal cruelty after he failed to provide sufficient food, water and vet treatment to two lizards. Will the Minister ensure that the man has his licence under the Exhibited Animals Protection Act 1986 cancelled, suspended and/or disqualified in order to protect other animals currently in his care who may also be at risk?

**The Hon. BRONNIE TAYLOR (Minister for Mental Health, Regional Youth and Women) (12:13:56):** I thank the honourable member for her question about the serious matter of that Crocodile Encounters exhibitor being convicted for failing to provide food, water and vet treatment. Let me be clear: The New South Wales Government is committed to safeguarding animal welfare in this State. As the member would be aware, the welfare of animals across New South Wales is protected under the Prevention of Cruelty to Animals Act 1979, or POCTA, and supporting legislation including relevant codes and standards. All animal owners must comply with the requirements of POCTA, which requires any person in charge of an animal to provide for its care and ensure its welfare. A person in charge of animals must also take the necessary steps to provide it with veterinary treatment when necessary. There are significant penalties under POCTA for doing the wrong thing.

Members on the Government side of the House recognise the importance of providing a strong and effective regulatory framework to support good animal welfare outcomes. We are proud of a strong record in achieving that. The Government works closely with enforcement agencies to support the effective compliance under POCTA and the education of our community about animal welfare. POCTA is enforced by the NSW Police Force, RSPCA NSW and the Animal Welfare League NSW. Authorised inspectors have significant powers to address animal cruelty, including seizing an animal if the inspector suspects it is in distress or if an offence is being or is about to be committed. Facilities that display animals to the public are regulated under the Exhibited Animals Protection Act [EAPA]. The New South Wales Government carries out inspections of exhibitors to assess and enforce compliance with the EAPA, along with its regulations, standards and licence conditions. All exhibitors must also comply with the requirements of POCTA.

The EAPA requires exhibitors to be authorised and to comply with enforceable standards. Those standards cover certain requirements, such as the suitability of animals, housing and management, performance and training, transport and public safety to ensure the welfare of animals. In relation to the specifics of that case, I can confirm that the exhibitor's premises was jointly inspected by the Department of Primary Industries [DPI] and RSPCA NSW in August 2020. DPI issued a direction order and five penalty notices totalling \$1,000 under the Exhibited Animals Protection Act 1986. DPI then commenced the cancellation of the authority held by the exhibitor under the Act. That authority was cancelled on Tuesday 20 October 2020.

### MOBILE SPEED CAMERAS

**The Hon. WALT SECORD (12:16:52):** I direct my question to the Leader of the Government, Special Minister of State, and Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts, representing the Minister for Transport and Roads. In a media statement this morning the Hon. Wes Fang criticised the Government's decision to remove warning signs for mobile speed cameras, which he described as "an absolute disgrace". Will the Government revisit that decision?

**The Hon. Don Harwin:** I am going to ask the Minister for Finance and Small Business to answer that question.

**The PRESIDENT:** The Clerk will stop the clock. There were at least three interjections before the Minister had a chance to say a word. It is not fair for the Minister's time to continue during those interjections.

**The Hon. DAMIEN TUDEHOPE (Minister for Finance and Small Business) (12:18:14):** I thank the Hon. Walt Secord for his question. The shadow Treasurer asked a question about the budget on the day that the Leader of the Opposition delivered a speech. That was a good question. The unemployment figures came out today at 6.5 per cent, down 0.7 per cent in New South Wales.

**The Hon. Penny Sharpe:** Point of order: I make two points of order. The Minister is outside the standing orders. First, the Minister is debating the question, which he does every day. Secondly, the Minister is not being directly relevant to the question that was asked.

**The PRESIDENT:** In relation to the first point of order, the Minister was not debating the question; if anything, he praised it. I uphold the second point of order. The Minister was not being directly relevant to the question.

**The Hon. DAMIEN TUDEHOPE:** I thank the Hon. Wes Fang for his contribution in relation to this issue. He is entitled to his view. The Government's view is completely different to the view expressed by the member. Notwithstanding that, he makes the suggestion that these are decisions taken by city people that have a high impact on regional people. There is a consistent position by the Government in relation to fines in the State and road rules in the State.

**The PRESIDENT:** The Clerk will stop the clock. There will be no more warnings to members before they are called to order.

**The Hon. DAMIEN TUDEHOPE:** It was reported this morning that Minister Constance said in relation to this issue:

... changes to the mobile speed camera program, including the removal of warning signs, would roll out over the next 12 months and bring NSW in line with other jurisdictions.

This is about changing culture and changing behaviour. We've seen it happen with our world leading mobile phone detection program, where the rate of people offending has steadily declined. No warnings signs mean you can be caught anywhere, anytime and we want that same culture around mobile speed cameras.

It appears that those opposite often take the view that it is all right to use a mobile phone as long as there is no sign. Independent modelling from Monash University Accident Research Centre showed these enhancements to the mobile speed camera program may save between 34 and 43 lives, and prevent around 600 serious injuries in New South Wales each year. Would the Government make an apology for that? No.

The new measures would not only target the small proportion of motorists who do the wrong thing but also reinvest fines in life-saving infrastructure on our country roads to ensure the journey is a safer one. Money generated from mobile speed camera programs will go directly to road safety initiatives through our Community Road Safety Fund, which has already seen thousands of kilometres of audio-tactile line markings, wide centre lines and more crash barriers rolled out across regional New South Wales. I say to my colleague and those opposite who complain about this program that it is designed to enhance safety. [*Time expired.*]

**The Hon. WALT SECORD (12:22:00):** I ask a supplementary question. Will the Minister elucidate his answer in regard to his reference to the removal being rolled out over the next 12 months? Will he provide a chronological list of how and where those removals will occur?

**The Hon. DAMIEN TUDEHOPE (Minister for Finance and Small Business) (12:22:20):** I am not sure this is not a new question.

**The PRESIDENT:** Is the Minister taking a point of order?

**The Hon. DAMIEN TUDEHOPE:** Point of order: The reference to a chronological rollout does not necessarily give rise to a circumstance requiring elucidation in relation to locations.

**The Hon. Don Harwin:** To the point of order: I suggested that the Minister for Finance and Small Business answer the original question because it had some tangential relationship to his portfolio responsibilities. This was purely to assist the House, given that he would have more details than I would have as the Minister representing the transport Minister. It was clearly a new question and it is a matter for the transport Minister.

**The Hon. Penny Sharpe:** To the point of order—

**The PRESIDENT:** Order! There is no way I could hear a point of order from the Hon. Penny Sharpe with interjections coming from both sides of the Chamber. I gave the call only to the Hon. Penny Sharpe. She should be heard in silence.

**The Hon. Penny Sharpe:** The supplementary question is in order. The question asked was about the decision to remove warning signs from mobile speed cameras. In his answer, the Minister spoke a lot about this and why it needs to happen. The elucidation is asking for more detail about the timetable and the locations that will be removed. The supplementary question is in order.



**The Hon. Walt Secord:** To the point of order: My supplementary question had a significant chunk that related directly to the bulk of the Minister's answer where he said the removal will roll out over the next 12 months. My supplementary question bore directly into his answer.

**The PRESIDENT:** The fact that a supplementary question relates directly to part of an answer is only two of the three boxes; it must relate to the actual original question asked. I uphold the comment made by the Hon. Penny Sharpe that the question was in relation to the decision by the Government to remove warning signs for mobile speed cameras. It went on further to ask if the Government would revisit its decision. The supplementary question is in order. It is up to the Minister how he wishes to answer.

**The Hon. DAMIEN TUDEHOPE:** I thank the member for his supplementary question. It gives me the opportunity to return to the great initiative adopted by the Government, the Towards Zero campaign, which is all about rolling this out over a period. I was asked yesterday about revenue relating to fines. It seemed to be a scandal to those opposite that we would raise money from people who speed. I point out to those members that this is an initiative to make our roads a safer place.

**The Hon. John Graham:** Then why are you letting the corporates off the hook? Why do they get to pay five times the fine and not lose points?

**The Hon. DAMIEN TUDEHOPE:** It is your question.

**The PRESIDENT:** I call the Hon. John Graham to order for the first time. I warned him that I would call him to order on one more interjection.

**The Hon. DAMIEN TUDEHOPE:** The question goes to the timing. The member probably wants to know which speed camera in his area is going to be removed first so that he has advanced notice. I understand the concern.

**The Hon. Greg Donnelly:** We all want to know.

**The PRESIDENT:** I call the Hon. Greg Donnelly to order for the first time.

**The Hon. DAMIEN TUDEHOPE:** In view of the interest of the member and the community in knowing the rollout of these fines—

**The Hon. Penny Sharpe:** The rollout of the fines, there you go.

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

**The Hon. DAMIEN TUDEHOPE:** I withdraw that. [*Time expired.*]

**The Hon. JOHN GRAHAM (12:27:53):** I ask a second supplementary question. Will the Minister elucidate the part of his answer where he talked about the increase in fines that is rolling through. Will he confirm that this measure is the main reason for the one-third jump in fine revenue in the next 12 months?

**The Hon. Trevor Khan:** Point of order: That is a long way from the question that was first asked. Mr President, it is not appropriate for a question that originally related to warning signs at speed cameras to have got to a position where it relates to the quantum of fines. It should be ruled out of order.

**The PRESIDENT:** I was about to indicate that the supplementary question was out of order, but the Hon. Trevor Khan took a point of order before I could do so. I felt it important to let him come downstairs and make his point of order. The second supplementary question is out of order. I cannot see how it ties in to the original question.

#### MENTAL HEALTH SERVICES

**The Hon. SAM FARRAWAY (12:30:20):** My question is addressed to the Minister for Mental Health, Regional Youth and Women. Will the Minister update the House on the work the Government has done to improve the mental health and wellbeing of the people of New South Wales?

**The Hon. BRONNIE TAYLOR (Minister for Mental Health, Regional Youth and Women) (12:30:35):** I thank the honourable member for his question. In the 2020-21 budget the Government allocated more funding to mental health than any previous New South Wales Government ever has—a record of \$2.4 billion. Mental health services are not just about more beds in emergency departments; it is about services in the community and about reaching out to people before they are so unwell that they attempt to take their own life. The \$87 million Towards Zero Suicides program is rolling out innovative strategies that engage the whole community. We are looking at prevention, acute care and post-suicide care. The Government is training 10,000 male and female volunteer gatekeepers, who can identify and support those at risk of suicide.

It is training 20,000 Service NSW workers to give them the skills to identify people in distress and connect them with the local help they need. It has established a program for up to 5,000 pharmacists to receive mental health training. There is no single solution for mental health and suicide; we need counsellors, doctors, nurses, teachers and parents working together. That is why the Government has given funding to headspace and Lifeline to establish 12 community collaboratives in areas of most need in New South Wales. In times of crisis those collaboratives mobilise local services and make sure there is help and counselling on hand for everyone who needs it. It is a community-led, grassroots approach. It is not about Government telling communities what to do; it is about allowing them to work with their people, as they know what works best. This week the Government also announced 100 school nurses, which is another layer of support for young people to reach out to for help.

During COVID the Government established an \$80 million mental health package to support our State's collective wellbeing. Those services allowed more to access help by expanding telehealth, boosting Lifeline and the Mental Health Line, and recruiting more than 200 mental health workers across the State. The Government expanded the Police, Ambulance and Clinical Early Response [PACER] program with an investment of \$6.1 million to embed 36 specialists across 12 police commands to ensure that people receive a compassionate, trauma-informed response when they need it most. At Manly on Sunday the local command told me what a difference PACER is making to the way it is treating people with a mental illness. It has been a phenomenal response. The Government is there for our people not only through our NSW Health and community-managed services but also by empowering the amazing people in our local communities. The Government knows that mental health truly is everyone's business.

### ENERGY POLICY

**The Hon. MARK LATHAM (12:33:42):** My question is directed to the Leader of the Government in his capacity representing the Minister for Energy and Environment. In the 10 days since the Government released its energy road map policy we have learned of existing investors either freezing or reviewing their plans, especially power generation companies. Will the Minister outline any new investors or new investments that have come forward with announcements since the policy was released?

**The Hon. DON HARWIN (Special Minister of State, and Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts) (12:34:08):** I am happy to obtain from the Minister a fuller answer for the member, but I make the point that putting in place a transmission strategy was always about the enormous number of potential investors that wanted to invest but could not connect to the transmission system. There are in fact any number of projects, some of which even have planning approval, that are ready to go but do not have the capacity to link to transmission. I heard the member talk yesterday about AGL. I am well aware of what AGL has said. I know AGL well; I used to deal quite a lot with CEO Brett Redman, so I am aware of his perspective on these issues. I have talked right through Liddell before. I would expect any company to pause and consider its position after a government makes a significant announcement that is going to affect the way the market works. In a respectful way, I respond by saying that I felt the member was gilding the lily a bit yesterday. I am not surprised that AGL has naturally paused to consider—

**The Hon. Mark Latham:** Four projects.

**The Hon. DON HARWIN:** Yes, I am well aware of that. This is not the first time it has happened. Do not just assume that it is something that has happened just because of the package that the Minister has announced. Those projects have been paused before in relation to what the Federal Government has done, for example. They were paused when the gas strategy was announced. They were paused when Snowy Hydro was announced. That is not unusual for energy companies and, in fact, it is to be expected from any prudent management of a company that has so much at stake. I do not think we should be overly dramatic in respect of that. I emphasise in particular that there are people who want to invest in the transition. There have always been people who want to invest in the transition towards a cleaner energy future and the problem has been— [*Time expired.*]

**The Hon. MARK LATHAM (12:37:15):** I ask a supplementary question. Will the Minister elaborate on his statement about people wanting to invest? What are the companies and interests that have come forward since the announcement of the policy saying that they will invest with new money, projects and investments?

**The Hon. DON HARWIN (Special Minister of State, and Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts) (12:37:31):** As I said, I would be happy to take that part of his question on notice and get an answer from the Minister for Energy and Environment. Of course, I am no longer the energy Minister. But I can assure the member that during my two years as energy Minister there were proponents of projects who wanted to proceed and invest, almost always in regional New South Wales, and they simply could not because there was not sufficient transmission capacity. Due to the way the National Electricity Market and the regulatory investment test for transmission [RIT-T] were working, it was never likely

that we were going to get movement on the transmission issue, particularly when the emissions trading scheme [ETS] and the clean energy target [CET]—

**The Hon. Mark Latham:** Point of order: On a question of relevance, the Minister was asked about the companies that have come forward in the past 10 days, saying, "We are in. We are investing now." Where are they? Who are they? Where is the list of them?

**The PRESIDENT:** I believe the Minister was being directly relevant. He indicated that he would take that part of the question on notice.

**The Hon. DON HARWIN:** I did not comment on the Hon. Mark Latham's point of order because there is some fairness in what he said. I will make this final point and then sit down: Having an ETS, a CET or a national energy guarantee [NEG] would have provided that certainty to investors so that there could have been investment in transmission, but that did not happen. So the New South Wales Government had to act. The Electricity Infrastructure Investment Bill 2020 is before the House so probably I am anticipating debate, although it has not yet started. The fact is we had to act. I believe that with the bill that we are about to consider today or in the next few days we will begin to act to fix the problem.

### SCHOOL COUNSELLORS

**The Hon. TARA MORIARTY (12:39:53):** My question without notice is directed to the Minister for Education and Early Childhood Learning. Given parental concerns that the Government's budget announcement to provide schools with nurses is designed to cover the shortage of school counsellors, will the Minister confirm how many new school counsellors will be working in New South Wales schools in term 1 next year?

**The Hon. SARAH MITCHELL (Minister for Education and Early Childhood Learning) (12:40:15):** I thank the honourable member for her question. I thought she may have directed it to the Minister for Mental Health, Regional Youth and Women, but I am very happy to answer it. The member asked about the Government's budget commitment this week to provide more nurses in schools as an expansion of our wellbeing and health in-reach nurse [WHIN] program. Effectively the question asks whether we are doing that because we are not fulfilling the mental health commitments we have made. That is not the case. As the honourable member would or should know, I am happy to advise that we have WHIN nurses based in some of our schools. They are in Young, Tumut, Cooma, Deniliquin, Murwillumbah and Lithgow. So far they have been an important asset to our schools.

**The Hon. Bronnie Taylor:** Oh, yes.

**The Hon. Penny Sharpe:** None of them appear to be in any other electorate except The Nationals electorates. What a surprise!

**The Hon. Bronnie Taylor:** That is not right.

**The PRESIDENT:** Order! The Minister will resume her seat. The Deputy Leader of the Opposition and the Minister for Mental Health, Regional Youth and Women are having a conversation. The former is sitting directly opposite and the latter is sitting directly behind the Minister speaking. They could not be in a worse position for a conversation. I ask the members to take their conversation outside if they wish to continue it.

**The Hon. SARAH MITCHELL:** The WHIN nurses will be given mental health training but they will also act as a resource to deliver general health care and advice to students in public schools. NSW Health will fund those positions. However, the Department of Education will assist in the rollout of the positions in the schools. It is a great initiative. It is all about what we can do to better support our students. The Minister for Mental Health, Regional Youth and Women has had great feedback about the expansion of the program. The member also asked about what it means for our Government's mental health commitment and the time line for the rollout of those positions. As I said in an earlier answer, the initiative builds on, but is separate to, the Government's \$88.4 million commitment to provide every New South Wales public high school with two dedicated professionals to ensure that students have timely access to mental health and wellbeing support.

Our commitment to mental health in schools includes the employment of up to 100 additional school counsellors and school psychologists, and up to 340 new student support officers. We are well on track in delivering that commitment. Those school counsellors and student support officers are being rolled out between 2020 and June 2023. That was our commitment. In 2020 we have delivered 25 school counsellor positions. The member asked about the coming positions. A further 50 will be employed in 2021. The remaining 25 full-time counselling positions will be filled in 2022. Some 183 student support officer positions will be delivered at the end of this year, with a further 270 in 2021. The remaining 74 positions will be filled in 2022. That is the time line to which the Government is working. It is meeting those commitments.

### OUT & ABOUT SCHEME

**The Hon. MATTHEW MASON-COX (12:43:23):** My question without notice is addressed to the Minister for Finance and Small Business. How will the New South Wales Government's \$500 million Out & About voucher scheme help revive the hospitality and entertainment sectors throughout New South Wales? If the Minister is inclined to say, how will the Minister spend his four \$25 vouchers?

**The Hon. DAMIEN TUDEHOPE (Minister for Finance and Small Business) (12:43:54):** What a Treasurer New South Wales has! We have all witnessed him in action this week. The performance of the Treasurer in his Budget Speech and the response this morning are light-years apart. Members ought to welcome the 2020-21 budget because it delivers for the people of New South Wales. A centrepiece of the budget is the \$500 million Out & About Scheme that will give every New South Wales resident aged 18 and over \$100 to spend in their community. The scheme is designed to reinvigorate sectors that have been affected heavily by COVID-19, especially the hospitality, arts and tourism industries. Each person will receive four \$25 vouchers, two of which are to be used for eating out in restaurants, cafes, clubs and bars. I know those opposite think this is a great idea but so does Mr Wes Lambert, CEO of the Restaurant & Catering Industry Association of Australia. He said:

This will bring much more business than just the \$500 million.

**The PRESIDENT:** The Clerk will stop the clock. I cannot hear what the Minister is saying so I do not think that Hansard has any chance of hearing. The Hon. John Graham is on one call to order. I will not give another warning.

**The Hon. DAMIEN TUDEHOPE:** Mr Wes Lambert also said:

We expect that it will bring \$1 billion to \$1.5 billion into the hospitality and entertainment sector.

The other two \$25 vouchers can be used for entertainment and recreation, at cultural institutions, for the performing arts, at cinemas and at amusement parks. Business NSW Executive Manager of Tourism Mr Greg Binskin said that this program, along with other budget measures, has given the sector "hope for a brighter future". After a trial in December the program will roll out statewide from late January 2021. Businesses participating in the program must have registered a COVID-19 Safety Plan with Service NSW. With apologies to The Rolling Stones, I urge members to ask their mates or their nearest and dearest, "Honey, is there any place that you would like to eat? I know a coffee shop down on Gloucester Street." The other \$25 voucher can be spent on a night at Chauvel Cinema on Oxford Street, which "ain't a very likely place for you and I to meet". Members opposite should get their \$25 vouchers and spend them in the hospitality industry. They should have a meal with someone they like, if they can find one, or go to the movies. [Time expired.]

### COVID-19 VACCINE

**Reverend the Hon. FRED NILE (12:47:28):** My question without notice is directed to the Minister for Mental Health, Regional Youth and Women, representing the Minister for Health and Medical Research. Is the Minister aware of the comments of William Haseltine in *Forbes* Magazine and of Professor of Pharmacology and Toxicology Romeo Quijano that cast doubt on the science of the proposed coronavirus vaccines; specifically that the testing protocols of the vaccines are designed to pass them? Does the Minister accept that genuine concerns exist within the scientific community about the nature of the proposed vaccines? Will the Government delay any widespread testing until those questions are resolved?

**The Hon. BRONNIE TAYLOR (Minister for Mental Health, Regional Youth and Women) (12:48:16):** I thank the honourable member for his question, which relates to another question he asked me in the House this week in my capacity as representative for the Minister for Health and Medical Research in the other place. As I said in my previous answer, Australia has rigorous assessments for vaccines through the Therapeutic Goods Administration. The member also asked me about concerns certain scientists have about the vaccines. All the information that has come to light so far indicates very good success with the COVID-19 vaccines. Today's news reported that one of the vaccines has a 95 per cent efficacy rate with very minimal side effects.

I think it is a real tribute to the scientific community and how it has come together so quickly with such laser focus to look at developing the vaccine that this State, the country and the world so desperately needs. I accept that the processes have been fast-tracked, but that has been done with extreme due diligence on every level. That is why we have organisations such as the Therapeutic Goods Administration, which is so vigilant in making sure that proper testing and trials are done. To assure everyone, the trials, processes and scaffolding in place to ensure that has happened have not been diminished at all; the time frame has just been shortened. Governments and people have invested, and scientists have committed to making sure that we can have a vaccine in a timely manner.

We absolutely need that in this country because we need it in the world. We have seen what the onset of COVID-19 did. As I have said before in the House, I have great faith in the immunisation program that New South Wales and this country run. Members on both sides of the Chamber, no matter what colour of politics, should be proud of that commitment to an incredible vaccination program in this State, which has saved countless lives and made them so much better. If we look at what the meningococcal vaccine has prevented and the history of the polio vaccine and what that did for people—my goodness, it has been incredible. We should be proud of that. We absolutely need to support vaccine programs. On behalf of all members in the Chamber, I commend the scientists and the administration for everything that they have done to get us a vaccine. [*Time expired.*]

### SCHOOL VIOLENCE

**The Hon. ANTHONY D'ADAM (12:51:20):** My question without notice is directed to the Minister for Education and Early Childhood Learning. Given concerns by students, parents and teachers about recent high-profile violent incidents at two western Sydney schools, what action has the Minister taken to respond to those concerns and provide additional support?

**The Hon. SARAH MITCHELL (Minister for Education and Early Childhood Learning) (12:51:58):** I thank the honourable member for his question. He raises an important and serious issue and it is good to have the opportunity to put on record that violence and antisocial behaviour are not tolerated in our schools. In recent days two particular incidents have been referred to in media. I note that in his question the member did not reference which particular schools, so neither will I. Because there is a police investigation into one of the incidents, I am limited in what I can say in terms of specifics. We do not tolerate violent or inappropriate behaviour from students and the schools involved in some of those recent media commentary take disciplinary action against students involved in such conduct. The Department of Education also works to support the students and families who are affected by that behaviour.

We work closely with other agencies—the police, NSW Health, the Department of Communities and Justice and other support agencies—on those matters. Thankfully, those types of incidents are rare. Schools remain among one of the safest places in our communities and that is incredibly important. We must ensure that safety in our schools and it is something we take seriously. Whenever an incident such as this comes to light it is incredibly concerning. My role as Minister is to make sure that the department does its job and that the directors of educational leadership in our school communities are supported as they work through the incidents. I have confidence in our principals, our teaching staff and our department staff, who work closely when these issues occur in our school communities—although rare, they do occasionally happen. Our schools are well supported to manage those behaviours.

**The Hon. ANTHONY D'ADAM (12:53:52):** I ask a supplementary question. Will the Minister elucidate the part of her answer in relation to the investigation, particularly around whether the staff who brought the incidents to light are being investigated by the department?

**The Hon. SARAH MITCHELL (Minister for Education and Early Childhood Learning) (12:54:20):** I thank the member for his question. As I said, we look into any of these matters that are raised but there are processes in place within school communities around incident reporting around making sure that the appropriate supports are available in schools. I will not reference one particular school—and there was another one that was also spoken about—because I want to be respectful to those school communities. The member has a genuine interest in this, so I am happy to chat with him outside the Chamber about some of the details, and even the specifics. But out of respect to the school communities, I prefer not to go into them in the Chamber.

**The Hon. WALT SECORD (12:55:01):** I ask a second supplementary question. Will the Minister elucidate her answer regarding whether the department is investigating the teachers for reporting the violent incidents?

**The Hon. Trevor Khan:** Point of order: My point of order goes to whether the second supplementary question relates to the initial question. I put it that it goes well and truly beyond the scope of the initial question and constitutes a fresh line of inquiry.

**The Hon. Walt Secord:** To the point of order: The original question states specifically, "recent high-profile violent incidents at two western Sydney schools". My supplementary question relates directly to the original question, which also referred to teachers, which my question referred to.

**The Hon. Trevor Khan:** Further to the point of order: The initial question related to incidents. The second supplementary is a line of inquiry regarding potential actions against teachers. That does not relate to the first question and is a fresh line of inquiry.

**The Hon. Penny Sharpe:** To the point of order: We must look at the question on the whole, which also talks about what action the Minister has taken to respond to those concerns to provide additional support. Responding to those concerns is completely within the supplementary question. Investigations are being undertaken and the Minister is being asked for some more information about them.

**The PRESIDENT:** Unfortunately, I do not have the supplementary question that the Hon. Anthony D'Adam asked. I thought that part of his supplementary question covered what the Hon. Walt Secord is now asking. I will allow the second supplementary question; it is up to the Minister how she wishes to answer it.

**The Hon. SARAH MITCHELL (Minister for Education and Early Childhood Learning) (12:58:23):** I am happy to advise the Hon. Walt Secord that the advice that I have is that teachers in schools are not investigated for filing incident reports.

### NEW SOUTH WALES NATIONAL TRUST HERITAGE AWARDS

**The Hon. TAYLOR MARTIN (12:58:45):** My question is addressed to the Leader of the Government as the Minister responsible for heritage. Will the Minister update the House on the achievements recognised at the recent National Trust Heritage Awards?

**The Hon. DON HARWIN (Special Minister of State, and Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts) (12:58:58):** Last Thursday at its first ever virtual New South Wales National Trust Heritage Awards ceremony, the National Trust of New South Wales recognised some outstanding projects and community groups in New South Wales. Supported by the Government, the annual awards provide a wonderful opportunity to showcase best practice and accomplishments in heritage conservation, education and advocacy across the State.

This year's theme was "Our heritage for the future" and, fittingly, there were a record number of nominations. In another first, this year saw the introduction of the inaugural Aboriginal Heritage award. I congratulate the joint winners: The Springs: an Aboriginal Journey, entered by Orange City Council; and the Yanama Budyari Gumada Collective. National Trust awards also recognise community leaders in heritage, with the Advocacy award recognising the extraordinary commitment of a community group which has pursued the protection and conservation of heritage. I am pleased to advise the House that this year's winner was the Roxy Theatre Action Group, which certainly championed a very worthwhile cause in Parramatta.

This year's awards saw a number of projects supported or funded by this Government recognised for exemplary heritage management, including the Sydney Opera House's John Coburn tapestries exhibition, which was highly commended under the Heritage Events, Exhibitions and Tours category; and also the Sydney Opera House's Yallamundi Rooms, which won the Continuing Tradition category. The installation of the passenger lift and the conservation of the Vulliamy clock at Hyde Park Barracks, led by Sydney Living Museums, were also highly commended. I thank everyone involved in this year's events for their passionate commitment to celebrating and preserving our State's heritage and I congratulate the National Trust for another successful yearly awards ceremony.

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

### STATE RECORDS

**The Hon. DON HARWIN (Special Minister of State, and Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts) (13:01:14):** At the beginning of question time I was asked by the Leader of the Opposition a question that was based, I presume, on a letter that Mr David Shoebridge received from the Executive Director of the NSW State Archives and Records Authority. I note that in the section of the letter that talks about working advice, Mr Lindsay makes it clear that the NSW State Archives and Records Authority is currently conducting its own assessment of the disposal of working advice notes. Until the conclusion of this process I am not able to provide an answer. I think that is somewhat at odds with the premise that the member based his question on.

For my part, I expect that all public offices comply with their obligations under the State Records Act 1998. That includes the offices of Cabinet Ministers, which are defined as a public office under the State Records Act 1998. In relation to the record-keeping practices of the Premier's office, as an assessment is currently being conducted by the State Archives and Records Authority, it would be inappropriate for me to comment specifically on that matter.

Later in question time the Hon. Penny Sharpe asked me a question. While I thought there was some ambiguity in it, I am happy to put this on the record. In relation to the question about the written answer I gave, I stand by my answer that any emails received or sent in the course of official duties, irrespective of what ministerial email account is used, should be managed within the obligations of the State Records Act 1998.

## ENERGY POLICY

**The Hon. DON HARWIN (Special Minister of State, and Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts) (13:03:30):** I have one brief comment in relation to the question that the Hon. Mark Latham asked—and I will still get him his supplementary answer. The electricity infrastructure road map which is leading to legislation that is coming forward was based on 120 large-scale generation projects that are already in the pipeline, totalling \$25 billion in potential investment, and all of that will be unleashed if this goes ahead.

**The Hon. Mark Latham:** Point of order: We are coming back to the same point. It is not ancient history; it is the new announcement of investment in the past 10 days. Why are they doing the plan if they have got all of this in the pipeline? Who has responded to the policy announcement to say, "We are in with extra money and extra projects", since it was announced 10 days ago? This is not answering the question at all.

**The PRESIDENT:** First, that is not a point of order. Secondly, the Hon. Mark Latham could ask that question when I ask if there are any supplementary questions for written answers, if he so desires. The Minister was being directly relevant to questions that were asked of him by giving further answers, which he is permitted to do. The Minister has the call.

**The Hon. DON HARWIN:** While I am perfectly happy to take the honourable member's question on notice, as I have said now twice, so that I can obtain that information, I am also bringing to the attention of the House that it is not just a matter of new projects being unleashed; it was the projects that could not go ahead that are already in the pipeline and are able to go ahead with this new road map that is being announced. The point I have just made is that Minister Kean's department has details of 120 of these projects that now can go ahead if this legislation is passed.

## MOBILE SPEED CAMERAS

**The Hon. DAMIEN TUDEHOPE (Minister for Finance and Small Business) (13:05:37):** Earlier today I was asked a question about the chronology for the removal of various speed cameras.

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

**The Hon. DAMIEN TUDEHOPE:** Just to give some further detail in relation to that question, the rollout of removal is starting today and will be completed within 12 months. My message is: Be warned.

### *Supplementary Questions for Written Answers*

## SCHOOL VIOLENCE

**The Hon. ANTHONY D'ADAM (13:06:36):** My supplementary question for written answer is in relation to my question to the Minister for Education and Early Childhood Learning. Will the Minister advise if any staff are being investigated for any code of conduct breaches in relation to the reporting of the incidents in the media?

## NATURAL RESOURCES COMMISSION

**Mr JUSTIN FIELD (13:07:03):** My supplementary question for written answer is directed to the Leader of the Government in relation to my question about the involvement of the Natural Resources Commission in forestry activities in burnt forests. Will the Government give an undertaking that the Natural Resources Commission's outcome from its review will be made public?

### *Questions Without Notice: Take Note*

## TAKE NOTE OF ANSWERS TO QUESTIONS

**The Hon. PENNY SHARPE:** I move:

That the House take note of answers to questions.

## MOBILE SPEED CAMERAS

## STATE RECORDS

**The Hon. PENNY SHARPE (13:08:11):** There are two aspects to take note of today. First, the clear repudiation in the answer of the Hon. Wes Fang when the Minister for Finance and Small Business indicated that the Government is not going to move from its changes around removing signs. The Minister was very clear in saying to the Hon. Wes Fang that his claims against the Government, the Liberal Party and the Minister for Transport and Roads, the member for Bega, Andrew Constance, are wrong. It is an interesting departure from what the Hon. Wes Fang has previously indicated in his very interesting press release, which I encourage members

to read. Former roads Ministers, and The Nationals in particular, have had a very longstanding policy in relation to signage and speed cameras and that seems to have been tossed out the window.

I was very interested that the Minister claims that this is all about safety and that this has got nothing to do with the 30 per cent hike in tolls and revenue from fines that the Government is looking at raking in this year. We will watch that closely and we will watch closely the ongoing relationship and management within the Coalition between The Nationals and the Liberal Party, particularly when members of The Nationals are calling the Minister for Transport and Roads a RINO—regional in name only. I add to this debate that The Nationals do not own every person who lives in regional New South Wales. The idea that they do is grossly offensive. Yet that is what we got from the Hon. Wes Fang, although I suspect that he did not write that press release himself and that it might have come from the Deputy Premier's office because it has some of that signature wording which we have got used to from the Deputy Premier.

I will be clear about the very tricky answer that the Hon. Don Harwin gave in relation to this State records matter. As this House has discussed at length, the shredding and deletion of documents and the use of private emails by Ministers across this Government are still very unclear. The Minister's answer suggests that everyone should be following their obligations but, as this House has demanded and continues to investigate and demand, it is clear that Ministers and this Government, including the Premier, are not following the State Records Act. The Minister tried to hide behind the letter around the investigation, but that is simply not correct. His office has provided an answer to me that I believe is not clear. We were seeking clarification today. Either those emails were kept or they were not, but we know that they were not because they were deleted by the Premier.

### MOBILE SPEED CAMERAS

**The Hon. ROD ROBERTS (13:10:50):** I take note of the answer given in relation to removing the signs for speed and mobile cameras. The cynical ones amongst us would say that it is purely revenue raising. I live by the motto that prevention is better than cure. If this Government were serious and in fact fair dinkum in its pursuit of its goal of towards zero, surely it would be putting up more signs? Mr President, this is a rhetorical question and I ask it of you: When you see a speed camera or a marked highway patrol car, what do you do?

**The Hon. Walt Secord:** You slow down.

**The Hon. ROD ROBERTS:** We all slow down. If we are not speeding, we still check our speed. If I were the Minister in charge, I would be putting up signs everywhere, even if there was not a camera. Because the moment someone sees the sign, they slow down. Is that not what we are trying to do? Does the Government not want people to slow down and not die on the roads? I am sure that is what the Government wants. I am sure it will work towards that.

**The Hon. Damien Tudehope:** Mobile phones.

**The Hon. ROD ROBERTS:** I am not talking about mobile phones; we are talking about cameras.

**The PRESIDENT:** Order! The member will direct his comments through the Chair. The Minister will cease interjecting.

**The Hon. ROD ROBERTS:** I apologise; it was in good banter. There is a need for more signs as we know from our life experience that they work. If we see a sign, we slow down. Any government that says it is taking signs down to decrease the road toll has lost its grip on reality.

### NEW SOUTH WALES NATIONAL TRUST HERITAGE AWARDS

**The Hon. LOU AMATO (13:12:38):** I take note of answers to questions by the Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts. The first ever virtual National Trust Heritage Awards ceremony, presented by Ms Fenella Kernebone, was held on 12 November 2020. The New South Wales Government, through the Heritage Council NSW, supports the annual festival and awards of the National Trust of Australia (NSW). This is a highlight in the annual heritage industry calendar and has been supported by the Government for 26 years. The National Trust received 131 entries for this year's awards. Of the highly commended project and winners, the Sydney Opera House and Sydney Living Museums are supported by Heritage NSW through grants and brokered outcomes led by the agency. The involvement of others with the New South Wales Government is also noted. The National Trust's media release lists the 2020 winners:

#### Aboriginal Heritage

- The Springs; an Aboriginal Journey – entered by Orange City Council
- Darug Caring-as-Country Project – entered by Yanama Budyari Gumada Collective

#### Adaptive Re-use



- Marrickville Library and Pavilion – entered by Inner West Council, GML Heritage, BVN
- Bulli Railway Guesthouse – entered by Resin Brewing

**Advocacy**

- Roxy Theatre Action Group – entered by the Roxy Theatre Action Group

**Conservation Built Heritage**

- Old Dromana Grain Silo – entered by NSW National Parks & Wildlife Service
- Leichhardt Town Hall – entered by Inner West Council
- James Street Bridge – entered by Sydney Trains, Aurecon, Abergeldie, Shreeji Consultant, Artisan of Stone

**Conservation Landscape**

- Mulloon Rehydration Initiative (Stage 1) – entered by the Mulloon Institute

**Conservation Interiors & Objects**

- State Theatre Conservation of Butterfly Room – entered by State Theatre, Urbis & International Conservation Services
- The Forgotten Works of Pixie O'Harris and Olaf Harris – entered by MidCoast Stories and Manning Regional Art Gallery

**Continuing Tradition**

- The Yallamundi Rooms, Sydney Opera House – entered by Sydney Opera House Trust, Tonkin Zulaikha Greer, Design 5 Architects & Patterson Building Group

**Education & Interpretation**

- Devoted Service, Anzac Memorial, Hyde Park – entered by The Trustees of the Anzac

**Memorial Building**

- Marrickville Library & Pavilion, Pateygarang Place – entered by Inner West Council

**Heritage Events, Exhibitions & Tours**

- The Stranger's Guide – entered by City of Sydney
- We open the line in 1979 – The ESR Turns 40! – entered by Sydney Trains, UBW, Art of Multimedia, Barocky Chocky, National Film and Sound Archive—

[Time expired.]

**MENTAL HEALTH SERVICES**

**The Hon. TARA MORIARTY (13:15:52):** I take note of some answers in relation to mental health provided today. One of the questions related to the mental health spend in the budget. The budget was such a missed opportunity by the New South Wales Government this year to spend money on mental health. This is not about dollar amounts; this is about rolling out programs that work. As I have said many times in this place, the Government has rolled out a number of great programs, but it is just tinkering around the edges with mini pilot projects. Even when they work and there is proof that they work, it will not expand them. There was a great opportunity to expand the Police, Ambulance and Clinical Early Response [PACER] program this year and for mental health experts to be placed in police stations all around the State, not just across Sydney and major metropolitan areas. I would have thought it a good opportunity for The Nationals and the Minister to have argued for more funding for mental health experts to be provided in police stations in regional New South Wales, because there are none.

This Government is not even scratching the surface with the school counsellor program, which we have been talking about all year, and providing the long-committed counsellors and mental health experts in every school in New South Wales. This has been a year of crisis. We are in a mental health crisis. Our kids are doing it tough. It would have been a great opportunity to properly invest in that program. We have not got the counsellors and the experts in the schools because there are not enough of them. Even if we were going to start investing in training up people now, it still would not be done in enough time to meet that commitment. One of the major announcements in relation to the budget this year was the 100 nurses to be placed in schools. That is great, but that will be 100 nurses spread across 2,200 public schools across New South Wales. It will only be rolled out over four years. It is not nearly enough for our kids who are already in crisis and struggling. It was a wasted opportunity to have done better.

**NATIVE FOREST LOGGING**

**Mr JUSTIN FIELD (13:17:52):** I take note of the answer today to my question about the growing dispute between the Forestry Corporation of New South Wales and the Environment Protection Authority [EPA] over the logging of burnt forest across the State. I have raised this issue in the House before. I was pleased to hear the

acknowledgement from the Government that the Natural Resources Commission [NRC] will now be engaged to work out what sort of logging, if any, is appropriate. Given the conditions of our forests and significant burning across the north and south coast, what forestry operations can be conducted without having significantly detrimental environmental and long-term impacts on wood supply in our forests? I look forward to seeing those terms of reference when they are finalised, and the final report. I remind members and the public of why we are here. New rules for burnt-forest logging were established through negotiation between the Forestry Corporation and the EPA as soon as March after the fires.

Soon after, the Forestry Corporation went into those forests and we saw immediate breaches of those rules, in particular, widespread breaches of the logging of habitat trees—which are critically important refuges for those animals that were able to survive the fires—after numerous community complaints. Community members were in there policing the rules of this State. The EPA finally acted. It issued stop-work notices on a number of sites, particularly on the South Coast. We saw a cessation of activities for a while.

Then there was a blow-up where the Forestry Corporation said, "We've had enough of these rules. It's too hard for us to manage. Even though we negotiated them, we can't comply and we don't intend to comply. We want to go into these additional sites without these specific burnt conditions rules." They basically threatened that they would. The EPA issued a public statement to say, "If you do, we think you'll be in breach of the Forestry Act 2012 and the requirements under the Act to conduct ecologically sustainable forest management practices." That is the dispute and it was a public dispute. There is finally some sort of resolution, which is a Natural Resources Commission review. I welcome that but I ask the Government to give an indication to the community that it will not allow the Forestry Corporation to go in under the pre-fire rules to any of the sites that they have been claiming.

They have been sending letters to neighbours of those State forests warning that they want to go in under the old rules. People will now be living under the threat of that sort of logging over the Christmas period unless the Government gives an indication that it will not let that happen until we have seen the outcome of the NRC review. That seems entirely reasonable. Businesses on the sheep track through South Brooman State Forest have the threat of their main access road being closed to allow logging operations over the Christmas break. Businesses that rely on traffic from tourists may not even be able to get through to their premises because of this sort of logging. It is an unacceptable situation. There is now evidence that there is a problem here. The NRC has been engaged, as is appropriate, but let us press pause until we see the outcome of that review.

## MENTAL HEALTH SERVICES

### SCHOOL COUNSELLORS

**The Hon. SAM FARRAWAY (13:20:55):** I take note of the answers given to my question today from the Minister for Mental Health, Regional Youth and Women on the mental health 2020 achievements. I am sure that all of us in this House can agree that 2020 has been a year like no other, so it was fantastic to see that the New South Wales Government is increasing its existing funding and also funding new initiatives right through 2020. This year started with the additional supports for those affected by bushfires and then the COVID-19 pandemic. The drought funding was extended and this week a record mental health budget allocation of \$2.4 billion for the 2020-21 financial year was announced.

I congratulate the Minister and the Government on recruiting so many additional mental health workers and upskilling additional volunteers, which has been a priority this year. That includes 28 farm gate counsellors, 36 mental health specialists employed across 12 police commands, 10,000 suicide prevention gatekeepers, 5,000 community pharmacists that are undergoing training and over 200 mental health workers in the community to respond to the COVID-19 pandemic. Suicide prevention has been the Premier's priority since well before 2020 and this Government has delivered \$87 million in investment in suicide prevention initiatives that are already saving lives. As I said in our last sitting week, every life that is lost to suicide is a tragedy and is one too many. Despite the adversities in 2020, New South Wales has not experienced a spike in suicides to date this year, which I think is a huge accomplishment for the Government and for everyone in New South Wales.

It has been a difficult year and I commend the Government for supporting the mental health of our communities every step of the way. While I have just a little bit of time, I also take note of an answer given by the Minister for Education and Early Childhood Learning to a question posed by those opposite around mental health nurses in schools. I think that it may have been the Deputy Leader of the Opposition who highlighted that only The Nationals seats were getting this commitment. That is simply not true. Just for a bit of fact-checking here, Deniliquin in the seat of Murray—and I can assure this House that Mrs Helen Dalton is certainly not a member of The Nationals, so the Deputy Leader's earlier interjection was completely inaccurate—and of course Tumut. The Hon. Mick Veitch is not here right now but he knows Tumut well. Tumut is held by Dr Joe McGirr, an Independent, so the interjection was completely inaccurate and I want that on the record.

### MOBILE SPEED CAMERAS

**The Hon. WALT SECORD (13:23:43):** I make a brief contribution to take note of answers. My comments relate mainly to revenue raising and speed camera signage. Everyone in this State wants safer roads and wants to see the road toll driven down. If the Government was sincere about cutting the road toll, it would put more signs up. I congratulate the Hon. Rod Roberts, a former police officer, for his contribution. He made many of the points that I wanted to make. The Government has given it away in the budget papers: \$651 million in fines this year and \$864 million next year, rising up to \$3 billion over the forward estimates. The press release was clearly written in the Deputy Premier's office. I have worked in a Premier's office and I know what happens in this kind of situation. You could just imagine it. They would talk amongst themselves and say, "Hey, I've written this press release. Why don't we get a fool to put their name to it and put it into the public arena?"

**The Hon. Damien Tudehope:** Point of order: To refer to another member as a fool or to other members as potentially a fool even if he does not identify the member, having prefaced the remarks by identifying the Hon. Wes Fang, is unparliamentary. I ask him to withdraw it.

**The Hon. WALT SECORD:** To the point of order: I was giving context about the years when I used to work in the Premier's office. I was referring to situations where we would create outlandish press releases and say, "Hey, why don't we get someone to put it out?" If the members in this Chamber want to point the finger at one of their own then that is a matter for them. But to suit the Chamber, if there is an offence then I withdraw. I conclude my remarks.

**The PRESIDENT:** The Hon. Walt Secord knew full well what he was doing and he knew full well that he was reflecting on a member. It could not have been more obvious. I ask the Hon. Walt Secord not to do so. To simply do so and then later say, "If I caused offence then I will withdraw it" is really not an appropriate way for an honourable member to be speaking at the lectern. I uphold the point of order.

### ENERGY POLICY

**The Hon. MARK LATHAM (13:26:11):** I take note of the answer given by the Leader of the Government on energy policy. It was a remarkable admission that this new policy that has been announced in the road map is adding to uncertainty in the industry. The Minister said that previous policies such as Snowy 2.0, the National Energy Guarantee and the Federal Government gas initiative paused the industry's investment plans. That is exactly what the industry complains about: ongoing uncertainty. This is a new form and source of uncertainty that is obviously a handbrake on investment. We know from the past 10 days that AGL in particular—but I can assure the House that other major power generating companies as well—is revising its plans to bring forward closure of the plants that provide 80 per cent of the New South Wales electricity supply on any given day. On the other side of the ledger, where are the companies with the new investment and new projects knocking down the door of the energy Minister? We heard about a list of 130 previously recorded projects, but this is supposed to be a policy bringing forward and drawing out tens of billions of dollars' worth of new investment in energy assets in New South Wales.

It is quite remarkable that a former energy Minister and the Leader of the Government in this place—someone who undoubtedly cheered this policy through in Cabinet—could not answer my question to say, "Since 10 days ago here are the new investors that have come forward. We're analysing their submissions. They're very excited about the project and the Government's policy. They will be delivering these assets and these billions of dollars' worth of new investment in New South Wales." The fact that it is all downside in the first 10 days sends a very important message around this Chamber, because it only gets worse from here. The big alarm bell that should be ringing is that there is an Auditor-General's report on the Aurora investment modelling that says that it is massively optimistic and inflated. I tried to get that with the call for papers under Standing Order 52 that members voted against.

**The Hon. Adam Searle:** But not us.

**The Hon. MARK LATHAM:** We could have got it. Your role in the call for papers will perhaps be articulated much more clearly in the debate about the bill, because I am afraid it is not completely honourable.

**The PRESIDENT:** Order! The Hon. Mark Latham will not reflect on another member.

**The Hon. MARK LATHAM:** That should be available and it would have been available at a committee, which was voted against. The other thing that would have been available at the committee is the old list of 130 projects. Are they valid? What stage are they at? What credibility do they have? How much investment do they add up to? Putting your head in the sand is no way to make policy. The most important thing for the New South Wales economy is this very simple proposition: keeping on the lights.

### OUT & ABOUT SCHEME

**The Hon. MATTHEW MASON-COX (13:29:20):** I take note of the answer from the Minister for Finance and Small Business to a question relating to the Out & About vouchers. They are a key part of the budget, which all members will debate later today. I wholeheartedly agree with the Minister on what a fine Treasurer we have and the State is in a fortunate position having a man of that calibre after the books, so to speak. We are also very fortunate to have a fine Minister for Finance and Small Business. I have no doubt that he was a very strong advocate for the vouchers during the Cabinet process, which are a cornerstone of the budget this year. The impact of those four \$25 vouchers will be huge when they are initially released in Sydney. All members know from walking around Sydney that COVID has dampened activity on the streets. That is a very serious issue. Indeed, the Government has encouraged public servants to come back to their offices so that they can spend money on lunch or on drinks or dinner after work.

The Minister has been a very keen supporter of the night-time economy. On occasion I have seen him at Toppi having a quality dinner. Perhaps the Minister could afford that indulgence again using the \$25 vouchers for an entree at Toppi, which brings me to the point that the Minister quite eloquently made about the multiplier effect. The entree at Toppi might cost \$25, but the main course will cost \$150, so straightaway there is the multiplier effect. We may spend significantly more than we otherwise might. That is a good thing for the night-time economy, in particular in Sydney and eventually across the State. A number of members come from regional centres. We very much look forward to the contribution that the vouchers will make to businesses that have been affected in those areas. I was very interested in the Minister's choice of music. The Rolling Stones is obviously a vintage classic. I thought that Brown Sugar might have been another option. I was stretched on the Rolling Stones front, though I did get to *You're so Vain*. The Hon. Walt Secord probably thinks this speech is about him. [*Time expired.*]

### SCHOOL VIOLENCE

**The Hon. ANTHONY D'ADAM (13:32:24):** I take note of the answer that the education Minister gave to my question. I have said before in this place that the Minister has not grappled with some of the very deep and substantive problems that exist in our schools. Rather than regurgitate the advice that is provided to her by the department, the Minister must get out to those schools and see them for herself. If I had seen those reports in *The Daily Telegraph* about schools in western Sydney, I would have been out there to see what was going on. Obviously staff have chosen to go to the media on some of those issues, but that is clearly a desperate plea from those staff. On the condition of anonymity, one member of staff said to the Telegraph that they hoped that something good would come from the media attention and that staff would be given more resources for schools across the State, but particularly in western Sydney.

Clearly, they are at their wits' end; they are at the end of their tether. That is the only way they can get a message about what they need through to those who have authority, including the department and the Minister. Staff need resources and authority to ensure they and their students are safe. That authority will be undermined by the approach that has been taken by the Minister on behaviour policy, which undermines authority in classrooms. It takes away from teachers and principals the tools that they need to maintain orderly learning environments in our public schools.

### WESTERN SYDNEY AEROTROPOLIS

**The Hon. PETER PRIMROSE (13:34:25):** I take note of a non-answer to my question on notice relating to the Western Sydney Aerotropolis. I propose to highlight two matters; in particular, the failure of the Minister to give any advice about the effect on the opening date of the airport.

**The PRESIDENT:** Order! Debate is interrupted to allow the Parliamentary Secretary to respond.

### TAKE NOTE OF ANSWERS TO QUESTIONS

**The Hon. SCOTT FARLOW (13:34:52):** Today the finance Minister referred to the Rolling Stones. If I was looking at the Opposition's question time strategy for today and trying to think of a Stones song, I would choose *I Can't Get No Satisfaction*, because that is what we got from the Opposition. Some 48 hours after the budget was handed down, the closest thing to a budget question that the Government received today was when the Hon. Daniel Mookhey invited the Minister for Finance and Small Business out on a date. He asked the Minister how he would use his Out & About vouchers when he takes him out. The Out & About vouchers were a fantastic announcement. Today the Government has shown that New South Wales is leading the way. This State is the gold standard when it comes to recovering from COVID.

The unemployment figures were announced today. The unemployment rate is 6.5 per cent in New South Wales, which lost more than 280,000 jobs due to COVID. The Government has already added 216,500 jobs, and

that is on top of the 671,700 jobs that have been added since 2011. We can do that again. Members on this side of the House are concentrating on that. Today we heard about Made in NSW from the arts Minister. That is another initiative that has added 400 more jobs and boosted \$58 million into our economy by securing programs and projects like *Pieces of Her*, which is a great Netflix show. That is something that members opposite wanted to decry and bemoan, but that program has created more jobs in New South Wales. That program has ensured that New South Wales leads the world in the recovery from COVID and gets people back to work.

The Out & About vouchers are a great initiative. There are four \$25 vouchers to be used in hospitality and entertainment venues. I had conversations with Luke Mangan earlier in the year when hospitality venues began opening up in March. That will help people who work in those venues as we face the further challenge of JobKeeper falling off. I would never have expected to hear that the finance Minister would head to Chauvel on Oxford Street, but I am sure that he and the Hon. Walt Secord can see a movie there and then he can have dinner with the Hon. Daniel Mookhey down the road.

Further support has been provided in the budget with \$125 million worth of free preschool until the end of 2021, as mentioned by the education Minister. In this time of trouble there is \$2.4 billion for the largest mental health budget that we have seen. That is certainly needed to support us through COVID. I will make one further short reflection. The arts Minister today mentioned the National Trust Heritage Awards and the advocacy award went to the Roxy Theatre Action Group. My neighbour is the president of that group and I assure the House that he advocates at every opportunity.

**The PRESIDENT:** Order! The time for debate has expired. The question is that the motion be agreed to.

**Motion agreed to.**

**The PRESIDENT:** I will now leave the chair. The House will resume at 3.00 p.m.

#### *Bills*

### **APPROPRIATION BILL 2020**

### **APPROPRIATION (PARLIAMENT) BILL 2020**

### **PAYROLL TAX AMENDMENT BILL 2020**

#### **First Reading**

**Bills received from the Legislative Assembly, and read a first time and ordered to be printed on motion by the Hon. Damien Tudehope.**

**The Hon. DAMIEN TUDEHOPE:** According to sessional order, I declare the bills to be urgent bills.

**The DEPUTY PRESIDENT (The Hon. Trevor Khan):** The question is that the bills be considered urgent bills.

**Declaration of urgency agreed to.**

**The Hon. DAMIEN TUDEHOPE:** I move:

That this debate be now adjourned until a later hour of the sitting.

**The Hon. ADAM SEARLE:** I move:

That the question be amended by omitting "a later hour of the sitting" and inserting instead "Friday 20 November 2020".

**The PRESIDENT:** The Hon. Damien Tudehope has moved that the bills be set down for a later hour of the sitting, to which the Hon. Adam Searle has moved an amendment. The question is that the amendment be agreed to.

**The House divided.**

Ayes .....18  
Noes .....20  
Majority.....2

#### **AYES**

Boyd  
Buttigieg (teller)  
D'Adam (teller)  
Donnelly  
Faehrmann

Graham  
Houssos  
Hurst  
Jackson  
Mookhey

Moselmane  
Primrose  
Searle  
Secord  
Sharpe

AYES		
Field	Moriarty	Shoebridge
NOES		
Amato	Franklin	Mitchell
Banasiak	Harwin	Nile
Borsak	Latham	Roberts
Cusack	Maclaren-Jones (teller)	Taylor
Fang	Mallard	Tudehope
Farlow	Martin	Ward
Farraway (teller)	Mason-Cox	
PAIRS		
Veitch		Khan

**Amendment negatived.**

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

**Motion agreed to.**

#### **BUSHFIRES LEGISLATION AMENDMENT BILL 2020**

##### **Messages**

**The PRESIDENT:** I report receipt of a message from the Legislative Assembly agreeing to the Legislative Council's amendments to the bill.

##### *Business of the House*

#### **POSTPONEMENT OF BUSINESS**

**The Hon. DAMIEN TUDEHOPE:** I move:

That Government business order of the day No. 1 be postponed until a later hour of the sitting.

**Motion agreed to.**

##### *Budget*

#### **BUDGET ESTIMATES AND RELATED PAPERS 2019-2020**

**Debate resumed from 18 June 2019.**

**The Hon. DON HARWIN (Special Minister of State, and Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts) (15:18:00):** In reply: I commend the motion to the House.

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

**Motion agreed to.**

##### *Business of the House*

#### **POSTPONEMENT OF BUSINESS**

**The Hon. DAMIEN TUDEHOPE:** I move:

That Government business orders of the day Nos 2 to 5 be postponed until a later hour.

**Motion agreed to.**

##### *Bills*

#### **LOCAL LAND SERVICES AMENDMENT (MISCELLANEOUS) BILL 2020**

##### **Second Reading Speech**

**The Hon. SARAH MITCHELL (Minister for Education and Early Childhood Learning) (15:19:11):** On behalf of the Hon. Bronnie Taylor: I move:

That this bill be now read a second time.

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

**Leave granted.**

I ask that this House not only consider but also support the Local Land Services Amendment (Miscellaneous) Bill 2020. Let us not be fooled by its rather innocuous title; it is not small and it is indeed no ordinary miscellaneous amendment bill. This bill is the result of an incredible amount of hard work and negotiations between The Nationals and the Liberal Party in this Government, between me, the Deputy Premier, the Acting Deputy Premier, the Minister for Planning and Public Spaces, Rob Stokes, the Premier and our respective offices and members of Parliament from all sides of the Coalition. At the outset, I thank Minister Stokes and Acting Deputy Premier Paul Toole for their efforts in ensuring the comprehensive solution that I am now asking the House to consider is the robust and balanced solution that both farmers and the people of New South Wales need.

Today I am refocusing the debate that has distracted and confused so many back to first principles. This bill, which would be better characterised as the Local Land Services decoupling bill, supports and strengthens the Local Land Services Act while ensuring that the State Environmental Planning Policy (Koala Habitat Protection) applies exactly where it is most needed. The Local Land Services Act, made for farmers after years of consultation with farmers, is the pre-eminent Act on rural regulated land. It is calibrated for farmers and for the active management of land for agriculture in this State. That must be defended—robustly, if necessary. This bill stops the unintended impacts of the koala habitat protection State environmental planning policy [SEPP] on farmers taking effect.

But it does not stop there. It also stops local councils from having the ability to block a landholder's right to conduct legal and authorised private and native forestry on their property. The bill also resolves a longstanding issue whereby farmers in environmental zones found themselves faced with abundant uncertainty over how they could continue farming once the environmental zone was in place. It does this by removing them from the planning system and putting them back in the Local Land Services Act tent. Today the amendments I am introducing to the Local Land Services Act, on the one hand, ensure farmers can continue to farm happily alongside koalas and, on the other hand, ensure any development applications consider koala habitat when, and if, that development involves the removal of native vegetation.

Many farms undergoing intensification require development applications and approvals. Examples would be the construction of large-scale operations like abattoirs or piggeries. This will not change. Similarly, many farm buildings fall within the scope of exempt and complying development due to the scale and the low-risk nature of the activity—for example, machinery and chemical sheds and stockyards. This too will not change. These exempt activities enabled by the planning system are comparable to what we call "allowable activities" on rural land contained in schedule 5A to the Local Land Services Act. These are low-risk, everyday farming activities that farmers are able to utilise without consent and without fear—they are tried, tested, useful and environmentally sound. Their consistent application across all agricultural operations across this State underpins the amendments contained in this bill.

Consistency and the standard application of allowable activities and the Local Land Services Act across all rural regulated land where agriculture is occurring is the key way the invisible hand of government stays out of the lives of farmers on a day-to-day basis.

We have codified farming to give surety. In return, farmers get on with the job of feeding and clothing this State. Our part as a government in this bargain is to protect and strengthen the framework. The LLS Act, regulation, codes and schedules are also the way we prevent farmers becoming lost in bureaucratic red and green tape. Any instrument or policy that undermines that will be rejected by farmers, by me as agriculture Minister and by this Government. The elements of the bill ensure this fundamental premise, and the manner in which we regulate agriculture are protected.

Briefly I turn to the State Environmental Planning Policy (Koala Habitat Protection) 2019 and its interaction with the Land Management Framework. There has been a State Environmental Planning Policy [SEPP] that protects koalas in this State since 1995. There is no question that after 25 years it needed updating. I have always been supportive of this mechanism for defending koala habitat in the face of a development application. This is where the new koala habitat protection SEPP needs to focus its efforts. Its application to rural regulated land and agriculture is utterly inappropriate, but also unnecessary.

The Land Management Framework and the private native forestry regulatory regime contained in parts 5A and 5B of the LLS Act were established in 2016 in the context of modern farming practices and knowledge about the impact of land management on threatened species, including koalas. The regime is not reductionist. It sees land management and farming as a whole, rather than a focus on just one species and one list of trees. This is because we consider how to farm in an ecologically sustainable way, while setting aside high value biodiversity areas when appropriate. No activity can be authorised under the LLS Act that would directly harm a threatened species, not just koalas alone.

It is worth noting here in some detail that the land management and private native forestry frameworks—the strong protections for threatened species and their habitat on agricultural land—are ground truthed on farm and are not simply an exercise in desktop guesswork. These protections include inspections for land management authorisations and to identify and preserve biodiversity; pre-planning and assessment, including consideration of threatened species records before approving private native forestry plans; permanent conservation of areas of high biodiversity value with the establishment of set asides in perpetuity for key components of the land management code, which includes consideration of landscape connectivity for threatened species; exclusion zones around threatened species records and riparian areas, and prohibitions in rainforest or old growth forest areas when conducting private native forestry; and provisions to ensure activities that are likely to harm threatened species cannot occur, coupled with one of the toughest penalty regimes anywhere in this country, with penalties of up to \$1.65 million or two years' imprisonment for harming a threatened species under the Biodiversity Conservation Act 2016. These important protections will remain in place and will not be impacted by the bill.

I also note that the compliance roles of the relevant agencies within the Department of Planning, Industry and Environment agency remain unchanged. On the other hand, a SEPP is a stop point for developers to make sure they are considering the impact of that development on a parcel of property. It is different horses for different courses, in my view, and this decoupling bill re-establishes the balance we can achieve when the right tool is used for the right activity in this State. The bill will help ensure that the Local Land Services Act 2013 continues to provide farmers with absolute certainty and security to invest in the long term while ensuring permanent land use change caused by urban development is, as appropriate, managed by the planning system.

Since the Land Management Framework commenced in August 2017 key elements of the reform and its underpinning legislation have been refined and amended to ensure the framework continues to support agricultural productivity while protecting important environmental assets. The amendments proposed in the bill have not come about suddenly. They have come from an assessment of almost three years of practical application of the Land Management Framework and after extensive public consultation on how best to reform the administration of private native forestry. The Koala SEPP, as it is commonly known, is an example of the identified problem of how practical application of one part of government regulation can clash with the practical application of another. The decoupling provisions in this bill address the problem caused by the interaction of the koala SEPP, environmental zones and the dual consent requirements currently attached to private native forestry with the Land Management Framework. The reforms come after a firm and frank discussion within our Government, and with people out in rural and regional New South Wales. The changes to the LLS Act in the bill are supported by the NSW Farmers Association and Timber NSW, as well as country MPs who recognise that this SEPP would have unintended operative impacts on agriculture and private native forestry.

I turn now to the amendments. The bill proposes six areas for reform to the Local Land Services Act 2013. Firstly, the amendments ensure the State Environmental Planning Policy (Koala Habitat Protection) remains focused solely on managing the permanent land use change brought about by urbanisation without duplicating the strong protections for threatened species and their habitat in the Local Land Services Act. The Local Land Services Act already limits planning legislation requiring authorisation for the clearing of native vegetation only on rural land. However, this intent is interrupted by some State environmental planning policies. The proposed amendments will ensure that rural landholders can consistently undertake routine low-risk infrastructure management activities under the current Land Management Framework.

This will be achieved by clarifying the limitations of planning instruments for clearing vegetation only under section 60P of the LLS Act and other minor amendments in associated sections of the Local Land Services Act to support this change. The change will ensure that rural landholders will not have to navigate a regulatory system that can see situations arise whereby to maintain a boundary fence in one paddock they need to use the planning system, while in another paddock they can use the allowable activities under the Local Land Services Act to do exactly the same activity. The amendments will deliver the original intent of New South Wales Government's land management and biodiversity conservation reforms by ensuring that our farmers can consistently undertake low-risk allowable activities on rural land while ensuring that the development authorisation triggers under planning legislation are maintained.

The second amendment this bill proposes is to ensure existing approved areas of core koala habitat under the previous State Environmental Planning Policy No. 44 – Koala Habitat Protection continue to be protected. This means that no current protections for established koala populations—the focus of the old SEPP—will be revoked. This will be achieved by amending section 60I of the Local Land Services Act to ensure that the existing koala plans of management in the Ballina, Coffs Harbour, Kempsey, Lismore and Port Stephens local government areas are recognised under the Land Management Framework. In addition to this specific recognition of koala protections, amendments are being proposed to section 60N to clarify offences under planning legislation and the Local Land Services Act's already robust unauthorised clearing penalties of up to \$5 million to ensure any illegal activities are caught by the appropriate framework.

Thirdly, the bill removes the dual consent requirements for private native forestry plans to ensure that Local Land Services is truly a one-stop shop for all landholders. This reform will remove the requirement for a landholder to obtain both a private native forestry plan and separate—and often duplicative—approval from their local council. This dual consent feature serves no purpose for either industry or councils. Private native forestry is a low-impact activity occurring rarely on agricultural land. It is not a form or permanent land use change. At present, a landholder could meet all the requirements to obtain a private native forestry approval with Local Land Services, but still have to obtain a separate and inconsistently administered approval from their local council. The current dual consent approval pathway means that a neighbour across a council boundary may actually be subject to completely different consent requirements from that respective council for the same activities in the same forest while undertaking private native forestry. In addition, some local government areas require development consent for forestry on land zoned for primary production while more intensive land uses, such as extensive agriculture, are permitted without consent. Those inconsistencies are a direct impediment to the private native forestry [PNF] industry, which is a highly sustainable industry underpinned by retention requirements for biodiversity.

This amending bill will also deliver on recommendation 7 of the 2014 Independent Biodiversity Legislation Review Panel's final report, which recommended that timber harvesting on private land not be regulated as a form of land-use change. This recommendation, along with 42 others, was accepted by the Government. I am proud to continue the process of implementing that watershed reform package. Fourthly, the bill will increase private native forestry plan approval periods from 15 to 30 years, obviously doubling the approval period. This reform serves two important purposes: It provides farmers with certainty and security to invest in long-term forest management and it helps to harmonise the private native forestry plan approvals with native hardwood regeneration periods. This amendment will also remove the perverse incentive for farmers to harvest before their forests reach environmental and commercial maturity.

Fifthly, the bill will provide the Minister administering the Forestry Act—the Minister with the responsibility in our forestry industry—a role in making the Private Native Forestry Codes of Practice. This recognises the importance of private native forestry in contributing to the New South Wales timber industry and the need to consider the whole forestry estate together. In making the Private Native Forestry Codes of Practice, the Minister for Agriculture and Western New South Wales will still be required to ensure that the PNF is conducted in accordance with the principles of ecologically sustainable forest management.

Finally, the bill will ensure that routine agricultural activities on existing agricultural land will not be impacted by the advent or introduction of planning instruments such as environmental zones. For years the impact of environmental zones on existing farmland has been a persistent and ongoing concern for farmers. On landholdings used for primary production or rural regulated land, low-risk activities provided for under section 5A of the Local Land Services Act 2013 for routine and established agriculture must be permitted rather than replaced by conditions provided by the planning system.

Current anomalies with both how the koala SEPP would have applied and what will now be redundant sections of the Local Land Services Act mean that farmland in an E zone is subject to the State Environmental Planning Policy (Vegetation in Non-Rural Areas) 2017, not the Local Land Services Act. As the name of the vegetation SEPP makes clear, it is designed to regulate native vegetation in non-rural areas—which are trees in peri-urban environments. It was never designed to consider native vegetation in the context of agriculture nor farming more broadly. Removal of this inconsistency is a major win for our farmers. This change is permanent owing to the amendments in the bill.



The change represents a true correction, getting the Government back to the principles of why we introduced the Local Land Services Act and the Land Management Framework in 2016 in the first place. This will be achieved by clarifying which parts of New South Wales allowable activities apply under section 60A and other minor amendments to the Local Land Services Act to support this change. This legislation is about consistency, simplicity and certainty for our State's farmers. The bill will ensure that low-risk management of native vegetation for routine agricultural activities associated with essential safety and infrastructure can continue in all environmental zones. These are the activities that most farmers use in the course of their everyday farming activities.

The Land Management (Native Vegetation) Code, used only for more substantive expansion activities, will not be available in these areas, which reflects an appropriate balance between ensuring existing agricultural activities are supported and protecting those areas that may require a greater level of environmental protection. I also state in the House the firm commitment on the record that the Minister for Planning and Public Spaces has made to this Government, to stakeholders and to members in the other place with regard to environmental zones and core koala habitat that there will be no ministerial direction at all requiring councils with koala plans of management to convert core koala habitat into an environmental zone. This commitment has been made in writing to concerned members of Parliament.

With the endorsement of the Minister for Planning and Public Spaces, I make this statement now in this second reading speech: There will be no ministerial direction requiring any local council to zone core koala habitat as an environmental zone—period. The Local Land Services Amendment (Miscellaneous) Bill 2020 will help to ensure that primary production is regulated consistently and fairly right across New South Wales, making it easier for the agriculture and forestry sectors to invest in the future. Government action now is essential to reduce regulatory burden and simplify the interaction between areas requiring additional environmental protection on rural land.

A slow undermining of farmers' rights and the Local Land Services Act, which is such a critical reform for farmers and this Government, will not be allowed to happen on our watch. The last time I introduced a bill into this House I stood in defence of a farmer's right to farm and their right to go about their business without being subject to on-farm invasions. I was proud to introduce the toughest raft of penalties anywhere in the country for this highly dangerous and disgusting trespass activity to which farmers were being subjected. I said then that I would be back with further reforms. This bill is one piece of the puzzle. It is a significant next step forward for farmers today by unscrambling some of the issues about how we regulate on-farm activities.

The bill will simplify interactions between the land management and private native forestry frameworks and the New South Wales planning system to reduce the regulatory burden on the industry and allow those involved, quite appropriately, to focus on what they do best—producing the food and fibre that is so vital for our economy and for the people we represent in this place. These amendments will help to deliver the Government's commitment to reduce red tape for primary and secondary agricultural producers and ensure that primary production is regulated uniformly across the State. The need for government action is clear. Updating the legislation that underpins farming by ring-fencing the Local Land Services Act will ensure that it remains fit for purpose to facilitate primary production now and into the future while still protecting our most important environmental assets.

These measures will help to ensure that New South Wales primary producers have the certainty and confidence to grow and to undertake long-term investment in their farms and forests for the benefit of rural and regional New South Wales communities. In concluding, I cite the former Minister for Primary Industries, Niall Blair, who introduced the Land Management Framework in cognate with the then Minister for the Environment, Mark Speakman. In Minister Blair's second reading speech in the other place he stated, when outlining the desperate need for the reform package, that the old native vegetation laws, which were being replaced by the Local Land Services Act:

... perpetrated a political narrative so divisive and destructive that it remains deeply entrenched today—wrongly, inappropriately and needlessly. It pits the city against the country, production against protection and natural resource sterilisation against sustainable use and development.

Today I continue the work that was started four years ago and bring to this House a bill that ensures this divisive discourse cannot once again take root and take hold in this State. Matters are always missed when large reforms take place. It is integral to my commission as the Minister for Agriculture and Western New South Wales in this State to remain vigilant in respect of those gaps, address any flaws, and elevate and strengthen regulations for farmers so that the regulations work for them and not against them. The amendments delivered by the bill will continue to embed a farmer's role as both our essential primary producers and our best environmentalists at the heart of government and at the heart of this State. I commend the bill to the House.

### Second Reading Debate

**The Hon. PENNY SHARPE (15:19:31):** I speak on behalf of the Labor Opposition on the Local Land Services Amendment (Miscellaneous) Bill 2020. Labor opposes this bill. The bill before us today is yet another in a long line of actions taken by this Government to dismantle environmental protections. This bill is not here on the basis of consultation, science or good process. The bill before us is the result of the chaos wreaked within The Nationals towards their senior Coalition partner and the weak capitulation of the New South Wales Liberal Party. It is a piecemeal compilation of various pieces of legislation to satisfy the fragile peace deal between the Coalition parties.

As members found out overnight, it is not clear whether the bill that is before us is the bill that was agreed to during Cabinet decision-making. The Liberal Party still has significant concerns about the bill. Koalas in New South Wales are living on borrowed time. There are fewer than 36,000 koalas left in the wild in New South Wales. Some estimate that could be as low as 20,000. Last summer's bushfires killed at least 5,000 koalas in just a few weeks and burnt out 75 per cent of their habitat. Without urgent action, koalas will be extinct in the wild in New South Wales by 2050.

**The DEPUTY PRESIDENT (The Hon. Trevor Khan):** Sorry, I just indicate that I have a list. The Hon. Penny Sharpe and Ms Cate Faehrmann are already on the list. If members wish to contribute to debate, it is appropriate that members do so in the order in which they appear on that list.

**The Hon. PENNY SHARPE:** Koalas join over 1,000 other plants and animals in New South Wales that are listed as endangered. Since 2016 the New South Wales Government has taken steps to update and improve the State Environmental Planning Policy (Koala Habitat Protection) 2019, known to most members as the Koala SEPP. The Government should be congratulated on that. Those modest changes came into force in March this year. During the development of the policy the Deputy Premier and his Nationals colleagues sat silently in the rooms where the policy was discussed and adopted after a lengthy process of scientific research and analysis and considerable community consultation. Instead of reading his briefs and working productively with his colleagues, the Leader of The Nationals decided to set the Coalition on fire and demand that the policy be changed or he would take his MPs to the crossbench. John Barilaro leaked, publicly traduced and made all sorts of accusations about his ministerial colleagues.

**The Hon. Sarah Mitchell:** Point of order: The honourable member is reflecting on the Deputy Premier in her contribution and that is not allowed.

**The Hon. PENNY SHARPE:** To the point of order: Wide latitude is given in second reading speeches and I am simply providing context on how the bill comes to be before the House today. Everything that I have said has already been reported and is on the public record.

**The DEPUTY PRESIDENT (The Hon. Trevor Khan):** I agree with everything that has been said, but the Hon. Penny Sharpe has reflected upon a member of the other House. The member should desist.

**The Hon. PENNY SHARPE:** The planning Minister was forced to write an extraordinary opinion piece in response. He said:

John Barilaro said a lot of things about the koala policy ... and most of them are untrue. My colleague in the NSW Government said farmers can't build a feed shed or a driveway on their property without a koala study. This is not the case. You can erect farm sheds, pour driveways, clear fence lines and engage in any routine agricultural practice that has occurred for generations without the need for development consent or a koala study.

...

Despite what's being said in the public arena, koala protection should not be about dividing our community between the city and the bush, between urban dwellers and country folk. Protecting the koala is protecting our shared identity as Australians.

...

This policy to protect koalas and their habitat was developed over several years on the basis of exhaustive scientific research and advice through a process of through community and parliamentary consultation.

It encourages councils to engage with landholders and farmers to prepare a plan to identify and manage koala habitat at the local level. How can Barilaro argue the policy is against the interests of regional people when it empowers regional councils to make local decisions for regional communities?

...

The fact is you can't save the koala and remove koala habitat at the same time ... So why on earth is Mr Barilaro trying to weaken koala laws – why now, why ever?

In the midst of the drama Minister Rob Stokes went as far as to leak the letter that he wrote to the Deputy Premier in which he outlined the issues that he was willing to further negotiate on and that he thought could be resolved. His efforts came to little, as the Deputy Premier wanted a headline, not an outcome. We are here today as a result of a temper tantrum from the National Party that took the Coalition to the brink. In scenes that we have not seen in this State, the Deputy Premier and Leader of The Nationals was deluded enough to think that he could take The Nationals to the crossbench but still keep his job as a Minister.

**The Hon. Sarah Mitchell:** Point of order: Again, the Hon. Penny Sharpe has reflected upon the Deputy Premier. Members are debating the Local Land Services (Amendment) Miscellaneous Amendment Bill. None of the information that the honourable member has provided in her contribution has anything to do with the bill.

**The DEPUTY PRESIDENT (The Hon. Trevor Khan):** The point now goes to the issue of wide latitude, rather than a reflection on a member of the other place. I do not believe that what has been said goes to the issue of a reflection on a member, unlike the previous comment from the Hon. Penny Sharpe. Therefore, the member is in order.

**The Hon. PENNY SHARPE:** At the time, the Premier did the right thing when she told the Deputy Premier in no uncertain terms that he could not sit on the crossbench and keep his job. He backed down and kept his job, but, of course, that was not the end of the matter. Desperate to get that infighting off the front pages, a deal has been struck. Today we have yet another bill that further weakens koala and other environmental protections in this State and it cannot be supported. The bill is a perverse compromise that undermines years of

work to use science and consultation with landholders and others to find the common ground that is necessary if we are serious about saving koalas in the wild across New South Wales.

The bill before the House was championed by the National Party but has little support in the Liberal Party. I noted with interest that not one Liberal Party member was in the Chamber for the debate in the other place. Not one Liberal Party member spoke—a silent strike. That was an absent and ultimately weak defiance of the deal that was agreed to as a result of the tantrums of the Liberal Party's junior Coalition partner. The bill is only here because the Liberals meekly walked down from their offices to vote for it. With the notable exception of the Hon. Catherine Cusack, that will likely happen here today. I turn now to the specific details of the bill. The Local Land Services Amendment (Miscellaneous) Bill 2020 removes the protections of the State Environmental Planning Policy (Koala Habitat Protection) 2019 to land described under parts 5A and 5B of the Local Land Services Act 2013.

**The DEPUTY PRESIDENT (The Hon. Trevor Khan):** Government members are entitled to chat, but not in the Chamber.

**The Hon. PENNY SHARPE:** The bill maintains the current protections that are in place under koala plans of management in Ballina, Coffs Harbour, Kempsey, Lismore and Port Stephens, but it limits other councils from drawing up those important land use protections under any other koala plans of management in the future. This change means that the chainsaws and bulldozers can come out with impunity. Given that there are already important existing exemptions for routine agricultural work, the greatest beneficiaries of this change are not farmers but developers. I note that the Minister in the other place was quite animated about this issue, but I remind the House that the only formal representation made by the Deputy Premier on this issue to the Minister for Planning was on behalf of Newcastle property developer Jeff McCloy.

The bill seeks to remove requirements imposed by other legislation for carrying out private native forestry that is authorised by a private native forestry plan under part 5B of the Act, including the requirement for development consent under the Environmental Planning and Assessment Act 1979. The bill also seeks to extend the maximum duration of private native forestry plans made under part 5B from 15 years to 30 years. The bill will require the Minister for Agriculture and Western New South Wales to consult with the Ministers administering part 7A of the Fisheries Management Act 1994 and the Forestry Act 2012 before making a private native forestry code of practice.

Labor is always willing to consider the changes and reforms needed that regulate private native forestry. This part of the bill proposes many changes to the private native forestry framework, including preventing local environmental plans from requiring development consent. Labor understands that there are difficulties for farmers and private native forestry operators operating across multiple local government areas. We also know that that extension of the forestry plans from 15 years to 30 years would bring New South Wales into line with all other jurisdictions and would assist with gaining Federal accreditation and certification to supply European and other Australian markets.

Our concern is that this change pre-empts the outcome of Local Land Services' own private native forestry review. Submissions closed on this in May this year and instead of a sensible detailed response we have some of those issues wedged into this bill. This bill also undermines the promises given by then Minister Speakman and Minister Blair who stated when they introduced the Biodiversity Conservation Act and the Local Land Services Act:

... the Government will also conduct a review of the new laws, supporting policies, program and funding within three years of implementation.

I understand that this review has begun, but we should not be making the changes suggested in this bill until it is complete. The land management framework under Local Land Services is critical to a sustainable and prosperous New South Wales. The warning bells are sounding about its failures, yet this Government is too distracted by infighting to seriously address the problems. In 2019 both the Audit Office and the Natural Resources Commission warned about problems with the land management framework. The Audit Office warned that the current land management framework established by this Government may not be responding adequately to environmental risks whilst also permitting landholders to improve agricultural activities. The report identified significant delays in compliance and enforcement to address unlawful clearing.

Separately, the Natural Resources Commission found that clearing rates have increased almost thirteenfold from an annual average rate of 2,700 hectares a year under the old laws to 38,000 hectares a year. This bill is yet another terrible example of a piecemeal approach that fails to tackle the serious issues impacting on land, water, soil, and the animals and plants that rely on the health of them to survive. Finally, this bill makes further provisions that will allow native vegetation clearing in certain circumstances on land that is used for agricultural purposes without the need for authorisation under other legislation.

These changes further weaken protections that seek to sustainably manage land and yet again they chip away at integrated land management across different land tenures. These changes are another gross overreach and put more nails in the coffins of our koala populations. We know that there are real concerns within the Coalition relating to the overreach of some of these provisions. We cannot manage our responsibilities not just to koalas but also to the over 1,000 endangered species across our State if we continue to carve out provisions that exempt the need to do proper assessments—assessments that measure the economic, social and environmental impact of these land-use changes. Labor certainly will not be supporting the changes presented here.

To come back to koalas, whether it was native vegetation laws that reduced land clearing, the creation of over one million hectares of new national parks, or the previously detailed koala recovery plans, Labor has spent decades trying to save our most iconic of species. These commitments have been hard fought for and they have been essential, but for those that are passionate about ensuring the future of wild koalas, we have to accept that these protections have not been enough. There are many significant threats for our koala populations—chlamydia, climate change, drought, extreme bushfires, contact with road infrastructure and the proximity to peri-urban areas—that have further reduced their population through being either run over or killed by dogs and other predators. We have a chlamydia-free and healthy koala population in Campbelltown. Locals estimate that 10 per cent of that koala population are run over and killed every year.

The threats that I have talked about are much harder for governments to respond to, but one thing that we and governments can do—the single biggest lever that government has—is through our planning system and the policies to protect koala habitat. Unfortunately, the past 10 years have seen habitat protection undermined more than it has been supported. The Liberal-Nationals Coalition has dismantled native vegetation protections, cut over \$100 million out of national parks, slowed the creation of new national parks to a snail's pace, built infrastructure through core koala habitat, reduced a once detailed koala recovery plan to a 10-page koala strategy and refused to build very basic infrastructure like underpasses in areas where koalas are being wiped out on the roads, such as in Campbelltown. The department of environment is no longer; it has now been subsumed into a mega cluster where too many scientists have been made redundant and too many experienced National Parks and Wildlife officers have left the service.

In the past few weeks the Government fast-tracked the destruction of core koala habitat for a quarry and will allow koalas to be bundled into hessian sacks to make way for a mine on prime agricultural land. Labor recognises that to save our most iconic species requires commitment, focus and partnership from all types of landholders. National parks, State forests, Crown lands, local government, farmers and other private landholders all have trees that provide the habitat that is vital for the survival of koalas. If members on all sides of the House do not come to grips with the challenges of preserving koala habitat in a way that genuinely includes farmers, local government, communities, public land managers and even developers, our koalas will be gone; it is as simple as that.

The bill before us will not protect koalas; it is a rushed, piecemeal piece of legislation that is nothing more than a sop to some in The Nationals who did not do their homework, did not pay attention when decisions were being made, undermined their colleagues and ultimately their own Government. This bill undermines the environment Minister's stated aim that he wants to see a doubling of koala numbers in New South Wales. He cannot double the numbers if he is going to more than halve the number of trees. I have spoken with many sincere Liberal and Nationals members who want to see this ambition realised. They do not want to see koalas become extinct on their watch, but it is a pity that so few are willing to step up today to oppose the bill. Labor opposes the bill and asks the rest of the House to do the same. In future generations our kids will ask us what we did to save koalas. We will all have to answer that question one way or another.

**Ms CATE FAEHRMANN (15:37:05):** On behalf The Greens I speak in opposition to the Local Land Services (Amendment) Miscellaneous Bill 2020. We are discussing this bill because of what was supposed to be a compromise position reached between The Nationals and the Liberal Party on a planning policy to protect koalas that was already pretty weak. A couple of months ago the Deputy Premier, John Barilaro, was basically holding the Government to ransom, urging it to wind back and stop what it was going to do around the koala State environmental planning policy [SEPP]. The Deputy Premier subsequently went on mental health leave. It is important to look at history to establish why we are debating this bill today.

The Minister for Agriculture and Western New South Wales, Adam Marshall, and the Acting Deputy Premier, Paul Toole, got together with the Premier and the Minister for Planning and Public Spaces, Rob Stokes, to come up with a compromise. A compromise is not what is before us today. This bill is definitely not a compromise when it comes to protecting koalas. It is important for us to take a few steps back and to think about where we were at the beginning of the year. Of course, all members in this place were distressed by what we had seen in the Black Summer bushfires. There were many conversations and speeches in this place about how devastating those fires were. Almost everybody, including most people from the other side of the Chamber, talked

about the devastation to potentially more than one billion animals and reptiles that were killed during the fires. In New South Wales 10,000 koalas were burnt and killed. The entire world looked at New South Wales and Australia and said, "What is the Government going to do now to ensure that koalas are protected going forward?" On 18 February the environment Minister said:

This season's significant bushfires have resulted in devastating losses to koala numbers across NSW, so it is imperative that remaining populations and habitat are protected ...

We saw people right across the globe donate millions of dollars to wildlife organisations and anybody who was holding up a koala at that time. We saw millions of dollars pumped into organisations to save the koala. We had a commitment by the environment Minister Matt Kean. I chaired the upper House Portfolio Committee No. 7 inquiry into koala populations and habitat, on which the Hon. Penny Sharpe and other members in the Chamber sat. The key finding, which has been used by many people and repeated across the country, is that without urgent Government intervention, particularly after the bushfires, koalas will become extinct in New South Wales before 2050 and that the main and most serious threat to the ongoing survival of koalas is the loss and fragmentation of their habitat.

Kudos to the Government: At the time Premier Gladys Berejiklian and the environment Minister came forward and said, "This is really serious. We want to do what we can. We do not want the koala to go extinct on our watch." The Premier said she wants to be the Premier who saves the koala. The environment Minister said he wants to be the environment Minister who doubles koala numbers by 2050, not who sees them become extinct. An essential part of that was to put in place a mechanism in the planning laws that enables koala habitat on rural and coastal land to be protected. Two-thirds of koalas are found on private land and only about 10 per cent of land in New South Wales is protected in the protected areas network. It is critical that we get it right in terms of protecting koalas.

So, what is our compromise bill? What did the agriculture Minister Adam Marshall come up with? I will read a little bit from the second reading speech; in fact, I will refer to it quite a bit because that is what lawmakers refer to when they look at the intent of the bill. They go back to the second reading speech for the entire time the bill is there. If you study law, you go to the Minister's second reading speech and ask: What was the purpose? How did the bill come about? How was it formed? Regarding the bill Minister Adam Marshall said:

Let us not be fooled by its rather innocuous title; it is not small and it is indeed no ordinary miscellaneous amendment bill. This bill is the result of an incredible amount of hard work and negotiations between The Nationals and the Liberal Party in this Government, between me, the Deputy Premier, the Acting Deputy Premier, the Minister for Planning and Public Spaces, Rob Stokes ...

Apparently there was a huge amount of negotiation between the Liberal Party and The Nationals Party. He continued:

At the outset, I thank Minister Stokes and Acting Deputy Premier Paul Toole for their efforts in ensuring the comprehensive solution that I am now asking the House to consider is the robust and balanced solution that both farmers and the people of New South Wales need.

If we fast-forward to a few weeks after the second reading speech, there has been a fair bit going on in the media over the past 24 hours about the bill before us. I remember very clearly the press conference that the Premier, Acting Deputy Premier Paul Toole, agriculture Minister Adam Marshall and planning Minister Rob Stokes had when the bill arrived and was published online. Where was the environment Minister in all of that? They gave a press conference talking about a fantastic compromise that would still protect koala habitat and that farmers were going to be happy about as well.

Lo and behold, we got the Local Land Services Amendment (Miscellaneous) Bill. I had a look at it and thought, "What is this?" Looking at the objects of the bill, it was clear to me straightaway. I did not have to delve through it looking for the details buried in the bill, because everything is quite clear in the objects of the bill. The Greens sent it off to the Environmental Defenders Office—whose opinion on these matters I take very seriously, as they are environmental lawyers—and other experts in this space. They came back and said very quickly, "Yes, it is pretty bad. It is shocking. There is so much in here that has nothing to do with koalas and the koala SEPP." But if you look at the media from today and overnight, Peter Hannam's article in *The Sydney Morning Herald* states:

Key Liberals, including Planning Minister Rob Stokes, only detected the additions buried within the legislation after it had passed the lower house with Coalition support.

Firstly, it is extraordinary that a bill of that scale and scope passed the lower House without a single Liberal Party Minister speaking to it. I have spoken to my Greens colleagues in the lower House about that and they assure me that it is unusual for a bill that clearly has impacts on environment and planning to not be addressed and spoken to by the Government.

It sailed through the lower House. Then we heard that there is devil in the detail, buried very deeply within the bill itself. In fact, this morning on 2GB Ray Hadley also stated that key Liberals, including planning Minister Rob Stokes, detected the additions buried within the legislation only after it had passed the lower House. Deputy Premier John Barilaro has rushed back in, trying to save what is apparently the agriculture Minister completely overstepping, overreaching and putting aside everything for which the NSW Farmers Association and the New South Wales timber industry have been calling for a couple of decades. Apparently the Liberal Party knew nothing about it; I know that some Liberal Party members, particularly in this Chamber, knew nothing about it and are clearly angry about what it contains.

The first object of the bill is to remove the application of the SEPP as it pertains to parts 5A and 5B of the Local Land Services Act 2013, which has to do with clearing and allowable activities, but it also relates to private native forestry, which I will address in much more detail later. The bill allows certain core koala habitats in only five local government areas, which it defines as Ballina, Coffs Harbour, Kempsey, Lismore and Port Stephens. It is freezing koala plans of management. The old SEPP was pretty bad and the new SEPP was going to be a bit better. The bill is basically saying, "We hate the SEPP so much that we are going to freeze what is there, and then everything else goes, because those pesky rules around koalas are so annoying and we want our way."

It was frozen on 6 October. Councils have draft koala plans of management that the planning department has been refusing to approve for so long, frustrating local councils like Tweed and Port Macquarie-Hastings, which I am sure Leslie Williams and Geoff Provest in the other place are not too happy about. All of that work has gone out the window. That is only the first object of the bill. That alone rings alarm bells. The Ministers in the other place should look at the objects of the bill when they negotiate about such a controversial issue.

The second object of the bill is about private native forestry. How did private native forestry come into the koala SEPP? During the crossbench briefing on the bill I questioned the agriculture Minister about what happened to the Private Native Forestry [PNF] Review. I asked him: What happened to the eight weeks of consultation earlier this year that councils were very concerned about and to which they made significant contributions? What happened to that? Apparently all that is in the bill. Apparently the bill also covers the PNF Review. But ultimately no public reporting and no consultation on that occurred, which is unusual. So, maybe alarm bells should ring about that.

The third object of the bill is to extend the maximum duration of private native forestry plans made under part 5B of the Act for 30 years. The Nationals throw that one in as well. So, 15 years of private native forestry plans are doubled. They are saying, "Let's try and get as much as we can while the Government is completely freaking out about this whole koala thing. We want it gone. We want it out of the way. Let's just throw that in as well and, hopefully, the Minister won't notice. I know, let's bury it in the objects on the front page of the bill. Maybe he won't notice."

The fourth object is to require the Minister for Agriculture and Western New South Wales to consult with the Minister administering part 7A of the Fisheries Management Act 1994. That relates to PNF as well. The fifth and final object is to allow native vegetation clearing in certain circumstances on land that is used for agricultural purposes without the need for authorisation under other legislation. That relates to the allowable activities in environmental zones. Basically they are saying, "As if the koala SEPP was not annoying enough for everybody, those environmental zones are also very annoying because they protect coastal rainforest, littoral rainforest and koala habitat, and we don't want any law stopping farmers building machinery sheds and stockyards in littoral rainforest." Those are the objects of the bill. One has to wonder what went on in Cabinet.

We do not know what the agreement was but we have been assured that it had to do with a few things in the koala SEPP. We know that the definition of "koala habitat" was changed. In the original guidelines around koala habitat in the original koala SEPP the change was that koala habitat would be defined as the presence of a koala. In fact, that is what the science said needed to happen. So, they had a huge change already. That change is significant: "The koala is in the tree. Oh well, it is not koala habitat, we can clear it and log it anyway". I do not buy what key figures in this Government are saying: That all this is The Nationals pulling a swiftie. Certainly some people, potentially within the Government, were blindsided by that. But it is extremely disappointing to see the Coalition Government appear to collaborate to rush legislation through the Parliament under the guise of what they call in the bill's title "miscellaneous" changes to the Local Land Services Act that have enormous implications for not only koalas but also for tens of thousands of hectares of threatened species habitat—core koala habitat—comprising key forest up and down the coast and in other parts of the State.

In his second reading speech the agriculture Minister said that the bill amending the Local Land Services Act has come about after years of consultation with farmers. Basically he said that the bill will make farmers very happy and that the key people with whom he consulted were the NSW Farmers Association and the timber industry. I will talk briefly about what the new koala SEPP was going to do. After speaking with the environment Minister, the planning Minister and various people in this place about what on earth this bill was about, we were

assured that it is okay because it tightens the definition of "koala habitat". That it is what we had been after for some time because it puts in 123 feed trees and that it is a great step because more koala habitat will be protected and expanded. But a new definition of "core koala habitat" is useless if it cannot be applied to where it is needed most. The bill expressly prohibits that. Every time we heard something else about the bill, you could almost hear the committee members who sat on the koala inquiry asking, "What? They have done what?"

After the year we have had, after the bushfires, after the inquiry finding that koalas will become extinct in New South Wales before 2050 without urgent Government intervention to prevent ongoing loss and fragmentation of koala habitat, the National Party has the gall to try to get away with this absolutely disgraceful bill. Perhaps that is fair enough, given The National Party's strong track record of being anti-environment. I would welcome any National Party member coming forward to explain how this bill is not an anti-environment bill. In fact, we heard a lot of that in the lower House and not a single member of the Liberals spoke in favour of this incredible compromise that The Nationals came up with.

To hear the agriculture Minister say in his second reading speech that he worked collaboratively with the Premier's office and with the planning Minister's office makes one wonder what the hell was going on with this legislation. After all of the fanfare and all of the promises, they booted out the environment Minister Matt Kean for having the gall to talk about doubling koala numbers. For goodness sake! They boot him out and say, "We will take over, there's nothing to see here. Go away, let's do this bill. Yeah, great, it sounds great, we will trust you"—maybe not—"we will work on it closely together and, fingers crossed, nobody notices, particularly those members of the koala inquiry who have done a fair bit of work on this in the last 12 months."

One thing that Government or National Party members say is that the koala SEPP does not need to apply to private land because already there is so much protection for koalas and so much protection for threatened species on private land. In fact, in his second reading speech, the agriculture Minister, Adam Marshall, said:

No activity can be authorised under the LLS Act that would directly harm a threatened species, not just koalas alone.

It is worth noting here in some detail that the land management and private native forestry frameworks—the strong protections for threatened species and their habitat on agricultural land—are ground truthed on farm and are not simply an exercise in desktop guesswork. In fact, not much at all occurs on private land. There is a very low likelihood of official records of threatened species data on rural properties because most have never been subject to a development application that would require an ecological assessment. In other words, they have not done the surveys. Threatened species data is a poor indicator of the presence or likely absence of threatened species. In looking to some of the submissions to the PNF review—which we should be in the middle of instead of introducing a bill that tries to wipe out some of that work—we find that the submission of the North East Forest Alliance stated:

While there are a variety of prescriptions required to be applied to mitigate impacts of PNF on threatened species they are only required to be applied to known records. There are few records of threatened species on private lands and no requirements to undertake pre-logging surveys, which means that in practice the locations of threatened species are rarely identified and the prescriptions rarely applied. There is effectively no protection for threatened species applied in the vast majority of PNF operations.

I want to focus a bit on private native forestry because it has been somewhat lost in this debate. The impacts of the bill on private native forestry will be huge. The fires wiped out millions of hectares of national park and State forest and a lot of timber was wiped out in the fires as well. The wood supply agreements, 80 per cent of which are Boral, still need to be met and they are increasingly being met from forest on private land. I have heard stories of private landholders around the Bellingen area—west of Bellingen and around the Kalang Headwaters—with incredible stands of forest and core koala habitat on their properties, who have been offered \$30,000 or \$40,000 by logging contractors to come in and take all the timber from their properties. For people who are doing it tough that is a lot of money.

But from what I have heard the logging contractors come in and flog the crap out of the land and the landholders are left with nothing. The \$30,000 or \$40,000 becomes \$7,000 or \$8,000 because the logging contractors say, "Sorry, the timber we thought was there was not really there." That is happening across the coast. Up and down the mid North Coast and the North Coast hundreds of thousands of hectares of private native forestry plans have been approved within which there is a lot of core koala habitat. The timber industry has been consulted on the bill and loves it because, lo and behold, if core koala habitat is not already mapped it ends up for grabs. The bill specifies that it applies only to a couple of councils that have those koala plans of management in place on 6 October—Ballina, Coffs and five others—and it freezes everybody else out. In his second reading speech the agriculture Minister said:

This amending bill will also deliver on recommendation 7 of the 2014 Independent Biodiversity Legislation Review Panel's final report, which recommended that timber harvesting on private land not be regulated as a form of land-use change.

That is a slight misrepresentation of what the independent panel said—and I am aware that the Minister is in the Chamber. The panel did not leave it there; it said that a review of PNF should look at:

... options for regulating sustainable forestry operations based on their scale and intensity rather than tenure, including options for permitting low-intensity operations on private land ...

Fair enough; there are a lot of landholders. I acknowledge that and I know some extremely conservation-minded people who grow timber and log it on their property. There is nothing wrong with that and it can be done sustainably. The panel said that should be done, "without the need for approval and a focus on outcomes rather than process". That is probably fair enough. But it also said that it should consider:

... a range of options for improving the environmental performance of haulage and harvest contractors operating on private and public land, including licensing and minimum standards.

The report does not say that timber harvesting on private land not be regulated, which is what the bill does. It did not say that at all. It said to maybe have a look at it where it is not intense and will not cause environmental problems, but there needs to be licensing and minimum standards because it can have huge environmental impacts. That is one thing. The bill before the House removes so many protections while we have three reviews underway into the land management and private native forestry framework. Stakeholders that were not consulted on the bill at this time include local councils and local government, yet the bill removes the dual consent provisions for private native forestry plans so that councils no longer have a say in private native forestry plans or operations in their local government areas.

I note the submission by Coffs Harbour City Council to the PNF review because, again, in the Minister's second reading speech he states that there is no real reason to have dual consent or for local councils to be involved in private native forestry operations because they have limited impact and do not really care about it all. In fact, a few local councillors have told me that they are distressed about the bill. The Coffs Harbour City Council submission states that in relation to private native forestry codes of protection, greater protections should be given to the protection of threatened species habitat. It wants more government oversight and more involvement in the private native forestry operations. Bellingen Shire Council again has a huge amount of private native forestry operation going on in its area.

The mayor, Dominic King, has spoken to me about the impact of those operations. Councils need to know whether logging operations will happen so that they can inform their communities. My questions to The Nationals members in the Chamber are: What consultations have they had with local councils on the bill? Have they had feedback from local government about removing the dual consent provisions in private native forestry lands? Have they consulted with councils about removing councils being able to have a say about what goes on in those sensitive environmental zones?

E zones on the far North Coast provide protection for thousands of hectares of forests, wetlands and wildlife habitats by setting core objectives for the purpose of the land. They restrict certain land use within those E zones. In recent years the Government has made it harder to classify land as environmental zones and land can only qualify as an E zone if it is home to listed littoral rainforest, listed coastal wetlands, listed endangered ecological communities and vegetation that has been over-cleared, or is a place of cultural significance to the local Aboriginal community. It is important to know that activities can already take place in E zones. It does not prohibit clearing from occurring; it just means that clearing needs to be appropriately authorised. In other words, clearing is regulated under the State Environmental Planning Policy (Vegetation in Non-Rural Areas). But this is what the agriculture Minister, Adam Marshall, had to say about it in his second reading speech:

Finally, the bill will ensure that routine agricultural activities on existing agricultural land will not be impacted by the advent or introduction of planning instruments such as environmental zones. For years the impact of environmental zones on existing farmland has been a persistent and ongoing concern for farmers.

I remind members that we are talking about the so-called compromise bill in relation to the koala SEPP. Again the details of all these snuck-in changes are buried deep in legislation. If only a few Liberal Ministers had been in the Chamber at the time of the agriculture Minister's speech or checked out *Hansard* the next day or, indeed, just looked at the objects of the bill, we might not have needed to be here today. Hopefully they would have woken up and stopped debate on the bill or called a long bell, sat down, went back into negotiations and looked at the detail. The Minister continues in his second reading speech:

Current anomalies with both how the koala SEPP would have applied and what will now be redundant sections of the Local Land Services Act mean that farmland in an E zone is subject to the State Environmental Planning Policy (Vegetation in Non-Rural Areas) 2017, not the Local Land Services Act. As the name of the vegetation SEPP makes clear, it is designed to regulate native vegetation in non-rural areas—which are trees in peri-urban environments. It was never designed to consider native vegetation in the context of agriculture nor farming more broadly. Removal of this inconsistency is a major win for our farmers. This change is permanent owing to the amendments in the bill.

I put this next paragraph on the record in this Chamber:

With the endorsement of the Minister for Planning and Public Spaces, I make this statement now in this second reading speech: There will be no ministerial direction requiring any local council to zone core koala habitat as an environmental zone—period. The Local Land Services Amendment (Miscellaneous) Bill 2020 will help to ensure that primary production is regulated consistently and fairly right across New South Wales, making it easier for the agriculture and forestry sectors to invest in the future.



This is not the miscellaneous compromise bill that has been tweaked a little to remove the fact that if a koala is found in a tree, it is not a core koala habitat. They already got that as a win. I think some of the scientists that appeared before the koala inquiry would have a bit to say about that. The planning Minister and the environment Minister assured us that that was the scientific definition. I do not know how one can have scientific definition of "core koala habitat" if one says that it is not a core koala habitat if a koala is not there. But that was a very big compromise for The Nationals already.

During debate in this place on the Shooters, Fishers and Farmers Party bill—which tried to do something similar but went a little further—on the day that the Minister's bill was second read in the other place, the Hon. Ben Franklin quoted the Hon. Mark Banasiak. He basically said that Sydney-based greenies should keep their noses out of any affairs in the bush. Pretty much everybody cares about koalas. Maybe a few people in The Nationals call them and think of them as "tree rats", but pretty much everybody I speak to right across New South Wales cares. In fact, people call my office and every office from across the country and, indeed, the world. More than 10,000 emails were sent on a single day, crashing the server. I do not think I have seen more emails on an issue. It is koalas, for goodness sake; we are talking about koalas. It is not a city-based greenie issue; this is an Australian issue. This is our national icon and the most loved animal not just in Australia but also the world. It wins so many contests and surveys as the most loved animal.

I have a little sparkly koala brooch on my collar today. It was given to me at a "save our koalas" rally by a seven-year-old girl who took the brooch off and gave it to me. She wanted me to have it. I said, "No, you have to have it. It is your brooch." She said that she wanted me to be in the Chamber and asked me to save the koalas. I said that I would be in the House fighting for koalas, as so many members in this place are doing. I think there are a few people on the other side who probably care about koalas just as much as I do. I know that a lot of other people in this place do. I am looking forward to hearing their contribution later. This is the House of review. Thank goodness this House is here. The lower House did a pretty shocking job of this bill. This bill was apparently the compromise. It said, "It is all fine. Let us leave it to The Nationals and the agriculture Minister to come up with the bill and fix it."

Now we are apparently leaving it to John Barilaro to come and fix it as well, which is all very strange and ironic. But hopefully this House will fix it tonight. We are going to either reject this bill or amend it to the point that it probably will not be supported. Maybe we will refer the bill to an inquiry and be able to expose it and all of its intentions, the intentions of the Government and just what an absolute shocker it is. In the long run, this place will hopefully live up to the promises made by the environment Minister and the Premier that they will be the Government to save koalas. This koala-killing bill needs to be killed—not koalas.

**Reverend the Hon. FRED NILE (16:17:18):** On behalf of the Christian Democratic Party I support the Local Land Services (Amendment) Miscellaneous Bill 2020, which states:

The objects of this Bill are as follows—

- (a) to remove the application of *State Environmental Planning Policy (Koala Habitat Protection) 2019* to land to which Parts 5A and 5B of the *Local Land Services Act 2013* (**the Act**) apply, while preserving the application of *State Environmental Planning Policy No 44—Koala Habitat Protection* to certain core koala habitats in the local government areas of Ballina, Coffs Harbour, Kempsey, Lismore and Port Stephens—

which is a very positive matter—

- (b) to remove requirements imposed by other legislation, including the requirement for development consent under the *Environmental Planning and Assessment Act 1979*, in relation to carrying out private native forestry that is authorised by a private native forestry plan under Part 5B of the Act,
- (c) to extend the maximum duration of private native forestry plans made under Part 5B of the Act to 30 years,
- (d) to require the Minister for Agriculture and Western New South Wales to consult with the Minister administering Part 7A of the *Fisheries Management Act 1994* and the Minister administering the *Forestry Act 2012* before making a private native forestry code of practice,
- (e) to allow native vegetation clearing in certain circumstances on land that is used for agricultural purposes without the need for authorisation under other legislation.

Like other members of this House I have a great love and attraction for our koalas. I will do all that I can to ensure—as we are doing in this legislation—that we protect particularly those major areas of habitat in Ballina, Coffs Harbour, Kempsey, Lismore and Port Stephens.

The legislation will ensure that the local State Environmental Planning Policy (Koala Habitat Protection) 2019 does not apply to parts 5A and 5B of the Act by decoupling the Local Land Services Act 2013 from the instrument. It will protect core koala habitats in the five existing approved koala plans of management in the local government areas that I have already mentioned—Ballina, Coffs Harbour, Kempsey, Lismore and Port Stephens—as currently defined by the State Environmental Planning Policy (Koala Habitat Protection) 2019. The

legislation will remove dual consent requirements in respect of local government and lengthen the plan approval periods for 30 years.

It will provide the Minister administering the Forestry Act 2012 with a consultative role in preparing and amending the codes. It will ensure that the allowable activities set out under schedule 5A of the Act are applied to existing agricultural practices on rural regulated land that is also subject to additional planning instruments, such as e-zones. I am pleased to support this legislation. Previous speakers have spent a great deal of time telling us what they think is in the minds of various people. We should stick to facts: to what is in the legislation rather than hypotheticals. It is not a hypothetical exercise; it is legislation in black and white. I am pleased to support the bill.

**The Hon. CATHERINE CUSACK (16:22:52):** A hundred years ago the New South Wales Government supported a thriving primary industry in the name of jobs, property rights, economic growth and revenues to the public purse. The industry operated across all States and involved the slaughter of well over 8 million koalas and the export of their furs, mainly to the United Kingdom. At least 4 million koala pelts were sent to the USA, and trade only ceased when the American Secretary of Commerce signed an order prohibiting further imports. How embarrassing. The koalas were hunted to functional extinction in South Australia. Well-intentioned conservationists alarmed by the losses relocated several koalas to Kangaroo Island, which had never before had koalas. This created a new environmental disaster on the fragile environment of that island that is still being mitigated today. In Victoria it is estimated that hunting continued until barely 1,000 koalas were left, and the Australia Koala Foundation estimates that fewer than 500 were left alive in New South Wales.

After that the slaughter moved north to Queensland, where a month-long event known as "Black August" in 1927 saw more than 800,000 koalas killed. We have made so many mistakes. The koala fur traders that profited from their pelts are all dead and gone, but the impacts of what they did are with us today. One day all of us here in this Chamber will be dead and gone, but the impacts of what we decide today will last forever. I do not want this Government or this Parliament to be remembered for a massive policy error, added to the very long list of errors that we have already been making for more than a century—particularly when everyone from scientists to councils to passionate communities are telling us so clearly that this is not what they want.

It is safe to say that in my own North Coast region, fragile koala numbers have declined significantly. We know that the region lost an estimated 71 per cent of its already endangered koalas during the Black Summer fires. Our koalas are in so much trouble. The plight of koalas is really well understood by my community, and indeed by the whole world, which donated tens of millions of dollars in a stunning act of generosity to funds established specifically help koalas. My community is incredibly distressed by this legislation. In all of the communications sent to me on this issue, I have not had a single person ask me to vote for this bill—not one. I cannot find a constituency for this legislation. All I can find is enormous distress and mistrust. The Minister's second reading speech referring to a promise by the Minister for Planning and Public Spaces not to proclaim any more environmental lands was a huge shock to me personally. It was really hard for me to process as a lifelong Liberal.

There have been other events over the years, like the construction of the Pacific Motorway, which have significantly impacted our koalas. In particular the Wardell koala colony, the last healthy community in my own Ballina Shire, was hit by the rerouting of the Pacific Motorway in order to bypass Wardell and avoid impacting cane farms. This colony inhabits the Blackall Range, which on top of everything else was also burnt during the Black Summer fires. I have really tried throughout my time in Parliament to protect koalas. I wrote the environment policy for the 2011 election and prioritised a review of the State's koala recovery plan, which was hopelessly out of date. I secured funding through those processes, and that was part of our commitment. I tried for the Blackhall Range koala community. I lost faith in Federal protections in the process, so I am fully aware that there is no Federal backstop if this bill passes today.

That issue and its outcome have been really significant in how I have arrived at my position today, because all of the fine words explaining how much Roads and Maritime Services and others care about koalas were for nothing. I no longer have any confidence in fine words. I just have to process what is on the table in front of me. I was not party to the processes that brought this bill to the House. I cannot be held accountable and nor can I have any faith in that process, which has zero to do with protecting koalas. It is to try to patch-up a political disagreement. I would dearly love to see that solved, but it is just too costly if it comes at the expense of koalas. Far too many mistakes have been made already, many buried in regulatory complexity. But the trends, the science and the outcomes are very clear. We are failing, and this bill cannot possibly assist. It can only make matters worse. Now is not the time to be selling out our koalas. I made a Christmas donation to Lismore Friends of the Koala. Beyond that, I do not think that I have achieved anything for them at all.

I admit that this bill brings to the surface many disappointments. Nine years ago I thought that there was a lot of hope and promise for the environment. But this has brought me to a tipping point because of the reframing of policy that began with catchment management authorities being removed from the Environment portfolio and

handed to the primary industries Minister by former Premier Barry O'Farrell. Those disappointments have of course had to be endured for the sake of loyalty. But as members are aware, the shock of what happened to the portfolio and the incremental stripping away of protections from Environment and Planning and into a Primary Industry framework have been very difficult to swallow—particularly since the models that we have been dismantling were set up by the Liberal Party and The Nationals during the Greiner years. It is our own good work that we have been undoing.

There is no question that the vision of the Greiner years was excellent and reflected the core principles of the Liberal Party and The Nationals: Holistic landscape management and working cooperatively with invested stakeholders—by which I mean farmers, forestry, councils and communities—to improve water quality, educate, fund environmental rehabilitation projects, plan for the future and protect endangered species. The model was taken up across Australia and strengthened during Labor years. But the issues that crept in concerned land clearing laws and the reform of forestry, which the Carr Government funded by destroying the Greiner Government's \$80 million environmental education trust fund. That was another mistake.

The conflict between invested stakeholders and the Government escalated during those Labor years, and compliance activities were in desperate need of reform. In fact, I argued in opposition to Catchment Management Authorities [CMAs], which had the knowledge and on-the-ground relationships to undertake some of the regulatory roles that were undertaken by the Environment Protection Authority [EPA]. Ironically, that idea is embedded in the bill, but with a fatal difference: The CMAs were all transferred to the Primary Industries portfolio, so the whole context of the regulation is now deeply flawed.

Those changes have gone far enough, and today is the day to say so. I will refer briefly to koala plans of management. They are a bit complicated, but suffice to say they are the work of councils and passionate communities. They are prepared at the request of the Government, but very few have been approved. Indeed, many have sat in the planning Minister's in-tray since 2015, when approvals were put on hold so that the new State environmental planning policy [SEPP] could be finalised. It has taken five years and finally the SEPP has been finalised, but the bill derails that Copeland process by specifying that some can apply—and those are listed in the bill—to rural lands but not to others.

I find it ludicrous that the bill defines by name those shires whose plans are preserved. If you are lucky to be on that list, you are in, but if you are not on that list, it is just bad luck. That includes councils in Byron, Tweed and Nambucca. I have been told that Campbelltown's Comprehensive Koala Plan of Management has been approved but is not listed in the legislation. What are we saying to people? It is incredible to me that the Government could do that to those communities. Those people have worked so hard and have invested so much in a framework that has consensus understanding about what we are trying to achieve. The bill has come as a great shock to everybody and it is too much for them to absorb. For that reason alone the bill inspires no trust or faith in the community at all.

I have received assurances that the bill is not as bad as it looks and that it will be amended and improved, but the problem is that I have to deal with what is on the table before me, and the risk is too high to rely on those assurances. I have done that in the past and I have felt foolish for doing so. Mention has been made of the departure of the bill from the Cabinet decision, which I find shocking. I feel for my colleagues, including Ministers, who voted for the bill in the other place, believing incorrectly it had been approved by Cabinet. Truly, I have not encountered such poor integrity of processes, which all members have no choice but to trust and rely upon. My faith in those processes has been shattered. I have friends in Cabinet, and they are great Liberals with whom I have worked for decades. My position on the bill today inflicts enormous harm on those relationships. I cannot say how sad and sorry I am for that.

I apologise to the Premier, to my party and to our Coalition partners. I believe they are all good people. The damage that is inflicted by the bill is not what they wanted or intended, but the flawed processes means that that is what has been delivered. I believe in my heart that what I am doing today will assist the Government. The Premier, the planning Minister and the environment Minister could not have tried harder to ask me to support the bill. They should not be blamed for the fallout from today. I hope we can stop yelling at each other, work like adults for our communities and listen to each other and create consensus where there is chaos. I do not think that is a fairytale; I believe it is achievable if we leave ourselves out of the policy and go with the science and the facts.

I will make mention of Glen Turner, an inspector who lost his life in a shocking event. All members have a responsibility to honour him and to respect the sacrifice that he made. One person's humble career on the floor of Parliament is insignificant compared with what occurred in that incident. I acknowledge Glen and I thank him and his family. I will move an amendment to the bill in the earnest belief that a more transparent process will assist the bill, the Government and the community to come together in the great cause of saving our koalas. There is nothing to fear from an all-party inquiry, and there is much to be gained from inspiring confidence in the community. I thank the House for the opportunity to put my thoughts on record. I move:

That the question be amended by omitting "be now read a second time" and inserting instead "be referred to Portfolio Committee No. 7 - Planning and Environment for inquiry and report".

**The Hon. JOHN GRAHAM (16:35:07):** I thank the Hon. Catherine Cusack for her contribution to debate on the Local Land Services (Amendment) Miscellaneous Bill 2020. There has been a very visible dispute in the Government. Members in the Chamber may agree or disagree with the position that the member has put, but everyone would respect what a challenge it is to put a strongly felt position on that divisive issue in the way that she has. I thank the member for doing that; the Chamber is better for it as a result. I put on the record that her contribution reflects some of the concerns of the Opposition.

I will single out the three main concerns. First, the Opposition is concerned that a massive policy error might be made in the bill. Secondly, the impact on the North Coast weighs very heavily. It is true that in a place like the North Coast of New South Wales there are more fragmented properties. There are fewer public reservations on the North Coast because it has largely been settled. The bill impacts heavily on, and is very out of step with, the views of those communities. Thirdly, the Opposition is concerned about the creeping context and the Government's shifting position on land clearing and reservation policy. The Opposition is very concerned about that.

The Hon. Catherine Cusack put those points well. I will now make my own contribution to the bill, but that is the context. The bill does not exist in a vacuum; it exists against a backdrop of increased land clearing and the protections that were in place that have now been swept away. The Hon. Penny Sharpe talked about the thirteenfold increase in land clearing and the lack of reservations under the Government. The current environment Minister has been very enthusiastic, as he is on many fronts and as members of the House would be deeply aware. The Minister has a goal of 200,000 hectares of reservations and he is off and running on those. However, often they are not in the heavily conflicted areas, such as the coastal parts of the State, but they are in the far north-west of the State. For example, the biggest reservation that he has announced is near Tibooburra. I have been to Tibooburra and I did not see a koala. While that is laudable and I encourage the Minister in his enthusiasm, that will not resolve the issues that we are dealing with.

The truth is that there is no easy way through those issues of land use conflict. I will provide a second piece of context around the motivation behind the bill. Labor is concerned that it is about the developers let loose in the Government. The only correspondence that the Deputy Premier forwarded to the planning Minister was from Jeff McCloy, the walking ATM. I still recall the brown paper bag birthday cake with the hundred-dollar bills spilling out of it. He has been on the typewriter to the Deputy Premier and those concerns were passed on. The Deputy President, the Hon. Taylor Martin, should not ask the Opposition about that; he should ask the planning Minister. The planning Minister put forward those concerns about developers driving the agenda, and it was not only developers from outside the Parliament. The member for Coffs Harbour was reportedly wandering around Parliament with a map, indicating where koalas were in relation to one of his properties. I hope he declared his interest. It is a planning Minister's worst nightmare to have a member of Parliament wandering the halls of this place with a map.

**The Hon. Bronnie Taylor:** Point of order: I remind the member about casting aspersions on members of this place or the other place, which is exactly what he is doing. He is making imputations that are most unparliamentary and completely unfounded.

**The Hon. Penny Sharpe:** To the point of order: I was listening very carefully to what the Hon. John Graham was saying. He is not making imputations relating to the member for Coffs Harbour; he is warning of issues associated with the way in which the process has come before the House. He has not made imputations. He chose his words extremely carefully. The Hon. John Graham is in order.

**The Hon. Bronnie Taylor:** Further to the point of order: He may have chosen his words carefully, but the insinuation and imputation was completely evident. I ask that he be called to order and that he withdraw those comments.

**The Hon. Penny Sharpe:** Further to the point of order: It is a big step for the Hon. Bronnie Taylor to go from suggesting there is an imputation, which we dispute, to then suggesting that it is so offensive that it must be withdrawn. A wide latitude is given in second reading speeches. The Hon. John Graham is absolutely entitled to say what he has said in the way he has said them. The idea that he would withdraw his comments is ridiculous.

**The DEPUTY PRESIDENT (The Hon. Taylor Martin):** I have listened to both sides who have put multiple rebuttals to the point of order. The Hon. John Graham was straying quite far from the content of the bill. I bring him back to the content of the bill and ask him to refrain from telling stories of what might go on in the corridors with members of the other place.

**The Hon. JOHN GRAHAM:** This is what we would like to see when it comes matters of policy and the State. Firstly, I am unashamedly in favour of New South Wales being a resource State. We should not back away from that history. That is where we start and that includes forestry resources. I do not want us just to be a resource State though. We have to rise above that and build on that history. In order to do that, it is very important to reserve areas of public land, as we have, to protect areas of private land. I want to see people being able to access those as well. Those are all important values.

Some of the most remarkable things about our State are its protected public reserves. The scale of them and the fact that so many are on the coast and near waterways is remarkable. The city and State is different to many other places around the world because of that legacy. We want to protect and build on it. Part of that context is the real potential, as we will touch on in the energy debate. The way the carbon framework around the world values those things, potentially even more down the track, has massive potential for our State.

As international frameworks change, I encourage members to read Ross Garnaut's views about how we value carbon stored in the land in forestry, which has massive potential for the economic development of our State. It is all good news and is part of an optimistic view about where we might go from our history of being a resource State being the most special part about it to a future that values those things and values what farmers, forestry plantations and private land can do in that future. Of course, it all has to be based on a respectful discussion that values the work of farmers and says that forestry workers and mill workers are doing honest work. It is hard, honest work. A respectful discussion will enable us to build on our past and navigate issues in the future.

We are so far from that with the bill. We are so far from that world, which is possible. The bill heads in the opposite direction. I am concerned that that is the case because of the culture of the Government: the developers are out in force, the tipsy developers wandering through the Premier's office, the developers housed in the pub at Taree are part of the fundraiser and the walking ATM back on the typewriter. That is the culture of the Government. Our concern, and the planning Minister's concern, is that that culture is driving the bill. Secondly, members have been critical about the maps and how some of the aerial surveillance is regulated. There are real concerns with how that is working.

My concern there is that the system has not been resourced properly to settle those questions. Of course, the way to settle questions is with science, but the science to proof the maps is not there if the money is not there or to ground-truth what is going on. That is what is falling over: the decline in the funding for the regulatory agencies. The loss of skills as people lose hope and leave the regulatory agencies is killing our ability to be settle those issues through science. That is bad for everyone. That is bad for anyone who wants to see a result in the area. The best bit of the Hon. Catherine Cusack's speech was when she described the koala plans of management as a little bit complicated—not a truer word could have been spoken. It is complicated if we are going to regulate it properly.

Finally, I want to talk about the consequences. Members have been clear that the situation is very bad for koalas. Koalas will be extinct by 2050 if we do not get it right. We are heading in the wrong direction, but my concern about the past few years—but more than anything, about this bill—is that we are heading back to the forest wars. That is bad for everyone. That is not where members of the Government want to go because it is drawing the attention of environmental activists across the State and country who, frankly, were concerned about climate change and tackling that issue. They are being drawn back to New South Wales and the natural resource policies of the Government because of what is going on. The Government is drawing the attention of those activists and legislators. It is drawing the attention of this House, the Opposition and the crossbench. The issue is becoming more and more controversial. It is drawing the attention of the community, not only in Australia but also around the world, and that attention is not going to go away.

As the Hon. Catherine Cusack said, the bill is dragging us back to a time before the Greiner years. We had been moving towards consensus on some of those issues over Labor and Liberal governments, but the conflict is gearing up because of the approach. It is not just this bill; it is the other context I talked about. The bill is clearly drawing the attention. That is bad for farmers, forestry workers, environmentalists and regional communities. That is the problem if we gear up that conflict. Those issues rely on trust, faith and an understanding that we can work together. There is an optimistic path but the bill is so far from it. That is the Opposition's concern. I am glad that the Hon. Catherine Cusack mentioned Glen Turner and his family. He paid the price for one of those conflicts, which is what happens when we let loose those conflicts across the State. We should act very carefully and the Opposition will try to do that. The real fear is that the forest wars that the State has suffered over decades will really set us all back.

**The Hon. EMMA HURST (16:48:58):** I speak to express the Animal Justice Party's grave concerns for the impact of the Local Land Services (Amendment) Miscellaneous Bill 2020. Considering the huge impact that the bill has on animals, my colleague the Hon. Mark Pearson will also be speaking to the bill. I thank Ms Cate Faehrmann, who was the chair of the koala inquiry, and my colleague the Hon. Mark Pearson, who was the deputy

chair, for their contributions. We can see that from the witnesses who appeared before the inquiry just how much information came up and members have become experts about the impact that the bill will have on koala populations. I thank the Hon. Catherine Cusack for her raw honesty in regard to the effects that the bill will have on koalas. I indicate that we will be supporting her amendment because of the desperate need to consider the effects that the bill will have on koalas. Quite frankly, the bill is a disgrace. Parliamentary and media attention has rightly been on the Premier in respect to her scandals around the Stronger Communities Fund and her knowledge of the actions of former member for Wagga Wagga Mr Daryl Maguire, but in my opinion the bill is much worse and much more sinister.

It is not an exaggeration to say that by allowing the bill to be put forward the Government is authorising and likely speeding up the deaths and extinction of koalas in this State. After considering all of the available evidence, a New South Wales parliamentary inquiry found earlier this year that koalas in New South Wales will likely become extinct by 2050 without significant intervention and protection. A few months later the Government has tabled legislation that not only fails to protect koalas but it also will make it easier for private landholders to harm koalas and their habitats. Over half of all koala habitat is on private land. Experts and stakeholders are saying that the legislation will take koala protection efforts back 20 years. I want to make it clear to all members that we cannot undo this or fix it later. We are fast approaching the point of no return when it comes to saving koalas.

This is happening after we tragically lost over three billion animals and 70 per cent of the New South Wales koala population in the summer bushfires. I remember the harrowing images from those fires. In fact, we have photos hanging in Parliament that shows the effects of those fires. I am sure all members will recall the footage of a woman running into the flames and literally giving the shirt off her back to save the life of a koala. She, like so many other members of the public, was willing to risk her life to save koalas and other animals in danger. I only wish the Government would demonstrate a fraction of that empathy in its policies towards animals. Instead the Government continues to use sentient animals as a political punching bag. I urge all members to do what is right: Vote against the bill and support the amendment of the Hon. Catherine Cusack. It is the only option if we want koalas to be around for another 30 years.

**The Hon. MARK BANASIAK (16:52:45):** The Local Land Services Amendment (Miscellaneous) Bill 2020 is a good example of The Nationals inability to negotiate outcomes for the bush with the Liberal Party. We sincerely appreciate the effort of Minister Adam Marshall, despite him being undermined by the pretend Nationals Deputy Premier John Barilaro in what can be described as his Winston Churchill moment, appeasing his Liberal masters. The Hon. Catherine Cusack is happy to destroy rural and regional industries, jobs and communities—especially those of the timber industry—while professing her love for koalas at the expense of human life, communities, rural infrastructure, economic growth and social cohesion. She said she has not seen any proponents or constituents saying that the bill is positive.

Has she talked to the private native foresters, the timber workers or the farmers? I have. I have gone into her region and spoken to them. They told me that bank representatives are circling because of the koala State environmental planning policy [SEPP]. They are questioning whether the timber mills can service their loans. If the Hon. Catherine Cusack talked to those people she might have a balanced view of the world. We have already debated my bill—the Local Land Services Amendment (Land Management and Forestry) Bill—which was voted down by the Government. I should not brag, but I will: Mine is the braver version and that is what the bill from The Nationals should look like. The Nationals need an "attaboy moment" and a bit of encouragement when they attempt to help out the bush; they are not going to get it from their Liberal mums and dads.

We were given an undertaking that the bill would be simple, straightforward and a high achiever. It is simple but it is not a high achiever, which is a huge problem for the agriculture sector, the timber sector and private property rights. The Deputy Premier made a song and dance about the negotiations at the Cabinet table. They were allegedly working out solutions for the bush and for people who have lost and would lose their livelihoods because of the SEPP and other environmental planning instruments [EPIs] like it. What we have before us is what was offered to the Deputy Premier some nine months ago. In any other world that is not a negotiation; that is settling. Unfortunately for The Nationals, the Liberals have gone green all the way. They are the Riddlers of Parliament—completely green and full of mystery.

Because of that, the bill is not even the bare minimum for our farmers and our private native forestry operations. It is full of back doors for the environment Minister to continue his attack on agriculture and rural communities. I followed the debate in the other place and was surprised to hear the arguments from the Opposition and The Greens. They claim the bill is a big win for those big, powerful farmers and timber workers, and that it has serious impacts on the environment. They must be confused—or I must have been reading another bill. The problem with the Local Land Services (Miscellaneous) Amendment Bill is that it leaves the back door wide open for multiple other instruments to stroll on through and apply the same devastating impacts on people's property rights.

The bill is a placebo given to the agriculture Minister by the environment Minister. I know the Hon. Adam Marshall is smarter than that. He is not going to swallow that pill. To begin with, the bill is specific to the State Environmental Planning Policy (Koala Habitat Protection) 2019, or the koala SEPP, as we know it in this place. The koala SEPP is an EPI, which does not undergo parliamentary scrutiny and it is not the only EPI that renders portions of people's property useless. For the Shooters, Fishers and Farmers Party [SFF], it made sense that while we dealt with one problematic EPI—the koala SEPP—we could deal with them all. That is what we tried to do in our bill. It seemed like the efficient and sensible way to go about things.

When private property rights are being systemically removed from New South Wales property owners via regulation or subordinate legislation like EPIs, which do not require parliamentary scrutiny and simply undergo a tokenistic consultation process, I would have thought that the party that purports to represent the regions would want to do something far-reaching and significant to change that. It is not so. We believe that no EPI should override considered and debated legislation and we will be moving amendments in that vein. The SFF also takes issue with the provision of grandfathering into the koala SEPP the five local government areas of Ballina, Kempsey, Coffs Harbour, Lismore and Port Stephens, which have existing koala plans of management.

When The Nationals argue that the bill clears everything up and ensures that Local Land Services [LLS] is a one-stop shop for rural regulated land, they mean it is a one-stop shop for everyone but Ballina, Kempsey, Coffs Harbour, Lismore and Port Stephens. Whilst consulting on the koala SEPP we had a lot of concerned land owners and timber workers approach us from the North Coast, particularly around Kempsey. In that region the timber industry is struggling to procure wood for its mills because of the constant encroachment of environmental zones [E zones]. They are taking hit after hit in that region, with no light at the end of the tunnel. I am very interested to know what the member for Oxley is saying to the timber industry in her electorate.

Likewise the member for Coffs Harbour has gone silent, yet he was incredibly vocal about the impacts of the koala SEPP on his electorate at the time. We agree that the forestry Minister should be involved in the consultation for private native forestry; that makes absolute sense. However, we will be moving amendments that will in a similar fashion remove the concurrence of the environment Minister, who administers the Biodiversity Conservation Act in the application of this Act, and change it simply to consultation. The Local Land Services Act is written in such a way that it does not exclude biodiversity outcomes and matters to do with the environment. The authority for rural land management should be in the hands of land management experts.

We have seen in the past that a mere stroke of the pen by the environment Minister can render people's private property useless and under control of the environmental agency. Rigorous environmental frameworks are already in place for the agriculture and timber sector and they are enough. We agree that the complex nature of the agricultural and timber sectors has no place in the planning department and therefore support the carving out of those industries from that framework. We also agree with extending the 15-year private native forestry plans to 30 years. Many times in our consultation following the SEPP we heard the argument that forests cannot regenerate in that period, and that the quality and health of tree stands were deteriorating because of the approval time frame. This is a step forward for forests and the timber industry.

From the debate in the lower House I gather that the Opposition and The Greens have concerns that the definition of "allowable activity land" will undermine E zones. They have concerns that even the original SEPP was just a slight increase in koala protections and did not go far enough. The concern for the SFF is that the koala strategy was drafted by a former Greenpeace climate campaigner. It certainly goes far enough. At the moment the SFF has serious concerns that this Government has a clear green agenda and is leaning more to the left than those on the Left. It concerns the SFF that we are swiftly approaching 12 months of knowing about the dire outcomes of this environmental policy and there is still no positive outcome for farmers, private native forestry operations or private property owners.

As I have said already, Minister Adam Marshall has proven, once again, that he is one of the few sharp tools in the shed of the National Party in this Parliament. The Hon. Wes Fang is another. We achieved a lot together with Minister Marshall during debate on the Right to Farm Bill 2019. We are looking forward to achieve similar outcomes on this important Local Land Services Amendment (Miscellaneous) Bill. However, that may not happen because the Hon. Catherine Cusack has gone a bit rogue. Either she will vote against the bill or she will refer it to a portfolio committee controlled by The Greens or an inquiry. Either way, The Nationals have been bent over the barrel unceremoniously. Who is the winner in all of this? It is definitely not the National Party.

Even though the bill may not reach the Committee stage, I will go through briefly the amendments that we would seek. The first two amendments relate to the mapping of category 2-regulated land. We would seek those amendments because the subcategorising of land is simply another way in which the environment Minister can encroach on the Local Land Services Act. Categorisation of land is changed through regulation. I have raised this issue repeatedly in the House. Regulations are not subject to parliamentary scrutiny. They can be changed at the whim of the Government. Under the LLS Act, the environment agency head can re-categorise land. The sneaky

subcategory of category 2-sensitive regulated land has been created already. Land management activities that are permitted under the Land Management (Native Vegetation) Code are not permitted on category 2-sensitive regulated land. If the agency can create that subcategory at the stroke of a pen, then it can create any other subcategories that depreciates private property and renders it unmanageable.

What is stopping the environment Minister from creating a subcategory of land designated for koalas? Absolutely nothing. No member could stop that from happening. We have seen how it plays out for property rights and for private native property when the head of the environment agency interferes with agriculture and private native forestry. The amendments will wipe out the ability for the environment agency to create a subcategory. We seek to shut the door on that. By enabling the New South Wales Office of Environment and Heritage to change or create land categories through the flick of a wrist, we are saying that the green environmental agenda is more important than the billions of dollars that agriculture contributes to our economy and more important than the food that it provides. The environment agency has no place in agriculture. The environmental agenda of this Government has hindered the production of the timber and agricultural industry enough already. If The Nationals really want to support those industries, they would support those amendments.

Amendments Nos 3 and 4 relate to the making of native vegetation codes and regulations, and to the unwarranted concurrence of the environment Minister. The Minister puts his two bob into almost every bill in this place. If he continues to that, he will not have a cent left in his pocket. The SFF proposes to alleviate that burden by removing the requirement for the Minister's concurrence and inserting a reference to "in consultation with". There is absolutely no need for the environment Minister's role to be equal to the agriculture Minister's role in land management when that already exists under the relevant codes. If the Local Land Services Act did what The Nationals promised it would do after the repeal of the Native Vegetation Act 2003 and the Rural Lands Protection Board by providing a one-stop shop for agriculture and the timber sectors, it begs the question: Why must the two departments concur? One stop means one stop.

The green tape that our primary industries have to cut through just to make a buck is so dense that it often acts as a deterrent from further investment or from prospective farmers or timber operations. We should be encouraging investment in these sectors. We should be encouraging investment in those sectors and so should the National Party. We should be allowing those who know best about land management to play that pivotal role without interference from environmental agencies. Given the high presence of koalas on private land, the current codes that dictate how land is managed must be doing a fantastic job. So, why are we changing that? I am not being suspicious when I say that ulterior motives are at play here. The Nationals created the Local Land Services Act to be a one-stop shop, so it should be that. We are looking forward to The Nationals' support in this Chamber even if they do not have the support of their Liberal masters.

The fifth amendment that we hope to move will ensure that in the event of an inconsistency between a provision of part 5A of the Local Land Services Act and a decision made by a consent authority under the Environmental Planning and Assessment Act 1979, the consent authority's decision is void to the extent of the inconsistency. The necessity for that amendment goes back to the fact that schedule 5A should be the only governing instrument over native vegetation land management decisions. Measures already exist to protect threatened species and biodiversity. It is in a landowner's best interests to abide by those existing codes. There is an underlying assumption that more measures are required to ensure our farmers do not kill koalas or any other threatened species.

It is shameful and an absolute disgrace for that assumption to be written into our legislation and for farmers' land management techniques regarding native vegetation to be governed by subordinate legislation written by the environment Minister and the planning Minister. Although not perfect, the Local Land Services Act is the legislation that covers environmental, biodiversity and threatened species outcomes. When a planning consent authority comes along with zero experience in understanding agricultural land issues and makes a decision in stark contrast to the relevant parts of the Local Land Services Act, the Act prevails. Again I would be shocked if National Party members in this place did not support the amendment. We are imploring the Minister and the National Party in this Parliament to grow a backbone and stand up to their Liberal masters.

Our proposed amendments Nos 6 and 7 concern concurrence and the fact that existing codes require the consideration of biodiversity and threatened species in private native forestry. A large amount of koala activity is associated with regrowth from integrated harvesting in our forests. Sufficient environmental considerations are written into the respective codes, the provisions of which maintain and improve environment outcomes and set minimum operating standards for harvesting in private native forests. Those include the protection of biodiversity and our threatened species, and all other environmental considerations. In fact, if anything, private native forestry codes encourage the creation of threatened species habitat. Healthy forests are important for conservation, as well as timber production. They go hand in hand. The concurrence clauses are simply a way for the Liberals to virtue



signal to their bored, elitist city voters who have so much time on their hands that they feel a need to start meddling in issues they do not understand.

By involving the environment Minister in issues like private native forestry, the Liberals are attempting underhandedly to take control over sectors that do not belong in their portfolios. Clearly they do not believe that their Coalition partners can manage their own portfolios. Through the green agenda of this Liberal-Nationals Government, we have seen the systemic shutdown of our fisheries sector and the encroachment on our farmers' land rights. The requirement for concurrence of the environment Minister in regulations relating to private native forestry is simply part of that green grab. By removing concurrence from private native forestry, we can ensure that that green agenda is limited to consultation. Again I look forward to the National Party members in this place supporting the SFF amendments.

Our proposed amendment No. 8 relates to inconsistencies with a decision of a planning consent authority regarding private native forestry. A decision made by the planning consent authority under the Environmental Planning and Assessment Act is void to the event of the inconsistency. We are moving that amendment because of the convoluted process and interaction between parts of the Local Land Services Act and decisions made by consent authorities under the Environmental Planning and Assessment Act. Private native forestry decisions are made by experts in that field and are informed by private native forestry codes and the Local Land Services Act. A bureaucrat from the planning department is no expert on private native forestry and will simply do the bidding of his Liberal masters on Macquarie Street. Are members aware of how much it costs to appeal a decision made by a planning consent authority? It costs tens of thousands of dollars. Private native forestry owners and operators cannot afford to appeal those decisions, and, frankly, they should not have to when those decisions are uninformed.

As I said earlier, the Government said that the Local Land Services Act would be a one-stop shop for agriculture and the timber industries, yet those sectors must jump through multiple layers of green and red tape to make simple adjustments to their properties. It is time we started backing out of people's lives and reducing bureaucratic red tape. The Liberals in this place will tell you that they do that. In fact, they do the opposite. This amendment is a good place to start. Again I look forward to The Nationals members standing alongside us and standing up to their Liberal colleagues. Our final proposed amendment amends the Environmental Planning and Assessment Act and its relationship to parts 5A and 5B of the Local Land Services Act regarding decisions by a planning consent authority. It brings it into line with our other amendment to the Local Land Services Act and provides a hierarchy of legislation.

According to this amendment, the Local Land Services Act, will come out as top dog when there is an inconsistency with the environmental planning instrument and parts 5A and 5B of the Act. I reiterate what I have repeatedly said in the Chamber recently: environmental planning instruments are not subject to parliamentary oversight. They are a lesser piece of legislation in comparison to an Act that has passed through both Houses of Parliament; yet because of the way they interrelate with the Act, they prevail. When we consider that the Department of Environment has never undertaken consistent, statewide efficient and effective measures of mapping our threatened species, our biodiversity or our environmentally significant land, it begs the question: How can the instruments that aim to protect that then reign supreme over considered and debated legislation?

The amendment rewrites that hierarchy, stating that the provisions of the Act prevail to the extent of the inconsistency. It is simple and it should be supported. We all became members of this place to ensure that there is proper process in legislating this great State yet, somehow, legislation that we have no control over supersedes that process. The amendment will see an end to that in those specific Acts. I look forward to The Nationals voting in support of our amendments. I am even prepared to roll out the red carpet if they are prepared to cross the Chamber and stand against their Liberal puppet masters. I will even throw in a few drinks in my office to show that it is not only Liberal members who know how to have a drink; The Nationals can have a tippie or two as well. I hope we get to Committee stage to talk about those amendments more. I commend the bill to the House.

**The Hon. MATTHEW MASON-COX (17:11:37):** As a Liberal member of this place I support the Local Land Services (Amendment) Miscellaneous Bill 2020. It is an important issue that has been subject to intense negotiation among Coalition parties and stakeholders across the State. From the outset I particularly note the contribution of the Hon. Catherine Cusack. I thank her because I know—probably more than most in this place—how difficult it is to make a decision on your conscience, and I respect her for that—although on this occasion, I disagree with her. I cannot help but think of the bill as a back-to-the future moment. I remember being in this place in 2016 when the Hon. Niall Blair was the Minister responsible for agriculture and introduced the Local Land Services Amendment Act and the Biodiversity Conservation Act in cognate. Those two bills set up the new regime for the regulation of land management practices, particularly in rural areas.

It followed a time of great turmoil in country areas, which came as a result of the Carr Labor Government amendments to the Native Vegetation Act and surrounding legislation in cohort with The Greens. As a member of a country area and someone who comes from a farming family background, I am steeped in farming practices.

In my humble opinion, it was an area that was subject to much unnecessary conflict and regulation. At the heart of it was a mistrust of farmers as stewards of their land. Farmers understand the needs of not only their business but also the environment. Fundamental to that conflict is a misunderstanding of that stewardship. Sadly, I feel as if I am back in that time because this is what I would call a creeping regulation. This time it is administered through State environmental planning instruments via local governments with the endorsement of a State Government that does not fully understand the actual implementation of that very important structural change in 2016.

It is incumbent upon us as members of this place to understand the conflicts that exist between legislative instruments because that is at the heart of the problem. We have a clear paradigm that was set up in 2016 under the Local Land Services Act and the Biodiversity Conservation Act, which were brought in together purposefully after a very long process of consultation between not only the Coalition but also many stakeholders across the State. It was a difficult process and at the time the Hon. Mark Speakman as Minister for the Environment and the Hon. Niall Blair as Minister responsible for agriculture fought tooth and nail—I remember the debate in the party room. It was a paradigm shift that was designed to again put in the hands of the stewards of farming areas and rural lands in the State the opportunity to grow business in concert with ensuring biodiversity and threatened species in those regions were preserved. In looking at that we need to understand that a range of codes came under Local Land Services.

Those codes dealt with private native forestry, biodiversity, endangered species, the allocation of lands and land clearing issues. They dealt with those in a structured way through what was hoped to be a one-stop shop. That was the model put forward—that we had one place of truth where it was clear what farmers could do and what protections were in place so that there was clarity and direction as to how farmers could use their land whilst also protecting those environmental interests that they are naturally aware and cognisant of. Over the course of the years since the introduction of that legislation, we have seen a range of other environmental planning instruments relating to koalas that have slowly encroached on that basic paradigm. The introduction of the State environmental planning policy [SEPP] for koalas and koala management plans has sent a real jolt through that system. It received a predictable response from The Nationals and a whole range of regional and rural people of whatever persuasion who saw it as a threat to what was considered to be settled principles.

When we start changing the rules and threatening people's livelihoods and the certainty of communities, we will have backlash. Let us not hide behind a cuddly koala. We all want to protect koalas. Let us not pretend that it is a koala-killing bill, as some have suggested. That is absolutely outrageous. The fact of the matter is that farmers, private native forestry and people in rural communities value koalas. They definitely want biodiversity and want to ensure that environmental protection is administered properly in a balanced way. When we get into detailed debates and local councils have different views and different priorities to their underlying rural communities, we create the sort of one-eyed approach that causes the problems that we tried to fix in 2016 with the introduction of the Local Land Services Amendment Act in concert with the Biodiversity Conservation Act.

Councils may encompass rural areas as well as areas on the coast with highly environmentally aware populations who only have one focus and do not understand the balance that exists across those rural communities. That balance is needed to ensure that people in more rural areas are able to legally make use of their property without being encumbered or disempowered by people who only know one side of the equation and do not understand their traditions, history or the way people in their own community think.

This is what people forget in this debate. We have a situation where we are back to the future again. This SEPP is coming with koala management plans and all the wherewithal that goes with it to keep everybody on the environmental bandwagon feeling like they are doing something positive, but the reality is that it strikes at the heart of the principles that were created some four years ago to fix those problems. I am greatly frustrated that only one side of this equation is being put. The agriculture Minister in the other place has done an excellent job in trying to balance this in difficult circumstances. In doing that, he has recognised the history. We have a situation where a few city-centric Liberals, who I think have really lost perspective on this, are driving this process down a line that we tried to fix a number of years ago.

We have to balance this correctly and recognise that private landowners have a vital interest that should also be balanced and protected as much as koalas. I do not think I have met one rural landowner or private native forester who would want to destroy koala habitat. If there is koala habitat, they will be the first ones to say, "Let us make sure it is protected." But when this SEPP and those plans and management came out and we saw the whole State covered in blue and pink, it was an absolute outrageous ambit claim. Some ran away and said that we should not worry too much about the maps. I took the maps out and went through my local community. As an experiment I thought I would identify some of the areas affected by the maps. I live on just over a hectare on the edge of Queanbeyan. All of my property was pink. There has never been a koala there and I have been there for 20-odd years.

My whole one-hectare property is covered by that SEPP. I said, "What is going on here?" I went into Queanbeyan and found, dare I say it, the tree of knowledge standing on the corner of Crawford and Monaro streets—the only tree within cooe. That was a koala sanctuary. It was extraordinary. When I walked down the main street of Queanbeyan, every tree I could see had either blue or pink. I thought, "My goodness, this is the koala hotspot." How did it come to this? Straightaway I went down Canberra Avenue and found that there were a group of trees here and there that were all covered in pink. I went around the ovals and the parks of Queanbeyan and to my parents-in-law's farm in Harden. That was a koala hotspot. They have not seen koalas there for generations.

It spoke to some of the tragic consequences that result when we let people with one-eyed views about managing land in this State develop these sorts of maps. Those people sit in their offices in their ivory towers pretending that they know what is best for the people who, for generations, have been looking after the lands which they have held in trust. They are very conscious of environmental issues, yet their stewardship and responsibility to their land and the environment is not recognised. Instead, we have another set of regulations and a number of maps that have been put through a local government process that, over time—particularly on the North Coast—have been taken over by people with a one-eyed view about what the environment means to them.

That is the problem. We cannot continue down this pathway of undermining the paradigm and framework that was carefully put in place in 2016. The codes under those Acts have embedded the protections so far as the environment is concerned, as well as biodiversity, land clearing and private native forestry. It is all there. Let us not pretend that this system is going to make it any better. It confuses everything right down the line. Let us go back to the simple processes that the Coalition Government carefully put in place at that time and enhance them where we need to through that Local Land Services framework. We should be doing that and not get caught up in State environment planning instruments. My view is that those types of SEPPs should be disallowed by this House of Parliament, because we are basically giving all those powers for those planning instruments to local governments, which are undermining the absolute basis of planning in this State, particularly in rural lands outside the cities.

I strongly agree with the bill. It is a practical way of trying to deal with an extremely difficult situation, which has been complicated by what I would call zealotry in the form of the environmental movement. We should be very much looking to bring this to a head today and finish the second reading and then go into a Committee of a Whole. Then we can look at the amendments being put forward and deal with them sensibly in a framework that does justice to the past. We can together build a future that protects our wildlife, our precious koalas and recognises the current planning framework in this State as well as the stewardship of farmers, native foresters and others outside of the cities; for generations they have done a wonderful job.

**The Hon. MARK PEARSON (17:26:10):** There are times in my political life when I step back in amazement at the terrible cruelty so casually inflicted upon the animals with whom we share this island continent. Reading the provisions of the Local Land Services (Amendment) Miscellaneous Bill 2020 and understanding its implications for koalas in particular is one of those occasions. Combined with the recent changes to the State Environment Planning Policy No. 44 (Koala Habitat Protection)—the koala SEPP—the effect of the bill has a diabolical impact on the survival of koalas in New South Wales. This is neither histrionics nor an overstatement. My concern is shared by every reputable conservation and environmental organisation in this country and the world. The ink is barely dry on the report of this House after its 12-month inquiry into New South Wales koala populations, which found that koala numbers were down to 15,000 to 20,000 and that koalas were at risk of extinction by 2050.

The bill will bring forward that estimated date of extinction. The bill and the revised SEPP make an absolute mockery of the Government's very recent promises to prevent the extinction of koalas on their watch. Senior Ministers such as the planning Minister, Rob Stokes, and the environment Minister, Matt Kean, have made very public statements about increasing protections for koalas. As recently as 21 September, Minister Stokes stated that, "The fact is you can't save the koala and remove koala habitat at the same time." Minister Kean told *The Sydney Morning Herald* on 26 July:

I don't want to see the koala extinct by 2050, I want to see their population doubled by 2050 ... Koalas are the most iconic example of our mismanagement of the environment and we've got to say 'enough is enough'. That is not the Opposition, The Greens or the Animal Justice Party stating that. That is Minister Kean saying that he will ask the Chief Scientist to assemble an expert panel to develop a 30-year plan. Yet, instead of a properly considered plan made by the environmental experts, there is this hastily put together bill, which completely abrogates any responsibility that the Government owes to the protection of koalas. The only thing missing to finish off koalas is to issue free chainsaws to every landholder and tell them to go for it. I can only conclude that the very public dispute between the Premier and the Leader of The Nationals was nothing more than an elaborate media stunt. After the summer bushfires killed untold numbers of koalas, my expectation—and that of the Animal Justice Party and any reasonable person—was that Premier Berejiklian would pull out all stops to legislate for greater protections for koalas. Instead we see the exact opposite. The bill and the new koala SEPP give almost carte blanche to landholders to cut down the ever-diminishing number of koala habitat trees left in New South Wales.

It beggars belief that the Berejiklian Government can claim that the bill and the new koala SEPP somehow manage to reach a balance between the needs of farmers and the needs of koalas. For koalas, the bill will deliver the fatal blow. The loss of those limited protections will trigger an existential crisis. Without habitat, koalas cannot survive. My expectation after the drought, the fires and the report into New South Wales koala populations was that the Minister for Energy and Environment would pull out all stops to ensure that koalas did not become extinct on his watch. Instead we have seen a craven capitulation to the NSW Farmers' Association, the Forestry Corporation of NSW and the wildlife-hating Nationals. The bill is the final nail in the coffin for New South Wales koalas. After all this time that we have been raping the earth of Australia for agriculture, industry, mining and forestry, it is time to contemplate giving something back. The bill does the opposite.

What will the members in this House who are going to vote for the bill say to their grandchildren? What will they say to their children—that is how urgent it is—when they ask what has happened to all of the koalas? Will members tell them that they killed them—that they knowingly participated in killing them? The world is watching. I call upon honourable members to cross the floor on the critical issue, but also to escape an imploding Government—almost an exploding Government—within which misleading and deceptive conduct has just been exposed by the key Minister responsible for scribing this disgusting bill to the House. I acknowledge the extraordinary courage and insight that the Hon. Catherine Cusack has brought to the House today. The courage that she has shown is an example of the commitment that she is making to the people of New South Wales. They have said loudly and clearly that we cannot keep bulldozing trees, pulling down habitat and crushing those animals that are on the brink of extinction. If members opposite vote for the bill and do not cross the floor, then they will have to answer to their children and grandchildren.

**The Hon. SAM FARRAWAY (17:33:48):** I speak in support of the Government's Local Land Services Amendment (Miscellaneous) Bill 2020. I acknowledge the contribution of the Hon. Matthew Mason-Cox, who in my view particularly hit the nail on the head. As others have said, it is good to see a Liberal MP speaking.

**The Hon. Penny Sharpe:** A debut Liberal on the bill.

**The Hon. SAM FARRAWAY:** Yes, that is right. The Hon. Matthew Mason-Cox has done a very good job at the lectern here. I did not interject with you, Penny.

**The DEPUTY PRESIDENT (The Hon. Shayne Mallard):** Order! The member was encouraging interjection and should focus on his speech.

**The Hon. SAM FARRAWAY:** Some contributions this afternoon clearly do not reflect the views of anyone who lives in the regions, of the farming sector or of the farmers that produce the food and fibre for our country. I found some of the contributions that were made by those opposite to be nothing short of insulting to some of our State's farmers, especially to multi-generational family farming operations that have been around for a long time and that would be afflicted by the additional red and green tape for koalas that have never been sighted on those properties in the history of those farming families on the land.

Clearly, many members tout as if The Nationals have spoken to no-one and are out of touch. I can assure honourable members that in my short time in this place—and on the bill—I have spent plenty of time on the ground listening to stakeholder groups, farming families and traditional farming operations throughout the regions. If many of the members who made contributions earlier had actually engaged with some of those stakeholders—with the farming bodies—then they might come to realise that our farmers are some of the best conservationists and environmentalists in this country. Surely we can appreciate that farmers must battle against the elements and engage with the vagaries of global commodity markets. Farming is tenuous enough, especially off the back of the recent drought. Farmers are just recovering from what I would describe as one of the worst droughts in recent history and clearly one of the worst bushfire seasons in living memory. But the Government is committed to reducing what I think is complex and unnecessary regulation. We have made that commitment to all people in New South Wales and one that should now be afforded to the farmers in regional and rural New South Wales.

As I touched on before, our farmers are without question some of the best in the world and some of the best environmentalists and conservationists that we have. Despite the challenges that it faces, New South Wales agriculture—and I think that the economics might be forgotten here as well—is worth approximately \$12 billion. The State's farmers are the most innovative and entrepreneurial in the world. They incorporate new technology and new techniques consistently to improve their productivity and efficiency, to deliver the food and fibre for the people of New South Wales and for the increasing demand of those abroad. New South Wales farmers are not a squeaky wheel.

**The Hon. Mark Pearson:** I have had enough. I am leaving.

**The Hon. SAM FARRAWAY:** I acknowledge the interjection of the Hon. Mark Pearson. Clearly he does not like what he hears, so he leaves. Farmers are all-encompassing. Farmers have to be project managers, accountants, ecologists and economists. They are both the CEO and the team leader of operations, day in, day out. Anyone who has owned a small business would know, especially in the farming sector, that you become literally a jack-of-all-trades. By and large, New South Wales farmers get on with their business and do not engage with Government decisions or processes beyond what is actually necessary. That is why it is important that when New South Wales farmers send a message to the Government, it acts in a decisive and deliberate manner.

The Government must ensure that it does everything in its power to support our farmers and provide the confidence and certainty that they need to invest in their businesses for the longer term. The bill will help achieve that. It will support our agricultural sector by addressing the inconsistent interaction of the planning system with the land management framework established under part 5A of the Local Land Services Act 2013. The inconsistent and often disproportionate impact that the planning system can have on the application of the land management framework is imposing an increasingly unreasonable regulatory burden on our farmers.

When we take a step back we can see that members in this place are moving a commonsense, simple approach to land management. Planning is important because it helps us and other levels of government to decide where we need people to live, what services they need and what those communities will look like in the long term. Members opposite may have forgotten that. But it should not apply to existing farmland that neither leads to a permanent land use change, nor has the impact of a subdivision or a shopping mall. Using the planning system to regulate farming is inappropriate and unnecessarily complex. Using the wrong tool for the job wastes time.

The increasing encroachment of the planning system on the State's farmlands has placed a disproportionate regulatory burden on our primary producers. Farmers know how to manage their land. After years of hard work from the Liberal-Nationals Government, those farmers know that, despite what a previous speaker has said today, there is a one-stop shop in Local Land Services where they can go for advice on how to navigate the regulatory environment that surrounds farming in the State. The proposed amendments ensure that the LLS truly is a one-stop shop for all of our State's farmers. The planning system is not designed to cope with active management and agricultural developments; it is designed for permanent land use change matters that involve questions such as, "How will 10,000 houses be built here?", not questions like, "How is that farmer managing their fencing and grazing in an ecological sustainable way?"

The systems were deliberately designed to be separate. The bill, moved by the agriculture Minister in the other place, ensures that that separation continues. That is more than just legislation; the Government is keeping its deal with farmers. The Government is ensuring that the right to farm continues in New South Wales. The notion that the bill will lead to a lack of regulatory oversight should also be addressed. I counsel those members who have put forward that argument to consider the existing protections and prescriptions in the LLS Act and the Land Management Framework. Prescriptions and protections will remain untouched by the bill.

**The DEPUTY PRESIDENT (The Hon. Shayne Mallard):** Ms Cate Faehrmann will be silent.

**The Hon. SAM FARRAWAY:** Farmers are well attuned to what they have to do when it comes to farming in the modern era. The Government trusts that farmers are best placed to balance the needs of sustainability and productivity on their farms. Whether it is biosecurity, animal husbandry or land management, farmers are on the front foot on those issues and they understand the legislative framework, including the significant penalties that are in place should they breach those obligations. Those penalties remain unchanged by the bill, despite what members opposite would have us believe. The Government has put in place that framework as part of a broader social contract with farmers. Those farmers will farm in a modern, ecologically sustainable way. They farm according to the triple bottom line approach. They accept that they cannot think of their farms solely as their own, but as part of a broader tapestry in the State's biodiversity. Part of that means accepting a more regulated farming environment.

The Government's part of that deal is to ensure that we do not capture farmers in a complex web of red tape that makes it impossible to know what to do or who to go to for help or assistance. The Government is obliged to ensure that farmers stick to the law but, equally, it is obliged to ensure that the law is proportionate and effective. The Land Management Framework, established under part 5A of the Local Land Services Act, is the key piece of legislation that regulates the management of native vegetation on rural agricultural land in New South Wales. Members must ensure that it remains that way. I commend and support the bill.

**The Hon. MARK LATHAM (17:44:07):** I am no fan of intersectionality theory in identity politics, but I will bring a perspective to debate on the fascinating issue of the intersection between environmental laws and land use planning, which goes to the intersection between the three levels of government. I first became fascinated by land use planning as a councillor and then as mayor of Liverpool, which the Deputy President the Hon. Shayne Mallard would know very well, having worked there. I then moved into the Federal Parliament and I was there in

1997 when the Howard Government secured the so-called Australia Clause to the Kyoto Protocol, which was very decisive. Indeed, it was a turning point in the consideration of land clearing and tree preservation issues in Australia. When I came to this Parliament, initially I was confused and then dismayed at the level of State intervention against property rights for landowners who try to secure tree preservation without compensation.

I find the intersection between those three levels of government fascinating. That brings me to the point of the Local Land Services (Amendment) Miscellaneous Bill. As I knew in the 1980s and 1990s, land use planning was very much an art for the technician. One had to balance the competing elements of economic development, urban design, environmental considerations and amenity, along with community feedback about rezoning, development applications or even building applications. It was not hard to draw boundaries around the scope of land use planning within that framework, but over the years those boundaries have been broken to the point where land use planning is used as an instrument to manage trees on a farm property. That is quite an extraordinary development. It goes way beyond the technical, political and practical expectation of what land use planning was about.

Under the local environmental plan or zoning you would get a particular use and then seek a development application to exercise that use, then you would get the building approval. If you lived your life while obeying those rules and operated your enterprise and your activities consistently with those approvals, you could get on with your enterprise, your home, your life and your family. It all seemed so simple. When did the State start intruding on the management of native vegetation and trees through land use planning instruments such as a koala State environmental planning policy [SEPP]? It comes down to the remarkable moment, which was never mentioned by The Greens or by Mr Justin Field, when the Australia Clause was written into the Kyoto Protocol.

At the last minute, the Australian delegation, led by Robert Hill—under the direction, one would suspect, of then Prime Minister John Howard—secured an arrangement whereby Australia said, "We will not be party to the protocol unless Australia's unique circumstances are factored in." That is how the famous Australia Clause came about. The clause ran along the lines that land clearing was to be considered a carbon emission and that tree preservation was to be considered a carbon reduction. Let the scientists work that one out. While one would think that, logically—

**Mr Justin Field:** To protect the coal industry.

**The Hon. MARK LATHAM:** The emissions debate is about fossil fuel, but the Australia clause made it about trees, and with the added fudge of using 1990 as the baseline for Australia's commitments. That was a bumper year for land clearing in Queensland, so the Australia clause was completely artificial. Mr Justin Field has nodded to indicate that he knows that the history is true. But what happened to that artificial baseline from 1990 as the Federal Government considered its obligations to comply with the artificial Australia clause, which some might say was completely fudged? The difficulty at a Federal level is that if we interfere with someone's private property we pay compensation under the Australian Constitution. That is a very sound principle under the law, under the workings of a market economy and under a system that has not been socialised to the point where we cannot own private property.

I regard the Australian way of life as the wonderful ideal of people working hard, striving, owning property and hoping to leave something better for their children. At a Federal level, if we interfere with private property rights, such as by telling a farmer that a paddock with native vegetation is locked up and they cannot use it for any farming purpose, or telling a home owner on a semirural property on the outskirts of Sydney that a stand of trees at the front, or some vegetation, scrub or Macarthur olive cannot be touched because of a planning instrument that comes over the top, then we would have to pay compensation to that property owner.

It would be the same if we went into someone's property, took their car, used it and said that we owned it. If a government nationalises an asset it has to pay compensation for it. That would be regarded as a fair and reasonable principle. That is enshrined in the Australian Constitution. It has been a great barrier to the Federal Government infringing on private property rights, but at a State level there is no such barrier, restriction or compensation requirement.

There is an impending Federal Court case that is possibly going to the High Court being run by a very good lawyer. The documents in that case show that in meeting its Australia clause obligations the Howard Government had meetings with the Beattie Labor Government in Queensland and the Carr Labor Government in New South Wales to say, "Look, if we lock up the farmers land and trees then we have to pay compensation, but we can do it at the State level and no-one pays a cent." That is basically what has happened in the years that have passed. To some extent, the farmers of Australia and anybody with a fairly decent stand of trees on their property is carrying the huge weight of Australia's international obligations on carbon that are now rolled into the Paris Agreement.

That cannot be regarded as fair. It is an imbalanced obligation in the most dubious of circumstances where one level of government says, "Look, we have made this international obligation but if we enforce it then we pay compensation, so how about you do it and do not pay farmers or landowners a cent." That is a swindle on property rights and land use in this State and in Queensland. There has been a massive colonisation of sensible provisions for native vegetation on agricultural land by the DPIE land use planning instruments. The Greens say they are against colonisation but they are backing in the colonisation of DPIE under those most dubious arrangements to control the management of native vegetation on rural agricultural land in New South Wales and beyond under the provisions of the Local Land Services Act.

The Chamber knows my reservations about the biodiversity arrangements, but beyond that we need to bring this into perspective. There is nothing more heinous in my assessment than using backdoor ways of locking up people's land without paying compensation. Those opposite and those who advocate for the koala protections can protect as many as they like on private property, but at least have the decency to pay the money in compensation. They are denying property owners fair use of their land, the use of semirural properties on the outskirts of Sydney or the Hunter Valley and so forth for economic enterprise—farming. At least have the decency to say that they will find a way of funding the compensation. Without that, it is the same kind of swindle that came out of the Australia clause and the transfer of those responsibilities at a State level that we saw in the collaboration between the Howard, Beattie and Carr governments.

Those things are plainly wrong and they roll into other mechanisms of the State that are so exaggerated and wrong that it is phenomenal. As government becomes more intrusive in our lives and tries to control more and more of the things we do on our own properties without compensating us, it uses more Orwellian surveillance techniques than can be imagined. The satellite mapping used in this koala SEPP is a package out of Brussels in the EU so that bureaucrats can take satellite photographs of someone's property and make a desktop assessment of treetops. It is not an on-the-ground assessment; it is treetops from a satellite photograph.

The bureaucrats are supported by the green ideologue. They just say to a farmer or a property owner or people in Liverpool or Campbelltown as the maps were drawn, "I know more about your property. I know more about your trees. I know more about what is in your trees than you do." Those people could have lived there for 50 years. Their families might have lived there for generations. But a bureaucrat who has never visited the property is making a determination that they know more about it and its wildlife and vegetation than the people who live there and who would know every square inch. That is an insult to every property owner whose land is drawn up with pink and blue in the ridiculous koala SEPP maps. It is the ultimate form of elitism.

The green ideology on this is all about control. The elites have the arrogance of saying, "We know how many koalas you have in your trees. We have never visited. We do not know anything on the ground about your property. But we have a satellite map out of a package from Brussels and we are making the elitist, arrogant assumption that we know what is happening on your property. Furthermore, we know what is best for you." I reject that proposition entirely. I believe in property rights and the basic privacy of the individual. The capacity to live in civil society without the excessive intervention of the State is one of the things that holds us together as a society. It should be defended.

How this principle was ever lost by the Liberal Ministers who engaged in this Orwellian activity beggars belief. Wherever Menzies is today he would be rolling in his grave. He spoke to the sanctity of the family home, not the idea of Orwellian governments taking satellite photos of properties so they could make judgements on behalf of people about what they can and cannot do, without even the decency of being there. That is remarkable. It is no wonder that Rob Stokes disgraced himself over the satellite mapping and the koala SEPP and the idea that there were koala habitats on the Grafton roundabout, the Newcastle Foreshore, Warringah Mall, or in row 32 of Bankwest Stadium in Parramatta, the Mount Hunter fire station where I live, or Green Valley in Liverpool where I used to live, or Campbelltown where I represented.

There is a koala habitat at Warwick Farm Racecourse? You are kidding me. I first visited Warwick Farm Racecourse when Wave King won the Liverpool City Cup. There were no koalas there then and there are no koalas there now unless someone is backing Blinky Bill in the third. Getting Blinky Bill under the Stokes satellite maps is an absurdity. This Liberal Orwellian intrusive Minister is wiping away property rights and any form of decency. He says, "I have a magnificent planning degree." From where? Out of a cornflakes packet? He ought to hand back his badge and say he would never ever again intrude on people's lives with the absurdity of those maps. They were a joke that brought disgrace to DPIE. As for Jim Betts, who would have been administering those maps, with his harmony reconciliation diversity gay koala committee—it is a joke. This man was thoroughly distracted by trivia in the administration, bringing worry and concern to anyone who ever looked at those maps and asked, "What have I done to deserve this?"

I have a classic case for what the intrusive State under the administration of the Liberal Party has done to people. There is a guy at the back of Bringelly who missed out on the early rezoning of his land surrounding the

Badgerys Creek Airport. He looks at the dirty Waterhouse land deal. He looks at that science park with the Camilleris to the north of the site, wondering, "How do people who grow chicken meat end up with a science park? I was closer to the airport site and I have missed out on the zoning." He also owns a few greyhounds. The industry was badly persecuted by this Government. He rang me one day and said, "Mark, what are they doing to me? They are now saying I am a koala colony. I have been looking up the SEPP map and I am coloured pink and blue." This man is a battler; an ordinary fellow who is trying to mind his own business and get about his life in western Sydney and he has been persecuted on three fronts by the Government.

The satellite mapping has got to end. Never again will we see this. If we want to make an environmental assessment about someone's property we should at least have the decency of visiting them. We should have a look, get our clipboards out, measure the trees and look for koalas to see what we can find. I pay tribute to Minister Marshall, who is in the Chamber—not under Standing Order 163 but as an observer—to thank him for his response to one of my earlier speeches by taking down those maps. I said, "Tear down those maps", and finally they came down. It was long overdue.

The Nationals were working manfully to bring them down. There were division splits, bookings at Government House to sort out new Ministers, Ministers were given expanded responsibilities. In this House there was only a One Nation speech and the Minister reacted properly and tore down the maps. They should never go up again and the Minister ought to hand in his badge. The maps are a disgrace. We need to acknowledge this is good legislation in that it restores the proper responsibility for the management of the native vegetation to the Local Land Services and draws a sensible boundary around the role of land use planning.

It says two things. I impress this upon the Chamber: Get back to the basics of land use planning around the economic issues, environmental questions, amenity and community input, but do not start using planning instruments to spread into how people manage and look after the trees on their property after they have all of their approvals and existing use rights in place. Never having been to the properties, the State wants to come in and say, "There could be koalas up there, so we're locking up your land." It is totally improper. The second principle is that if you are foolish enough to do that—if you are Rob Stokes, Jim Betts or Matt Kean and you believe in that stuff—at least have the decency to pay compensation for the wiping of property rights. Should that not be a fundamental principle of the Liberal Party?

The Liberal Party believes in a market economy—or used to—and the rule of law would automatically recognise that when restrictions beyond development consent are placed on the use of someone's land, they must be paid compensation for that. They are basic principles that have been forgotten by members on the Government's side of the Chamber. I do not understand how the Labor Party got wrapped up in koala protection instead of the rights of families and businesses to trade and use their property. The Greens love the idea of the satellite map—Orwellian surveillance of everyone's property—because they can tell us all the things we need to make our lives worthy in the rubric and parameters of Green morality. They believe in that, but it is such a minority view and so against the Australian way of life. It should always be rejected.

**Ms Cate Faehrmann:** We know more than you do.

**The Hon. MARK LATHAM:** Of course the honourable member pipes up. She has been out there. If they know where the habitats are—and they are not at Warwick Farm Racecourse, the Grafton roundabout or the Mount Hunter fire station—then they should protect those. Unfortunately the Government, in trying that on in the corridor that runs from Long Point, Kentlyn, Wedderburn and through to Gilead, has a protection mechanism that at its narrowest point the corridor is less than half a kilometre. It is not even doing that right. We cannot say by looking at a satellite map of treetops that we know there is a koala in that tree. We cannot do it unless we visit the property, get all the evidence, ear tag the koalas and map where they move. They do move large distances for feeding and mating purposes. I am all for protection where we know the habitats can be identified and sensibly protected. I urge the Government never to go back to the koala SEPP maps.

I urge it to do more in that corridor in south-west Sydney to get that protection right. I know Ms Cate Faehrmann was there in recent times. Is that not the sensible thing to do? Nobody is against the protection of koalas where the habitats are identified; we are against using koalas for a statewide tree preservation order. I feel so sorry for the forgotten marsupial—my all-time favourite—the wombat. It is such a beautiful animal. When I drive home after the House has finished and turn the corner into my street at two o'clock in the morning I usually see one. Why hasn't he got a SEPP? It is because he cannot climb trees? I have seen him pottering around, doing his thing. I have seen a couple of his burrows when I walk the dogs. We love the wombat. We cannot get enough wombat. It is the forgotten marsupial. Where was Rob Stokes when the poor old wombat cried out for help? He said, "You cannot climb a tree, therefore we cannot protect your habitat." The koala SEPP was not really about koalas. It was about a tree preservation order across all of New South Wales. That just adds to the farce and absurdity.



**Mr Justin Field:** Rubbish.

**The Hon. MARK LATHAM:** Of course it was. You are not interested so much in the koalas as the trees. If the wombat or the echidna could climb trees, they would have a SEPP as well. They are the forgotten marsupials. Menzies had his forgotten people; I have the forgotten marsupials in this debate and I want them to be considered just as much. This is ableist discrimination. The Greens discriminate against them because they are disabled in the sense that they cannot climb a tree. It is ableism, as they term it in their mad, politically correct world of language. Let us get back to the basics of the parameters I have outlined in the speech. The history does not reflect well on Federal and State governments, but the Minister is doing the right thing. The Shooters, Fishers and Farmers Party has magnificent amendments that One Nation supports. Hopefully that package will go through and we will forget the nonsense going off to The Greens committee.

**Mr JUSTIN FIELD (18:04:17):** I speak in strong opposition to the Local Land Services (Amendment) Miscellaneous Bill 2020.

**The DEPUTY PRESIDENT (The Hon. Shayne Mallard):** Order! There is too much audible conversation.

**Mr JUSTIN FIELD:** If this legislation passes it will represent a total capitulation by the majority of the Liberal Party to the tantrums of Deputy Premier John Barilaro and The Nationals. Far from being a koala hero that stared down John Barilaro, if the bill becomes law the Premier will have buckled in the face of that tantrum by a political party that has absolutely no credibility when it comes to natural resource management in this State—never mind our shared natural environment. We have seen the papers. We have seen the tantrum, the showdown, the stare-down, the peace deal and the breakdown of the peace deal. Now we are somehow expected to believe tantrummer-in-chief Deputy Premier John Barilaro has stepped in to save the day. We have had pushback today from the Hon. Catherine Cusack. About an hour ago the next phase started when Channel 7 reporter Alex Hart tweeted:

It's understood Nats have called an urgent party room meeting for 630pm, with their land rights (koala) bill about to be voted down in Upper House given Lib Cusack is opposed. When asked what this means, one Nat Minister replied "war".

That is the maturity that we are dealing with here. None of that makes sense based on the bill in front of us. Either the bill goes significantly further than the deal apparently struck and represented in the media by planning Minister Rob Stokes, acting Nationals leader Paul Toole and agriculture Minister Adam Marshall, or the spin around the deal did not reflect the actual agreement or the Cabinet decision. If a new peace deal has been negotiated by the Deputy Premier and the subject of yesterday's *The Sydney Morning Herald* story, then where are the amendments from the Government to implement it?

Where we are with this piece of legislation has become farcical. The reality is that the legislation will strip away significant protections for koalas and koala habitat. I will address something that has not been covered much today and that is the impact the bill will have on areas like wetlands and other critically important habitat on private land. It will do what The Nationals have always said they want to do; I am not surprised by this move. They do not want anyone other than their Minister and his legislation overseeing what happens on private land because they come at the debate from the perspective that rural landholders should have the right to manage their land as they see fit. I can understand how someone would arrive at that conclusion, but the consequences of that position are now apparent to us.

The Hon. Matthew Mason-Cox stood up and expressed how they tried to resolve this issue with the 2016 land management reforms. There had been a build-up of concern about how the intersection between rural land management and environmental protection was impacting the land. There was a bill to try to find the sensible middle ground. I was there during that debate; two sides were at war with each other. One side won because that was the only thing that mattered to them in terms of their position in the Government; that was The Nationals. At that time the Liberal Party gave ground. We did not get a balanced position. We got a position that was about undermining any protections that had been there under agreements that were struck in 2006 under the Carr Government, with the support of the NSW Farmers Association.

The Sinclair reforms instituted the Native Vegetation Act 2003. The catchment management authorities instituted the Natural Resources Commission. Most of that has been dismantled by The Nationals, despite the fact that it was farmers who worked with the Australian Conservation Foundation and the Labor Government to implement reforms recognising that we were hitting some natural limits. Why are we having this tension? It is because we are hitting natural limits in the environment, such as limits on the availability of water. Climate change is making the natural limits even more difficult to manage land use and the farming of our land.

As mentioned by the Hon. Matthew Mason-Cox, the environment Minister of the day worked hard to try to find a middle ground and strike a balance which is all well and good but he failed to mention—I am sure it

simply slipped his mind—that it was in the Cabinet decision that, "Yes, we have some concerns about how this may play out on the ground so we will have a trigger. If land clearing rates reach more than 20,000 hectares in any one year, that will trigger a review by the Natural Resources Commission [NRC]."

It took me almost 18 months to have that review made public. It was a secret review; no-one knew about it other than Cabinet members. We did not know that a review had been done and that a report had been written. We thought we would be fine but the NRC's report said that land clearing was out of control. Approvals had increased by 1,300 per cent but land clearing had escalated beyond the expected triggers. The independent natural resource adviser to the Government described the impact of the absurdly named biodiversity reforms on rural land as a statewide risk to biodiversity.

Most of the clearing was described as unexplained. We have had no explanation as to what that means on the ground. We did not strike a balance there. It is getting harder. Those laws and the approach of this Government that rural landholders should have the right to manage the land as they see fit do not work. On their face, the Hon. Mark Latham's comments make good sense. Of course farmers and landholders should be the custodians of their land. They have an interest in the protection of the environment. The concept of the tragedy of the commons has been around for a long time. The reality is that we have a whole lot of rules and regulations that protect landholders from each other because what we do on our land can impact our neighbours. It is the same in the urban environment where I live. I cannot do some things because it will impact on my neighbours.

Recently we had a debate in this Chamber about flood plain harvesting. Imagine if the farm upstream put in a new embankment and averted into a dam all the water that came down the creek. That would be unacceptable so we have rules about how we manage our shared natural resources. We cannot pollute the air. Rules apply because we all have to breathe the air. It is a shared resource. Whether it is on public or private land, biodiversity is a shared resource. The notion that a person should have to pay every private landholder for a common good is absurd. It is not unreasonable for us collectively to draw some lines about how we live together in this shared world in a way that protects everyone's interests. That is what Parliament is for. I agree that those debates are important. Members will disagree about where the lines should be drawn, but that is our job and we should do it.

I come to this debate as someone who is not entirely opposed to the broad principle that rural land, particularly the management of vegetation on rural land, should be managed under the Local Land Services [LLS] Act and that planning instruments such as the koala habitat State environmental planning policy [SEPP] should be limited in their application to the planning system. But there is a grand distrust in the community about the application of the LLS Act. We must address that but it will not be addressed in our consideration of the bill tonight. Members may be concerned about the frustrations expressed on my side of this debate. Those frustrations come from very real experience and close observation of the limitations of that approach to the protection of shared resources and even to compliance with the Government's rules and regulations. But I am not opposed to it in principle. I see the importance of rules to protect our shared resources. Air, water and biodiversity help nature and the natural, complex systems that deliver them. Where we draw the lines is the challenge.

I have not heard anyone say that they do not want to protect koalas. No-one wants to kill koalas. I do not think that any member in this place or any person on the land wants to kill koalas. I do not use the term "koala killer". That term has become popular in social media. But if the Government's legislation results in further koala population decline—that is, koalas die or die out because of loss of habitat—it is a distinction that gets more and more difficult for us to draw. The bill creates two critical issues for the protection of habitat and the environment. Those issues relate to how private native forestry will be allowed to occur on private land and how a range of allowable activities, like routine agricultural maintenance and the construction of fence lines and roads, for example, will not be allowed to occur without environmental assessment or approval, including now on very sensitive land such as coastal wetlands and critically endangered littoral rainforest.

I will address private native forestry first. In public and in this place I advocate regularly for a transition from public native forestry [PNF]—forestry in our State forests—including through the use of private native forestry with appropriate rules and within native hardwood plantations. So I cannot say that logging should not occur on private land. I cannot say that on one day and then demand a transition that points to private native forestry the next day. That is not tenable but I want a viable private native forestry industry that has the support of the public. The risk is that the undermining of the rules by the bill will destroy any public trust in the private native forestry industry. It will lose its social licence before it is allowed to happen. The reality is that the vast majority of koala populations on the North Coast are on private land. If we do not ensure adequate protections for koala populations through our private native forestry rules, that industry will never get off the ground. The forest wars will begin. The social licence will be depleted. That is in not in anyone's interests.

It has been said to me that everything is fine, that the private native forestry codes protect koalas and protect their habitat. I ask: How does that happen? When I talk to people who live this and experience it through the complaints that they get when their council or neighbours do it, no-one comes out and has a look on the ground.

There is no ground truthing of threatened species habitat. Most of it is done by desktop analysis. Approval can be obtained quite quickly. A fly-by-night private forestry contractor might make a pitch to a distressed landholder and say, "We can come in and do it." Ms Cate Faehrmann referred to that in her contribution. I will not go back over it. But the reality is that it looks like a bit of a free-for-all. I think we can come up with a structure to enable protection of koala habitat and a sustainable private native forestry industry. I am not opposed to the Government's idea of decoupling the SEPP from the PNF codes. But the facts about where koala habitat is and about where koalas live cannot be decoupled.

It would be great if we had separate streams for the management of private native forestry approvals and activity on the one hand and a separate stream for council decisions and State Government planning decisions on the other, but they should operate from the same set of facts about where koalas live. I have suggested to the Government that this could be addressed by engaging the LLS, local councils and the NSW Department of Planning, Industry and Environment [DPIE] in the completion of the koala plans of management that are currently outstanding. Why do we not agree up-front? I understand that the SEPP is a broad instrument. It was designed to motivate councils to engage in the work of developing koala plans of management so that we actually ground truth a lot of this stuff and obtain the detail to enable better decision-making. Let us do the work. Let us engage the LLS in that process. Let us agree now on where koalas live, on where their important habitat is and develop the koala plans of management that can then inform the decision-making of both the LLS stream and the planning stream.

I know that is a good idea because the Government's own legislation grandfathers in the koala plans of management that have already been done. The Government is prepared to do it in some places because it thinks that it cannot undermine that work, which is based on credible science, but in another context it says, "No more." I understand that the Government is opposed to "greenie" councils—that is the way the Government presents it—putting E Zones here and saying no to PNF there. So let your team be part of this as well—LLS, councils and DPIE. It will cost about \$5 million to finish the outstanding koala plans of management with genuine, on-the-ground work. It could be done by the end of the year.

We could come back and talk about how we could do it in a way that does not throw the baby out with the bathwater. I have not heard anything like that back from the Government since I pitched that to the Government. I agree that there have been issues with the maps. The generality of the maps, published as part of the SEPP changes, invited criticism because they were clearly inaccurate in many ways. But that is why investment in the koala plans of management is a good idea and why ground truthing that will be important. It is important to realise that once council has a registered koala plan of management [KPOM] that is signed off by the DPIE and LLS, generally, the koala SEPP is no longer a concern for agricultural operations. To be frank, the concerns raised by farmers have been overblown. Land identified as koala habitat under the SEPP was never excluded from clearing under the Local Land Services Act; it just prevented the self-assessable code-based clearing.

Once we do the work of the KPOMs, the broad SEPP issues disappear when it comes to routine agricultural maintenance. If we get into the details we can find a way through on a lot of this stuff. I understand that for some landholders it will be frustrating to see that a koala SEPP can prevent a PNF code in its current form on their land, but does not necessarily preclude the destruction of koala habitat as part of a planning approval. I agree that that is unfair; I wish the koala SEPP was a stronger legislative instrument for the protection of koala habitat, but it is not. I have been frustrated by the debate because of the intensity with which some members think that the status quo is good for koalas. The reason we are having the debate is that we have been losing koalas. The inquiry showed that the current system is failing koalas and other species, and if the bill becomes law it will be far worse. I hope that someone in Government will listen to the proposal that I have put on the table and we can come together to fix that. There seems to be an assumption in the debate that all farmers and rural landholders want to clear their land and turn their forests into logging coupes. That is simply untrue.

I know a lot of farmers and rural landholders who work with LLS take advantage of Landcare grants and enter into conservation agreements to protect the environmental value of their land. We could inject more money into the Biodiversity Conservation Trust to ensure that those critical areas of private koala habitat can be protected. There are ways to do that. Do not try to make this a farmers versus greenies argument because on the ground that is just total nonsense. The other aspect of the bill that deeply concerns me is that it will allow clearing for a range of allowable routine agricultural activities such as road building and fence lines and the like on sensitive environmental land, including areas such as coastal wetlands and littoral rainforests. It seems to be an error and an overreach from the agreement that was struck—certainly the agreement was that was presented in public. I do not understand, but I have heard from a range of people how it came about. It is a loophole that will allow clearing as part of those allowable activities without any type of approval on environmentally zoned land that was previously zoned rural land. I am particularly concerned about the SEPP regarding coastal wetlands and the littoral rainforest.

I have had someone estimate that as much as 50,000 hectares of wetlands could be affected. I saw the debate in the Richmond area when I was working there a number of years ago. LLS was trying to work with landholders to prevent clearing and degradation of wetlands upstream in the Richmond because of the impact of acid sulphate soils and the blackwater events being sent downstream. Again, that is another example of the tragedy of the commons. Rules can help us all here. The idea that we would allow road building and fence-line clearing on those coastal wetlands is absurd. What we will have is a bad neighbour next door who gets away with it; most landholders will not want to do it because it is clearly bad policy. That needs to be fixed in the bill because it is terrible. I do not know how it came about and I do not know of anyone apart from the worst farmer in the world who would want to do that. Why would we want to make that available to people? In the short time I have left I recognise the contribution of the Hon. Catherine Cusack. I appreciate her historical understanding of the impact we have had over many centuries on koala populations and her principled position.

**Mr DAVID SHOEBRIDGE (18:24:26):** I join my colleague Ms Cate Faehrmann in voicing my opposition to the Local Land Services (Amendment) Miscellaneous Bill 2020. At the outset I acknowledge her work and I associate myself with her critique of the legislation, although I will not repeat her detailed critique of the broader legislation. How are we contemplating putting legislation through this House that freezes the current koala protections and prevents councils in the Tweed, Port Macquarie and Cooma putting in place local protections and koala plans of management that they are midway through drafting, after all of the evidence that we have heard about the tragic state of the koala population? Again, I credit the work of my colleague Ms Cate Faehrmann and the committee she chaired, including all the members on the committee, for exposing the dire state of koala populations in New South Wales and the need for additional protections rather than fewer.

The bill has so many vicious attacks upon the environment and ideological attacks upon nature that it could not be supported by a Parliament that was fairly reviewing it. I will address my comments to the proposed changes to the operation of private native forestry. As a forestry spokesperson for The Greens in New South Wales, I address some of the noxious provisions in the bill in relation to private native forestry. What does the bill do in that regard? It removes the protections under other legislation, including the requirement for development consent under the Environmental Planning and Assessment Act for private native forestry. It wipes them off the table. It also proposes extending the period of private native forestry plan approvals from the current 15 years, which is an extraordinarily long time to grant an approval for forestry operations, and doubling them to 30 years. A plan that is approved today could be actioned in 2050. You could not make this stuff up. It is an extraordinarily foolhardy approach that deliberately vandalises the environment.

It also creates a requirement for consultation with the Minister responsible for fisheries and the Minister administering the Forestry Act for the *Private Native Forestry Codes of Practice* taking it entirely out of key current environmental considerations. The bill is appalling and should not become law. Why is it happening? Because the Coalition is in some kind of meltdown and its internal ructions mean that it is introducing this legislation not because it thinks it is good policy, or fairly balances the environment and forestry and agricultural practices, but because there is a small group of National Party MPs—and some of their supporters in the Liberal Party—who are committed to sacrificing environmental and social values for short-term political gains, regardless of the damage it does to the environment, and even regardless of the damage it does to their own party and the Coalition.

The idea that development consent conditions differ between council areas seems to be one of the primary justifications for removing them when it comes to private native forestry practices. Because council A might impose a set of conditions on private native forestry operations and council B might impose a different set of conditions, the response in the bill is to abolish them entirely. The argument presented is that that is inefficient and creates red tape or green tape. Why does that happen in practice? Councils create land planning rules and put conditions on private native forestry operations based on the environmental and social issues that they are addressing in their local areas. It is a fact that councils can be responsive to the local area on that granular level, which makes it appropriate for different conditions to apply in different parts of the State.

Clearly, the same rules would not be appropriate for a private native forestry operation, for example, on the edge of a town where the community highly prizes its interface with forests or next to a protected rainforest as they would for private native forestry operations on the border of a recently logged State forest. There would clearly be different considerations and different conditions put. Councils have a track record of doing that. But this bill would prohibit councils entirely from putting those granular, careful environmental and social conditions on private native forests. It would let the chainsaws rip. Of course, there are good neighbours, good farmers and landholders who will not just go and savage their forest next to town. But you do not make laws for angels; you make laws for humans in all our glorious fallibility.

It will be the bad landowners—those who seek to take financial advantage and do not care about their neighbours or the environmental impact—who will be empowered. This bill empowers bad behaviour. Private

native forestry can be a very environmentally destructive practice. We should be encouraging laws that support land users to be good neighbours and consider the impact that their operations have on those nearby, the impact that private native forestry operations have upon the local streams and rivers, and the impact that logging has on fish spawning and the health of our fisheries through those streams and rivers. The bill removes all that from the current law. Doubling the length of private native forestry plan approval periods also removes important protections in the current system. Those protections are far from perfect. Private native forestry approvals have ballooned and increased significantly in this State, but the Government wants to go further and double the length of existing and future approvals from 15 to 30 years.

This fails to recognise that we are already living in a changing climate and seeing our forests more vulnerable to fire, the impacts of climate change and severe drought now than they were 30 years ago. How can we possibly assume that the conditions we put on private forestry operations now will be appropriate for a changing climate in 30 years' time? It would be contrary to any kind of common sense and science. Of course they will not be. Pretending that will be acceptable is just part of a pattern of behaviour from this Government. Through the pressure of the right in The Nationals and the anti-environment lobby in the Liberal Party and The Nationals, science and environmental considerations do not matter. This is all about some internal political power play in The Nationals; the environment and our State can just pay the price. We, as Greens MPs, will not stand here and allow that to happen.

In the devastating summer bushfires that we have just come through, a staggering 6.2 per cent of the entire State burned. In some parts of this State more than 80 per cent of the forests burnt. We have heard those stories. Many of us have been there and seen it. Yet that is not enough for this Government. It also wants to unleash the deliberate logging and felling through private native forests to add to the devastation that we have just seen and further remove the habitat from not just koalas but all those precious native animals and vegetation that do not have a vote or a voice and look to people like us to protect them. This bill fails that test. After those fires, it is impossible to continue as if it were business as usual or—worse still—as if we could be even more rapacious in our clearing of forests and our destruction of nature.

Far from taking away protections, we should look at the devastation this State has faced and add protections, care and forests. For those reasons, we will of course be opposing the bill. Again, I commend the work of my colleague Ms Cate Faehrmann. I will finish by simply saying that the contribution of the Hon. Catherine Cusack was brave and honest. One cannot sit here, listen to her analysis of the bill and her lived experience in this place—including in her time as shadow environment Minister—and not acknowledge the strength of those arguments. I do not think one can in good conscience. I acknowledge the bravery that it takes and the enormous pressure she must be under at this moment. We should all acknowledge that. We may disagree with it, but it was a brave contribution.

**The Hon. ADAM SEARLE (18:34:55):** I make a brief contribution in this debate as Labor's climate change and planning shadow Minister. I indicate on the record not only my opposition to the Local Land Services (Amendment) Miscellaneous Bill 2020 but also that, if the Hon. Catherine Cusack moves her foreshadowed amendment to send it to an inquiry, the Labor Opposition will support that. Listening to the debate across the House, one would wonder whether different members were describing the same legislation. So divergent are the opinions, so controversial the different perspectives and so little common ground is there that this bill does call out for a more considered examination, if not immediate dispatch. Of course, this is just the latest instalment in the koala crisis that has gripped the Coalition Government.

This is the issue that led the Deputy Premier and the National Party to push the Government to the brink of its own extinction only to pull back at the eleventh hour to try to patch up some compromise. Honourable members will remember the bizarre press conference involving Ministers Stokes and Marshall to announce that they had reached a new concord on the koala State environmental planning policy [SEPP] issue. They would not say what that was. As details have become clear, we know the idea of the maps—always controversial—has been abandoned rather than amended. Again, it fundamentally confirms that, when it comes to environmental protection, this Government has a strong anti-science stream within it that vies for supremacy. That seems to have won out.

When the legislation we are now debating surfaced it was quite clear to a number of observers, including the Opposition, that The Nationals had essentially won their tussle with the Liberals, who had essentially capitulated in terms of protecting koala populations and what was in this bill. I will not canvass the details. Different members of this House—including my deputy, the Hon. Penny Sharpe—have done so eloquently. I will not repeat those arguments, but it is clear that the legislation is a complete sellout. We have also seen it transpire that, as people have examined the legislation more carefully, at least a big part of the Government or a large proportion of the Liberal Party has identified or believes the legislation that we are debating is not the legislation approved by the Coalition Cabinet. It contains elements that go well beyond what was understood to be agreed.

This is the fundamental basis upon which the Hon. Catherine Cusack rests her position and her proposed course of action. If that is in fact what has happened, there has been a breakdown in decision-making at the most senior levels in the Government. One wonders where the version or quality control is. Small wonder do we learn late this afternoon—probably a few minutes ago—that apparently the National Party is having a party room meeting to discuss this very problem. One wonders whether the koala crisis will engulf the Government once more. Is the National Party about to announce pulling out of the Government again? Time will tell. But it is quite clear that this legislation is fatally flawed, should be dispatched or sent to an inquiry. We will be supporting one or other of those courses of action.

**The Hon. SARAH MITCHELL (Minister for Education and Early Childhood Learning) (18:39:02):**  
On behalf of the Hon. Bronnie Taylor: In reply: I commend the bill to the House.

**The PRESIDENT:** The question is that this bill be now read a second time, to which the Hon. Catherine Cusack has moved an amendment. The question is that the amendment be agreed to.

**The House divided.**

Ayes ..... 19  
Noes ..... 18  
Majority..... 1

**AYES**

Boyd  
Buttigieg (teller)  
Cusack  
D'Adam (teller)  
Donnelly  
Faehrmann  
Field

Graham  
Houssos  
Hurst  
Jackson  
Mookhey  
Moriarty

Moselmane  
Pearson  
Primrose  
Searle  
Sharpe  
Shoebridge

**NOES**

Amato  
Banasiak  
Borsak  
Fang  
Farlow  
Farraway (teller)

Franklin  
Khan  
Latham  
Maclaren-Jones (teller)  
Mallard  
Martin

Mason-Cox  
Mitchell  
Nile  
Roberts  
Taylor  
Tudehope

**PAIRS**

Secord  
Veitch

Harwin  
Ward

**Amendment agreed to.**

**The PRESIDENT:** The question is that the motion as amended be agreed to. Is leave granted to ring the bells for one minute?

**Leave granted.**

**The House divided.**

Ayes ..... 19  
Noes ..... 18  
Majority..... 1

**AYES**

Boyd  
Buttigieg (teller)  
Cusack  
D'Adam (teller)  
Donnelly  
Faehrmann

Graham  
Houssos  
Hurst  
Jackson  
Mookhey  
Moriarty

Moselmane  
Pearson  
Primrose  
Searle  
Sharpe  
Shoebridge

## AYES

Field

## NOES

Amato  
Banasiak  
Borsak  
Fang  
Farlow  
Farraway (teller)

Franklin  
Khan  
Latham  
Maclaren-Jones (teller)  
Mallard  
Martin

Mason-Cox  
Mitchell  
Nile  
Roberts  
Taylor  
Tudehope

## PAIRS

Secord  
Veitch

Harwin  
Ward

**Motion as amended agreed to.**

*Committees***STANDING COMMITTEE ON PARLIAMENTARY PRIVILEGE AND ETHICS****Message**

**The PRESIDENT:** I report receipt of the following message from the Legislative Assembly:

MR PRESIDENT

The Legislative Assembly informs the Legislative Council that it has this day agreed to the following resolution:

That:

- (1) The Standing Committee on Parliamentary Privilege and Ethics conduct an inquiry into the adequacy of current procedures to protect parliamentary privilege in circumstances where law enforcement and investigative bodies seek to use coercive, intrusive and covert investigatory powers.
- (2) The Committee's initial focus should be the operation of the agreement currently in place with the Independent Commission Against Corruption (ICAC), including:
  - (a) The 2009 Memorandum of Understanding (MoU) on search warrants between the Commissioner of the ICAC, the President of the Legislative Council and the Speaker of the Legislative Assembly and the revisions proposed but not adopted in 2014;
  - (b) The protocol currently observed in relation to notices to produce information under s.22 of the Independent Commission Against Corruption Act 1988;
- (3) The Committee evaluate the need for a Memorandum of Understanding to be entered into with the NSW Electoral Commission in relation to the investigation of possible offences and breaches of electoral, funding and disclosure, and lobbying laws.
- (4) The Committee should examine any other relevant matter, in light of recent developments in other jurisdictions and also the reports of the Legislative Council's Privileges Committee, entitled "Execution of search warrants by the Australian Federal Police", dated 13 October 2020, and Report No. 2, dated 18 November 2020.
- (5) A message be sent informing the Legislative Council of the terms of reference for the referred inquiry.

Legislative Assembly  
19 November 2020

JONATHAN O'DEA  
Speaker

*Documents***TABLING OF PAPERS**

**The Hon. DAMIEN TUDEHOPE:** I table the following papers:

- (1) Annual Reports (Departments) Act 1985—Report of the Public Service Commission for the year ended 30 June 2020, received and authorised to be printed this day.
- (2) Annual Reports (Statutory Bodies) Act 1984—Report of the NSW Electoral Commission for the year ended 30 June 2020, received and authorised to be printed this day.

I move:

That the reports be printed.

**Motion agreed to.**

**The PRESIDENT:** I will now leave the chair. The House will resume at 8.30 p.m.

*Special Adjournment*

### **SPECIAL ADJOURNMENT**

**The Hon. DAMIEN TUDEHOPE:** I move:

That this House at its rising today do adjourn until Friday 20 November 2020 at 10.00 a.m.

**Motion agreed to.**

*Business of the House*

### **SUSPENSION OF STANDING AND SESSIONAL ORDERS: ORDER OF BUSINESS**

**The Hon. MARK LATHAM:** I move:

That standing and sessional orders be suspended to allow a motion to be moved forthwith that the order of the day relating to the deferred question on the motion of Mr Latham for the attendance, under Standing Order 163, of the Minister for Energy and Environment during debate on the Electricity Infrastructure Investment Bill 2020 be called on forthwith.

**Motion agreed to.**

### **ORDER OF BUSINESS**

**The Hon. MARK LATHAM:** I move:

That the order of the day relating to the deferred question on the motion of Mr Latham for the attendance, under Standing Order 163, of the Minister for Energy and Environment during debate on the Electricity Infrastructure Investment Bill 2020 be called on forthwith.

**Motion agreed to.**

### **ATTENDANCE OF THE MINISTER FOR ENERGY AND ENVIRONMENT TO EXPLAIN THE ELECTRICITY INFRASTRUCTURE INVESTMENT BILL 2020**

**Consideration resumed from an earlier hour.**

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

**The House divided.**

Ayes .....17  
Noes .....20  
Majority.....3

#### **AYES**

Banasiak  
Borsak  
Buttigieg (teller)  
D'Adam (teller)  
Donnelly  
Graham

Houssos  
Jackson  
Latham  
Mookhey  
Moriarty  
Moselmane

Nile  
Primrose  
Roberts  
Searle  
Sharpe

#### **NOES**

Amato  
Boyd  
Cusack  
Faehrmann  
Fang  
Farlow  
Farraway (teller)

Field  
Franklin  
Hurst  
Khan  
Maclaren-Jones (teller)  
Martin  
Mason-Cox

Mitchell  
Pearson  
Shoebridge  
Taylor  
Tudehope  
Ward

#### **PAIRS**

Secord  
Veitch

Harwin  
Mallard



**Motion negatived.**

*Bills*

**ELECTRICITY INFRASTRUCTURE INVESTMENT BILL 2020**

**Second Reading Speech**

**The Hon. BEN FRANKLIN (20:44:11):** On behalf of the Hon. Damien Tudehope: I move:

That this bill be now read a second time.

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

**Leave granted.**

The Government is introducing the Electricity Infrastructure Investment Bill 2020 because, although our electricity industry has served us well, a large portion of the infrastructure on which we rely every day to power our homes, businesses and industries is fast approaching the end of its technical life. Four of our coal-fired power stations that provide up to three-quarters of the State's energy supply each year are scheduled to close in the next 15 years. Those power stations must be replaced before they close to make sure we keep the lights on and avoid price spikes. New South Wales must take decisive action to maintain affordable, reliable and sustainable electricity supply as this inevitably unfolds.

The complexity and scale of the challenge should not be lost on us, nor should be the enormity of the opportunity. The Electricity Infrastructure Investment Bill is the New South Wales Government stepping up to the challenge and seizing the opportunity on behalf of the people of New South Wales. The bill gives effect to the New South Wales Electricity Infrastructure Roadmap—an integrated policy framework to secure an affordable, reliable and clean energy future for New South Wales. It is a plan to make New South Wales an energy and economic superpower. This bill will improve the affordability, reliability, security and sustainability of electricity supply in New South Wales. It will encourage investment in new electricity generation, storage, network and related infrastructure by reducing risk for investors. It will foster local community support for investment in new energy infrastructure and it will do so in a way that supports economic development and manufacturing.

By acting now to modernise our electricity infrastructure we can avoid price rises and maintain a reliable system once our existing fleet of generators retires. There are three types of energy infrastructure identified by the experts as the lowest cost replacement for the New South Wales electricity system: first, new transmission that supports the diversification of the grid to renewable-rich areas; second, renewable generation providing very low marginal cost energy to the system; and, third, long duration storage like pumped hydro and firming like gas and batteries providing dispatchable energy and other services to complement the intermittent nature of the renewables. This suite for replacement infrastructure has high up-front capital costs and low ongoing marginal costs. This is why we need to take action to provide investment certainty to the private sector that will lower the cost of capital of the new infrastructure, in turn lowering electricity prices for consumers.

The new electricity infrastructure also has long development times. It takes up to 10 years to build a renewable energy zone and eight years to build a big pumped hydro project. That is why we need to take action now—to ensure that new infrastructure is built before the existing power stations close. New South Wales has some of the best energy resources in the world. Our State is in a unique position to take advantage of those energy resources to give our local businesses and industries the competitive advantage that comes from having low-cost energy. However, the transmission system is congested and its capacity to connect new generation is limited. The regulatory framework provides no clear pathway for coordinated investment across infrastructure types. The renewable energy zones are a key feature of the bill aimed at alleviating these issues.

Renewable energy zones are the modern-day equivalent of traditional power stations. They combine generation, transmission, storage and system strength services to ensure a secure, affordable and reliable energy system. They will play a crucial role in delivering affordable energy to help replace the State's existing power stations as they retire. However, investment on this scale has not occurred in New South Wales for decades. The current market framework lacks the clear signals to deliver this investment in a time that we need it. It also lacks the mechanisms to deliver in the interests of regional communities. Only an integrated approach will ensure that investment is orderly, timely, optimised and efficient, meeting the needs of the electricity system and the expectations of the people of New South Wales. The bill establishes the electricity infrastructure investment safeguard as a clear framework to achieve this.

As a government, we recognise these measures are bold. They are also necessary in response to the scale of the challenge that New South Wales faces and the relatively short time available to address that challenge. The New South Wales Electricity Infrastructure Roadmap is our plan to manage the electricity sector's transition and to seize the opportunities that this creates. It is a whole-of-system approach to coordinate investment in new generation transmission, long duration storage, and firming projects. It creates a mechanism to deliver transmission infrastructure at scale in the regions with the State's strongest energy resources while working closely with communities. It is a pathway for generation and storage projects to become integral and substantial additions to the communities and economies of these new renewable energy zones. It de-risks investment in crucial long duration storage projects like pumped hydro that often have long lead times and significant up-front capital requirements, meaning that they need long-term policy and investment certainty to reach financial closure.

It ensures that our new energy infrastructure supports and contributes to rather than takes away from our communities and it does this while reducing costs and moving towards a clean and more sustainable energy system. In doing so, the road map will support the State in attracting huge investment in new low-carbon industries. The private sector already sees the potential in New South Wales and has signalled it is ready to invest with 120 large-scale energy generation projects already in the pipeline, totalling \$25 billion in potential investment. The road map will turbocharge that investment at a time when we need it most.

The scale of the benefits this will deliver is vast. The Electricity Infrastructure Roadmap is expected to drive an estimated \$32 billion of timely and coordinated private sector investment into New South Wales by 2030. It is expected to support 6,300 construction jobs and 2,800 ongoing jobs in 2030, mostly in regional New South Wales. It is expected to deliver an estimated \$1.5 billion in lease payments to landholders in regional New South Wales by 2042. It is expected to reduce carbon emissions in New South Wales by an estimated 90 million tonnes by 2030. It is expected to save households an average of around \$130 per year and small businesses

around \$430 per year, after accounting for the costs of the new schemes for transmission, generation and storage. It is also expected to deliver some of the cheapest electricity prices for industry in the entire OECD, turning New South Wales into an economic and energy superpower.

I now turn to the provisions of the bill. Part 2 of the bill establishes the Energy Security Target for electricity supply in New South Wales for each year, with a long-term monitoring framework. The Energy Security Target is a mechanism to signal how much firm capacity is needed in New South Wales over the medium to long term to keep the electricity system reliable. A person or body will be appointed as the Energy Security Target Monitor to calculate annual energy security targets and to assess and monitor whether or not the Energy Security Target will be met over the following 10 years. This process is designed to monitor the firm capacity expected to be available to electricity customers in New South Wales at times of peak demand.

As set out already in the New South Wales Electricity Strategy, the Energy Security Target is to be equivalent to the maximum demand experienced in New South Wales every 10 years, typically under heatwave conditions, plus a reserve margin to cover the loss of the State's two largest generating units. The Energy Security Target serves as an additional framework that complements the backstops set by the existing national reliability measures, while bolstering the State's electricity resilience. The national reliability standard sets a limit on the amount of unmet demand from consumers across a year, referred to as unserved energy. The NSW Energy Security Target is explicitly focused on the time of maximum demand, typically during a summer heatwave. Measures to assist one of these parameters will help to meet the other.

If a breach of the Energy Security Target is forecast, the bill provides tools for the New South Wales Government to take action, if necessary, to respond. This includes, for example, a mechanism to increase the targets under the Energy Security Safeguard that will drive energy efficiency initiatives or reduce the State's electricity load at times of peak demand. To be clear, taking action in response to a forecast breach of the Energy Security Target is discretionary. A forecast breach of the Energy Security Target may result in the Government taking no action if there is sufficient evidence to show that the market is responding to address the issue.

The monitor, created by this bill, will be provided with information-gathering powers. These powers are necessary to ensure that the monitor can effectively assess and forecast any anticipated breach of the Energy Security Target. These powers will also ensure that the monitor can protect and give confidence to those providing information about its use and confidentiality. In particular, section 11 provides a strong confidentiality protection for this information. This is very important. The information provided by persons under this power will often be very commercially sensitive and it must be kept confidential. If it is not, then there is a risk that firms may have their legitimate commercial interest unfairly prejudiced and that investors will take their capital elsewhere. This is contrary to the purpose of the bill. For that reason, proposed section 11 is carefully crafted to identify narrow circumstances in which the Minister and others may disclose the information. This careful and nuanced drafting, especially in subsections (2) and (6), reflects the statutory purpose of setting out an exhaustive statement of the circumstances of lawful disclosure of this sensitive information.

Proposed section 52 (4) also provides that the monitor is not subject to the direction or control of the Minister. Part 3 of the bill establishes a process for declaring renewable energy zones in New South Wales and a framework for coordinating their delivery. This is a first for the National Electricity Market. A renewable energy zone [REZ] declaration will specify electricity generation storage or network infrastructure in a specified geographical area in New South Wales, either initially or as amended.

I will highlight a few matters to the House about proposed section 12 (1) of the bill. That section, with division 2 of part 3, part 4 and part 5, is part of a cascading process to identify renewable energy zones and then determine the infrastructure projects and the details, design and configurations of these projects. The purpose of paragraph (b) of section 12 (1) is to allow the renewable energy zone declaration to identify such infrastructure associated with the renewable energy zone which may not happen in the geographical area of the zone. This could include a transmission line upgrade elsewhere in the network reasonably necessary to support the effective operation of the zone. I want to be clear that the purpose of the REZ declaration is not to determine which projects can proceed. Such a result would undermine the competitive tension needed to protect the financial interests of consumers through the tendering for long-term energy service agreements. Protecting the financial interests of consumers is, of course, a key purpose of this bill.

The declaration will necessarily describe the infrastructure at a high level. Determining the final infrastructure projects and their design is the purpose of the renewable energy zone network infrastructure components of part 4, and in this respect I refer the House specifically to proposed section 23 (2) (a), which can deal with different transmission routes, and the tender process set out in part 5. The network infrastructure does not have to be in the geographic area for renewable energy zones so that new infrastructure connecting the main transmission network can also be covered by the declaration. The REZ declaration enables other elements of the bill, such as access schemes and cost recovery for REZ network infrastructure projects, and helps direct investment into these areas through the tenders for long-term energy service agreements.

It will come as no surprise that the three renewable energy zones we have committed to as a government will be the first to be declared if the framework is approved and has commenced. Under the bill, renewable energy zones are identified as planned for the Central-West Orana, New England and South West renewable energy zones. In declaring a renewable energy zone, land use planning, environmental and heritage matters as well as the views of the local community will be taken into account. This is to ensure that renewable energy zones are designed in a way that minimises adverse land use impacts while maintaining social licence in local communities.

The bill tasks the infrastructure planner with the function of coordinating the design and development of renewable energy zones. This includes strategic coordination of community and stakeholder management, helping to establish the social licence for new renewable energy zone infrastructure. The bill provides a pathway for other people to seek a renewable energy zone declaration, upon application, from the Minister for Energy and Environment. The objective is to allow others to deliver non-government-led renewable energy zones. There is also scope for additional government-led renewable energy zones. I note the coverage in *The Newcastle Herald* this morning about the Hunter's renewable energy potential. I reiterate the comments I gave to that paper:

The Hunter is a prime location to investigate for a future REZ given its strong renewable resources of transmission links. We are happy to work with any community in the State that wants to host a REZ and unlock the Roadmap's economic benefits.

To provide investors with comfort their projects will be able to access a stable grid connection over time, the bill provides for the Minister to declare access schemes for renewable energy zones. These access schemes will be a first for Australia and will ensure strategic and optimal use of new transmission infrastructure to maximise the benefits to consumers.

A year ago I informed the COAG Energy Council that New South Wales intended to vary the National Electricity Law as it applies in New South Wales. The regulations may modify or dis-apply the application of the National Electricity Law or the National

Electricity Rules, with the effect that nominated new shared transmission or distribution within the renewable energy zone will be subject to renewable energy zone-specific rules regarding network connection, access, planning and economic regulation. An access scheme will authorise or prohibit access to, and use of, specified network infrastructure in a renewable energy zone.

An access scheme declaration will identify who administers the access scheme. An access scheme must be consistent with the objects of the proposed Electricity Infrastructure Investment Act. The consumer trustee may determine fees payable by participants in an access scheme, and the scheme may collect the fees and disburse them. These fees are envisaged to help pay for the network infrastructure required to enable the renewable energy zone, the costs of operating the access scheme, and community benefit funds for projects which benefit the communities within the renewable energy zone.

It will also be possible for the infrastructure planner to prohibit the connection of proposed infrastructure in a renewable energy zone. This power may only be used in particular circumstances and will not override a development consent already given to construct and operate the proposed infrastructure. This provision is needed to assure local communities that only those projects which are in appropriate locations and whose proponents take the time to genuinely engage communities and build local support will go ahead. It is critical to meeting the proposed Act's objective of fostering local community support for investment in new generation, storage, network and related infrastructure. A key intent here is to maintain community support for renewable energy zones over the long term. That is why the consumer trustee will be able to require that a proportion of revenue from access fees is earmarked for community purposes.

Part 4 of the bill establishes new mechanisms for consumers to pay for network infrastructure both within renewable energy zones and for other priority network infrastructure which improves New South Wales' interconnections with neighbouring States. The infrastructure planner will assess the options available for the network infrastructure projects required for a renewable energy zone and make recommendations to the consumer trustee. This includes options for the network's physical configurations, staging over time, how it will be paid for and specific access rules relevant to each option. The consumer trustee will then make recommendations to the Minister about the most appropriate network infrastructure for the renewable energy zone and in doing so will ensure that the network infrastructure selected ultimately protects the interests of New South Wales consumers.

The bill also provides for the fast-tracking of priority transmission infrastructure projects. These are projects which go beyond renewable energy zones and are identified in the Australian Energy Market Operator [AEMO] integrated system plan, which will help respond to an expected breach of the energy security target. The bill establishes a regime to direct or authorise a network operator to carry out a network infrastructure project. This regime will ensure that New South Wales has the network infrastructure it needs for an affordable, reliable and sustainable electricity supply.

The regulator will be responsible for determining the amounts payable to the network operators for these projects. This determination will make provision for the network operator to cover their prudent, efficient and reasonable development and construction capital cost and to receive an allowance for operating costs. Network infrastructure projects will be subject to a transmission efficiency test so that the network operator can only recover those prudent, efficient and reasonable capital costs associated with these projects. Importantly, the consumer trustee must set a maximum amount of capital cost that can be recovered by a network operator for the development and construction of a renewable energy zone infrastructure project.

Unless the network operator is directed by the Minister to carry out the renewable energy zone infrastructure project, the regulator will be precluded from determining an amount greater than this maximum amount in its determination. The purpose of this requirement is this: The consumer trustee in determining whether to approve a renewable energy zone network project is making an assessment whether the generation infrastructure in the REZ justifies the cost for the network upgrades. In making this assessment it will have regard to the development pathway of the financial interests of consumers.

However, the final determination for the cost of the transmission project is to be made by the regulator and it is possible that the consumer trustee's cost estimate for the REZ network infrastructure turns out to be inaccurate. If the cost for the transmission upgrade turns out to be so much higher that the consumer trustee would not have granted the authorisation, then the transmission project should not proceed. The purpose of proposed section 24 (2) with proposed section 31 (6) is to operate as such a safeguard such that a notice under section 24 (2) would set out the network infrastructure costs above which the consumer trustee considers the authorisation would not be justified.

The regulator will publish guidelines for network operators on matters relating to the transmission efficiency test including the expenditure and recovery of project development costs. The regulator will be required to remake their determination every five years or if it is directed by the consumer trustee to do so but may amend a determination at any time if needed. The scheme financial vehicle will then be responsible for paying the network operator the amount determined by the regulator. The regime is very narrow both in terms of the circumstances in which new projects can proceed, the nature of those projects and it includes a requirement for funded network infrastructure to be wholly in New South Wales so only New South Wales consumers would pay for any such transmission.

The bill provides for regulations to enable a network infrastructure project to transition from the New South Wales arrangement to those under the National Electricity Rules without the operator receiving payments under both. Part 5 of the bill establishes the Electricity Infrastructure Investment Safeguard. In New South Wales we are not going to build the transmission lines and simply hope generation will come. The safeguard involves legislated objectives for new infrastructure, a process to plan the development pathway to construct this new generation, long duration storage and firming infrastructure, and the ability to conduct competitive tender processes to award long-term energy service agreements if they are required to meet the development pathway.

The Electricity Infrastructure Investment Safeguard will enable a coordinated development pathway for each of the necessary types of electricity infrastructure. The bill sets out infrastructure investment objectives for generation, long duration storage and firming infrastructure. For generation, the bill specifies this must be an eligible renewable energy source. For example, this could be wind or solar. For long duration storage the bill specifies this must be the storage of electricity for the project's capacity for at least eight hours duration. For example, this could be pumped hydro or in the future long duration batteries or hydrogen storage. For firming the bill specifies this must be scheduled in AEMO's central dispatch process. For example, this could be a gas generator or shorter duration batteries.

The bill sets out objectives for each of these types of infrastructure, including a minimum level by 2030 generation and long duration storage. The overall objectives are: generation needed to minimise electricity costs for New South Wales consumers, long duration storage needed to meet the National Energy Market's reliability standard, and firming infrastructure as needed to meet the NSW Energy Security Target and reliability standard. The objectives set a minimum for the construction of generation infrastructure so

that there is the equivalent annual output as: eight gigawatts of generation capacity from the New England Renewable Energy Zone, three gigawatts of generation capacity from the Central-West Orana Renewable Energy Zone, and one additional gigawatt of generation capacity.

The intent is to identify the best renewable energy projects which can connect to the New South Wales region of the National Electricity Market. They do not necessarily need to be in these renewable energy zones; however, those projects outside a zone must show outstanding merit. The objectives also set a minimum of at least two gigawatts of long duration storage infrastructure by 2030. Projects that AEMO identified as committed on or before 14 November 2019 do not count towards these objectives. For the avoidance of doubt, this means the Snowy 2.0 project does not count towards the minimum objective for long duration storage.

Every two years the consumer trustee must publish a report setting out the development pathway to meet these objectives. This report will set out a plan for competitive tenders over the following 10 years which may be required to ensure the level of investment in electricity infrastructure remains on track. The bill provides for long- term energy service agreements between the scheme financial vehicle and a person referred to as a long-term energy service [LTES] operator.

The agreements give the LTES operator periodic options to exercise a derivative arrangement in return for constructing and operating a generation, long duration storage or firming project. To be clear, the derivative arrangement does not pay for the construction of the project and does not pay for the power produced; it is simply a financial derivative arrangement to give the investor certainty the project can earn an agreed minimum level of revenue from selling its services into the electricity market. That is the level of revenue required to ensure the investor commits to the construction and operation of the project.

The agreement can give the LTES operator a series of periodic options to exercise a financial derivative within the life of the agreement, as long as the LTES operator complies with a minimum notice period. The agreements can also provide for the LTES operator to repay the scheme financial vehicle for payments made under a derivative arrangement should specified circumstances eventuate. For example, if the LTES operator earns above a specified amount in a future year where it has not exercised an option, it could be required to pay previous payments from the scheme financial vehicle. This is intended to protect consumers from LTES operators making windfall profits in future years.

These agreements will be designed to give investors long-term revenue certainty and accelerate the build- out of renewable energy zones in a manner that supports the reliability of supply in New South Wales. Agreements will be structured to match the type of project being supported. For example, agreements for generation could be designed to set an agreed average wholesale electricity price for projects. Agreements for long duration storage projects could be designed to set an agreed availability payment in return for agreed operating and contracting behaviour. Agreements for firming projects could be structured to encourage those projects to dispatch when market prices are above a specified threshold.

The consumer trustee is responsible for determining the standard terms and conditions of the long-term energy service agreements. If required to meet a development pathway, the consumer trustee can run competitive processes to offer long-term energy service agreements—the investment signal for this new infrastructure. It will be the consumer trustee's role to set the rules for tenders, in consultation with the regulator, and administer the tenders in accordance with these rules. The rules will set the parameters for the tenders including eligibility and assessment criteria as well as the fees and securities required to make a bid. The eligibility criteria may include matters which the consumer trustee considers important for the physical needs of the system and the financial interests of the consumers, such as ramp rates and system services. These tenders may be combined with the process to award rights for renewable energy zone access schemes.

The consumer trustee will preference bids for generation infrastructure located in a renewable energy zone when making its recommendations. In this respect, I note that proposed section 41 (3) speaks in terms of generation infrastructure that is "part of a renewable energy zone". The use of the word "part" captures both the notion of generation infrastructure being geographically as per proposed section 12 (1) (a) and the notion of generation infrastructure connecting to network infrastructure outside the zone identified as contemplated by proposed section 12 (1) (b).

In exercising its functions, the primary consideration for the consumer trustee will be the financial interests of consumers. That is important. It is clear that the consumer trustee will be making recommendations to achieve the relevant development pathways and the infrastructure investment objectives. However, the structure of part 5 deliberately provides flexibility to the consumer trustee to protect the financial interests of consumers, for example, if unforeseen events makes this expensive. Accordingly, if a tendering round does not see bids of sufficient value for consumers, the consumer trustee has flexibility to deal with these events in a reasonable way in the financial interests of consumers.

The development pathways and the infrastructure investment objectives are meant to be strong guides to the consumer trustee; they are not intended to be rigid rails which must be adhered to at all costs. For example, there may be circumstances where it is in consumers' overall interest to achieve the minimum objectives shortly after the prescribed date. The consumer trustee will have discretion to recommend a project not in a renewable energy zone if it shows outstanding merit, and that will largely be about providing consumers substantial financial value. The consumer trustee will only hold a tender to award LTES agreements for firming infrastructure if the Minister directs it. That reflects that there may be lower cost options to add the marginal capacity needed to achieve the energy security target.

At the conclusion of a tender, the consumer trustee recommends the long- term energy service agreements that the scheme financial vehicle may enter into. The bill also provides for the regulations to authorise the consumer trustee to recommend agreements outside of a competitive process where that is in the interests of consumers. That may be needed if there is insufficient competition, such as may occur if there are only a limited number of pumped hydro projects competing in a tender round. Once the consumer trustee has made its recommendations, the scheme financial vehicle then finalises the terms and conditions and may then offer to execute the agreement with the LTES operator.

The consumer trustee will prepare a risk management framework to minimise risks associated with the long- term energy service agreements. The risk management framework provides for the scheme financial vehicle to enter a second type of derivative arrangement referred to as a risk management contract. That will enable the scheme financial vehicle to enter derivative arrangements that hedge risks arising from long- term energy service agreements. For example, small energy retailers and large electricity users want access to derivatives to reduce their exposure to volatile wholesale electricity market prices. The scheme financial vehicle could offer those persons a risk management contract which onells the equivalent derivative arrangement exercised by an LTES operator. That could reduce the cost of the scheme to consumers and improve access to derivative contracts.

In this respect, I note that the purpose of the risk management framework is broader than managing the financial position of the scheme financial vehicle. It relates more generally to the financial position of electricity consumers. For example, if there is illiquidity in the contract market as a result of long-term energy service agreements being put, it is important for consumers that the risk management framework authorises the scheme financial vehicle to provide liquidity on the basis of the put contracts. The scheme financial vehicle will establish a fund called the Electricity Infrastructure Fund. Payments into the Electricity Infrastructure Fund will be used to meet the scheme financial vehicle's liabilities and the administrative costs for the consumer trustee, financial trustee and regulator.

The bill enables the scheme financial vehicle to order contributions from distribution businesses to the fund; that is, Ausgrid, Endeavour Energy and Essential Energy will be required to pay a specified amount to the fund each year. The National Electricity Rules enable those businesses to recover these costs as part of their network charges. The market modelling prepared for the Department of Planning Industry and Environment indicates that even with the additional network charges New South Wales households are expected to save an average of \$130 a year from 2023 to 2042. The regulator will determine how much is payable to the scheme financial vehicle and can vary its determination if concerned the scheme financial vehicle will not meet its liability or the cash balance has fallen. The regulator will publish guidelines about the exercise of its powers.

It is important to ensure that the scheme financial vehicle can be certain of meeting its liabilities so it is rated as a credit-worthy counterparty for network, generation and storage projects. The bill provides for the scheme financial vehicle to issue its own order without a determination if the regulator has failed to make a determination in time. The amount recoverable under this part of the framework is only that which the scheme financial vehicle needs to meet its liabilities. The bill also makes provision for regulations to authorise networks not to recover their contribution amounts from electricity users with an exemption under the existing Energy Savings Scheme, that is, emission intensive trade exposed industries such as large manufacturers.

I turn now to part 7 of the bill, which provides for a number of roles and functions, including a consumer trustee who sets development pathways for the electricity infrastructure required over the next 20 years, advises the Minister and the infrastructure planner in relation to proposed and declared renewable energy zone network infrastructure projects and administers tenders for long-term energy service agreements for new long-duration storage, firming and generation projects; the scheme financial vehicle which administers the contracts, fees, payments and contributions under the bill; the financial trustee, who is the person to establish and own the scheme financial vehicle and to advise the regulator in relation to contribution determinations; the infrastructure planner, whose role is to assess different options for REZ network infrastructure and to coordinate investment in generation storage and network infrastructure; and the regulator, who is responsible for monitoring, enforcing and reporting on the administration of the schemes established by the bill.

The bill provides for the Minister to appoint one or more regulators so there is flexibility in which schemes are overseen by the Independent Pricing and Regulatory Tribunal of New South Wales or other bodies such as the Australian Energy Regulator. There are two pathways for termination of appointments. The Governor can terminate an entity's appointment on address by both Houses of Parliament or, where an audit finds incompetence, misconduct or incapacity, the Minister can terminate an appointment, other than for the financial trustee, which appointment can be terminated by the consumer trustee. Prior to termination, the appointer must advise the person that their performance is unsatisfactory and give them an opportunity to respond.

The bill also contains a number of miscellaneous provisions. In order to ensure the effective administration of this scheme, the consumer trustee, the financial trustee and the infrastructure planner will report to the regulator at the end of each financial year and the regulator will publish an annual report. The energy security target monitor, the consumer trustee, the financial trustee, the regulator, and the infrastructure planner will not be subject to personal liability for the purpose of exercising their function under the bill, providing they act in good faith. The protection for the infrastructure planner does not arise, however, in relation to the administration of an access scheme in a renewable energy zone or the carrying out of construction or development of storage and network infrastructure. For the avoidance of doubt, the scheme financial vehicle will be subject to personal liability. It is important this entity is held financially accountable for the contracts it enters into.

There is a false and misleading provision in the bill to ensure there are appropriate penalties for a person giving false or misleading information to any of the appointed entities under this framework in relation to the administration of the bill. Information obtained in connection with the administration of the bill may not be disclosed other than in accordance with the bill, subject to penalty notice provisions. The bill also authorises, for the purposes of part IV of the Federal Competition and Consumer Act 2010 and the Competition Code of New South Wales, the tender for and giving effect to a long-term energy service agreement, giving effect to risk management contracts and any order not to connect a project to the network. That is appropriate, as the primary function of the consumer trustee is to protect the financial interests of consumers. The Minister and infrastructure planner may delegate their functions under the bill. The consumer trustee, financial trustee and regulator may delegate their functions to a class of person prescribed in regulations. The Minister will review the Act after five years to determine if the policy objectives remain valid and appropriate and will table a report on that review to each House of Parliament.

The bill also amends the Energy and Utilities Administration Act 1987 to provide a framework for recoverable grants to be repaid to the NSW Climate Change Fund, known as the CCF. Currently the CCF supports a range of activities which are risky for the private sector to invest in alone. Some of these projects might eventually turn a profit or meet another stage that warrants repayment to the CCF but it is currently not possible for the CCF to be repaid. These amendments will enable the CCF to recover grant payments in these situations so it can recycle funds into new initiatives. The amendments to the Energy and Utilities Administration Act also enable standing or special purpose committees to be established to provide advice on the exercise of my functions under various pieces of energy legislation, including the Electricity Infrastructure Investment Safeguard.

Where the Energy Corporation is appointed as an infrastructure planner for a renewable energy zone, it will have the functions the corporation has under the Energy and Utilities Administration Act 1987, as modified by the regulations, and will not be limited to the extent its role as infrastructure planner involves the supply of electricity and affects TransGrid's functions. Further, amendments are also being made to the Electricity Supply Act 1995 to allow new energy savings targets to be set beyond 2025 in the Energy Savings Scheme and for those targets to be amended if there is a forecast breach of the energy security target and changing the targets is determined to be the most appropriate response to that breach in the circumstances.

Through the changes it will be possible to exempt small retailers from their obligations under the Energy Savings Scheme during emergencies like the COVID-19 pandemic. The amendments also streamline the regulation-making power for future Energy Security Safeguard schemes. Through our New South Wales Electricity Strategy we have already communicated our intent to establish a peak

demand reduction scheme, which will require regulation-making provisions. New South Wales energy consumers will be better off as a result of the Electricity Infrastructure Roadmap enabled by the bill. Residential customers are expected to save an average of around \$130 each year between 2023 and 2042, and small businesses around \$430 each year after accounting for the costs of the new schemes for transmission, generation and storage.

There are pathways available for generation and storage technologies to compete to provide the services they are best suited for. Enabling a mix of technologies will improve the affordability and reliability of electricity supply. For renewable energy zone generation and long duration storage projects, agreements are expected to be awarded to a mix of wind, solar, batteries and pumped hydro. The Electricity Infrastructure Investment Safeguard will deliver the equivalent to the Central-West Orana Renewable Energy Zone, the New England zone plus an additional allowance for outstanding projects. This will mean a lot of variable energy for the grid, which is why we are planning enough storage to ensure the system is stable.

Technologies like gas and batteries can be supported under the firming development pathway. In a hydrogen future I hope hydrogen plants will play a role under this mechanism too. Some may say the Electricity Infrastructure Investment Safeguard should be adopted nationally—and I could not agree more. This New South Wales approach could indeed prove to be the template for national reform. I would be happy to see this actually help the national electricity market reform process. For New South Wales the reality is we need to start now because it takes a long time. It took over 30 years to build New South Wales' existing fleet of coal-fired power stations. We need to replace four out of five of them in less than 15 years. We might even have less time, given the growing risk of mechanical failure as plants age. In Texas it took nine years to build a renewable energy zone. Pumped hydro projects take up to eight years. So, given the early stage and uncertainty of national reforms, we need to continue on the current path rather than delay.

From here there is, of course, more work to do, such as on the details of the access rights, transmission efficiency test, Electricity Infrastructure Investment Safeguard tendering process and agreement terms and conditions, and for this we will turn to industry for input in order to make sure the regulatory framework is fit for purpose. Together these measures will help us to not only promote but, importantly, to coordinate the major investments we need in new electricity infrastructure in New South Wales. This bill is designed to provide for an energy system that is affordable, reliable and secure, and operating in the interests of consumers, the New South Wales economy and the environment. I commend the bill to the House.

### Second Reading Debate

**The Hon. ADAM SEARLE (20:44:24):** I lead for the Opposition on the Electricity Infrastructure Investment Bill 2020 not only because I am Leader of the Opposition in this place but also because I am the shadow Minister for Climate Change and Energy. While it is far from perfect, the Labor Opposition will support this legislation for reasons that I will develop in my contribution. It would be easy to delay its passage and find reasons to say that it does not quite meet the State's energy needs or that its key elements require closer interrogation—or just to play politics because we can, no matter what the consequences are to the public good. That is what those opposite and their Coalition representatives in Canberra did in 2010, when the national consensus on energy policy in this country was recklessly shattered. As we approach this legislation, I observe that the ghosts of 2010 continue to cast a long shadow over the energy debates that we have all tried to come to grips with.

I am happy to say that my party takes its responsibilities to the whole community more seriously than the Coalition did when in opposition. The Labor Party will support this legislation because it holds out the prospect of ending partisan dispute on the essential building blocks of energy policy in this State and provides a template for other jurisdictions—and hopefully for those in Canberra—to follow suit. We support this legislation because the framework and the certainty that it will provide, if competently executed, is what homes and businesses across this State need. In one of those ironies that occur in life—and in public life particularly—the legislation now before this House owes much of its content to the 2019 State election energy policy, Labor's Plan for clean and cheaper energy. This policy was carefully researched and developed after extensive discussion with policymakers and experts in a wide variety of technical fields.

**The PRESIDENT:** I remind members to adhere to safe distancing requirements.

**The Hon. ADAM SEARLE:** It provided the most well-developed and practical framework for bringing forward the investment, design and delivery of the next generation of our State's energy supply infrastructure as at the date of the policy's announcement. Continued discussions post-election confirm that status. Its centrepiece was an unprecedented series of reverse auctions to procure electricity generation, firming and storage infrastructure, development and delivery, and a partnership with private energy proponents. This would give them the certainty that they need to invest in long-term assets, a certainty long missing from energy policy in Australia and New South Wales. This approach was also to be brought to the enhancement of the transmission infrastructure, using the competitive tension to ensure that this vital part of the jigsaw was not overpriced to the disadvantage of consumers. The new energy that this would deliver was underpinned by a renewable energy target of at least 50 per cent renewable energy for the State by 2030. Central to the scheme was the actions of a State energy corporation that would play a key role in ensuring the State's energy security, particularly in the areas of storage and firming.

Does that sound familiar? It does to us, because much of this with some elements differently arranged is the bill that we now debate. Why was Labor's approach necessary? Because of the dither and delay that had beset energy policy in both Canberra and Macquarie Street for the past decade. Backward ideology gripped the Liberal

Party and The Nationals in our nation's Parliament in 2010, shattering the cross-party consensus on how to tackle the country's energy needs: delivering cheaper energy and scores of jobs in new industries while addressing climate change. Even parties allegedly to Labor's Left allowed the perfect to be the enemy of the good and started the process that set energy policy on the path to perdition from which it has not yet recovered. Perhaps the passage of this legislation will signal the recovery. I hope so. While the Coalition in Canberra showed itself to be anti-science in its pursuit of a narrow, partisan agenda, preferring the protection of mature and wealthy industries to the fostering of new economic opportunities for communities across the nation, their cousins in New South Wales simply had no plan.

In their view, everything would be sorted out by the market—the market that was broken and where investors remained unwilling to invest because they were alarmed at the lack of any proper policy framework, at the lack of certainty, and gripped by the concern that at any moment the Government in Canberra would do something crazy and underwrite a catastrophically expensive new coal-fired power station, because we all know that no private investor would do so, or an even more overpriced nuclear folly of the kind promoted by the Deputy Premier in this Government. Once it moved past the open hostility to renewable energy from the right wing of the Liberal Party and The Nationals, the Liberals and Nationals here settled into a kind of fatalistic state where either Malcolm Turnbull's National Energy Guarantee—the President may remember that; I am sure the former energy Minister, the Hon. Don Harwin, would remember that—or the election of a national Labor Government would set things right.

That created a situation where New South Wales was and is simply not building the next generation of the energy supply fast enough than is needed for the future. That creates the risk that we start losing our existing supply of energy generation before the new ones would come online in sufficient quantity to make up the shortfall, leading to higher prices and even, perhaps, a lack of adequate supply. Our ageing fleet of coal-fired power stations, which today provide around 80 per cent of the electricity that we use, have done the State and the community great service. But, like all machines, they have a finite life; in their case, the next 10 to 15 years depending on the facility. Our State is the jurisdiction most at risk due to the age profile of those power stations. The issue we have to confront is how to ensure the building of the next generation of the electricity supply for New South Wales.

In the six years since I have been Labor's shadow energy Minister, the Government has failed to come to grips with that challenge, or to develop anything resembling a coherent energy policy. That is not some partisan jibe—well, not only—it is the view of the industry and of those in the energy sector. Frankly, it is even the view of many Government members. Those were the circumstances in which members of the Opposition developed and put forward the boldest, most comprehensive energy policy for the State. By contrast, in 2019 the current Government's policy was an interest-free loan to somehow entice us to buy solar panels and batteries; that is, a policy that has not even been fully delivered, even as we near the halfway point of this Parliament. Despite all of the evidence about what was needed to be done and how to do it, the Berejiklian Government had no plan and it was, at least then, unwilling to take advice.

Everyone wants to see the delivery of cheap, reliable and sustainable energy. We have known for some time that the cheapest form of new-build energy is renewables. Even backed by storage and firming, it remains the least expensive form of new-build electricity generation and dispatch. That is not some green dream, but cold, hard fact. Many in the energy debate have worked terrifically hard to avoid facing facts for years. Hopefully that time has passed or, at least, is passing. The current Government went to the last two elections promising cheaper energy prices, despite presiding over a 60 per cent hike in power prices in its first six years in office with no real respite since. Despite knowing that the cheapest and cleanest energies are renewable, the Government has failed to diversify the sources of energy on which the State depends, leaving us hostage to that ageing fleet of coal-fired power stations.

In 2011 renewables comprised around 10.8 per cent of the State's energy mix; today it is around 17 per cent. The Government's own policy, articulated by former energy Minister Anthony Roberts in 2014-15, was that it intended to have 23 per cent renewable energy by 2020. That would essentially meet the Federal Renewable Energy Target [RET]. Year by year, the renewable energy mix in this State has grown, slipped back a little, grown a bit and then plateaued, but there has been no sustained growth. We are told there is somewhere between 15,000 or 20,000 megawatts of new renewable energy projects approved or seeking approval in the planning system but, for reasons that I will outline—the lack of clear and certain policy for renewables and a policy failure on new transmission infrastructure—the Government has not been able to bring on the new energy that we need.

I suspect the Government brings the legislation forward now because it knows we are nearly a decade late in starting the journey properly and it has simply run out of time to keep denying the problem. In her contribution to debate on the bill, Yasmin Catley, Labor's Deputy Leader of the Opposition in the Legislative Assembly, described it as, "A looming crisis in electricity generation that is fast approaching." The Government has simply

run out of time to keep denying the necessary solutions to the crisis. However, I acknowledge that the Minister and his office reached out to the Opposition and to key stakeholders, including the unions that represent workers in those industries who will be affected by the legislation, to ensure that we all had some visibility about what is being proposed. Opposition members thank the Minister, his chief of staff, Benjamin Coles, and his senior policy adviser, Ava Hancock, for their availability, frankness and willingness to meet at least part way in our discussions on how the legislation could be improved.

I also note the assistance of representatives from the Australian Workers' Union, the Australian Manufacturing Workers' Union, the Construction, Forestry, Maritime, Mining and Energy Union and the Electrical Trades Union. They worked with Labor in Parliament to develop the amendments that Labor has put forward to the legislation, as well as on the NSW Jobs First Policy in the NSW Jobs First Bill 2020, which is currently awaiting debate in the other place. It is regrettable that the Government as a whole did not take the same approach, and that a range of measures, which could easily be included in the bill, were rejected. I will return to those later. The objectives of the bill are far-reaching and represent a substantial investment in electricity generation and transmission. NSW Labor believes that all of New South Wales can share in the benefits of the manufacture of that renewable technology, especially in the regions.

The amendments that Labor proposed in the other place, and which are now in the bill, will make sure that no regional community will be left behind. They will all have a share in the renewable energy zones and associated activity that is identified and established in the legislation. While Labor members support the overall direction of the bill in principle, we are aware that there has been a relatively short period between its introduction in Parliament last week to debate in this House. In doing things fast it is often the case that something will be missed. However, the decade of delay, the need to seize on the opportunity for a bipartisan energy framework and the agreement that we have now been able to achieve even in that short period means that we can proceed. But we place on record that we are extending a great deal of trust to the Government and it is for the Government to repay that confidence, or not.

A lot of discretion has been placed on the Government in how it implements that framework, and a lot will depend upon the competence with which it does so. The Opposition wants cheap, reliable, sustainable energy generation because that will support jobs in manufacturing communities like the Hunter, the Illawarra and western Sydney. The Opposition also wants to support regions where jobs, workers and their families are presently at risk and it does not want to see them left behind. I note that in the debate it will be said, essentially, that the bill will lead to a massive transformation in the energy supply of the State and that that means we are junking or setting aside the current supply of energy. The real framework is this: The 80 per cent of the electricity that we get today is from ageing machines that are coming to the end of their lives.

The choice that we have to make is: What is the next generation of generation machines, storage and dispatch, and what is the cheapest and most sustainable way to ensure that supply? We are not turning the lights off and we are not closing down coal-fired power stations; they will come to the end of their life in due course. But at the moment the State is not making provision for the next generation, and this legislation is designed to do that. Labor wants to make sure that, as the Parliament approves the big proposed investment, there is a big dividend for jobs, for taxpayers and for the regions that will underwrite the project. The Opposition wants to make sure that large energy consumers that employ thousands of people in New South Wales have a fair chance at getting low-cost energy in the future to support and maintain those jobs, because my party, the Labor Party, is ultimately about jobs, working people and communities.

Labor wants to make sure that workers in mining communities and in our existing power generation industry are not left behind and are supported. Labor wants to make sure that, in the regions where those workers live, the benefits from the bill are not concentrated in a small number of areas, but that they are shared. If businesses are given investment certainty, they will be able to invest and scale up and they will be able to contribute as well. They will be able to benefit from it and to build jobs. They will be able to employ people and make sure that people can put food on their tables, pay their mortgages and raise their families. Those jobs are not only important for making sure that we have good employment in high-paying and secure jobs in the future; they are important for making sure that we can harness the manufacturing renaissance that the road map is designed to achieve, and to reorient our economy to import-replacement industries and export-orientated industries as well.

If areas such as the Illawarra, western Sydney, Newcastle and Lithgow have hundreds of jobs for people to choose from, children will not have to move away from their communities and those communities will not be left hollowed out, with a group of older people who have retired from the workforce and a group of younger people who cannot find a job. We have to make sure that we undertake that task properly so that no-one is left behind. The mooted \$32 billion that will be leveraged from this framework should see the creation of a substantial number of skilled manufacturing jobs and ensure local steel for local infrastructure. This should lead to a manufacturing renaissance in New South Wales. Our emissions reduction objectives should be seen through the



framework of industry policy, infrastructure policy, developing the skills of workforces and training policy, addressing the cost of living through cheaper energy, as well as contributing to environmental policy.

It is not just environmental policy or climate change policy; it is about the future of our economy and the future of opportunities not only in the new areas where energy will be generated but also in those areas that have propped up energy generation in this State and country for decades and have cost the lives of miners—the people who work hard in dirty industries who have made sure for generations that the lights have stayed on and that our manufacturers have had the energy that they need. We must reject the thinking that there is a false choice between renewables and resources. The renewables industry now, and of the future, requires the resources of this State to be built. That is why it is important that areas such as the Hunter, the Central Coast, the Illawarra and their workers are not left behind. That is why we have worked so hard to include them in renewable energy zones in this legislation.

I turn now to some of the details of the bill. In substance the Berejiklian Government's plan proposes implementing NSW Labor's 2019 cleaner, cheaper energy plan, at least in substantial part. The centrepiece is the unprecedented development of new, renewable energy projects using the same reverse auction mechanism proposed by Labor, and involving the operation of a State energy corporation to play a central coordination role. The New South Wales Government already has announced renewable energy zones planned for the Central-West Orana, New England, and south-west regions. Those were the three that were originally included in the bill, but only the first two were really fleshed out. That is, I assume, because the Government intended a staged implementation process.

Renewable energy zones were intended to provide the coordinated development of new shared infrastructure in specific areas well suited for renewable generation. Infrastructure is intended to be shared to connect multiple generators such as solar or wind farms in the same area. By doing so it is intended to allow for economies of scale, lower cost and streamlined approvals for planning, and funding certainty. The first part of the Government's proposed road map concerns generation. The plan is intended to be driven by the Minister declaring a renewable energy zone [REZ] under the legislation and that zone then being able to attract projects and the investment and jobs that they bring. Outside the zones only exceptional projects would be eligible to participate.

The centrepiece of the policy and legislation will be the design, development and delivery of 12 gigawatts of new, renewable energy generation projects over the next decade to 2030 using the reverse auction mechanism. This is, by any other name, a renewable energy target—only those opposite do not like to call it that. Like the Commonwealth renewable energy target, it is expressed not as a percentage of energy but as a volume of energy generation and storage to be built. While Labor's approach was to do both—a mechanism to procure a volume of energy underpinned by a minimum percentage of energy to be renewable by 2030—we will support the framework in this legislation.

These objectives will be underpinned by a further two gigawatts of projects to provide long-term storage of energy and firming to ensure dispatch. This would include pumped hydro, large-scale batteries and possibly gas peaking, among other solutions. The impetus for the Government's plan is the certainty needed by industry to invest, caused by the absence of any clear Government policy at a national or State level, for example, in the form of a renewable energy target—a point we have consistently made. A looming crisis in electricity generation is now approaching if there is not significant Government intervention.

It is no mistake that New South Wales has missed out in the billions of dollars of jobs and investment that come with renewable energy targets because we have not had one. Queensland has had one, Victoria has had one and the Australian Capital Territory has had one. We have been missing out on the action but hopefully that will change. Over the past five years we have made the case that the market is broken due to the inactions of the State Government and the hostility of the Federal Coalition Government to renewable energy. This means we are not building the next generation of power plants as fast as we need, given that existing coal-fired power stations are reaching the end of their lifespan over the next 10 to 15 years. As I indicated earlier, if unaddressed this would lead to a lack of energy and power price spikes.

Our policy targets for 2019 were predicated on the information we had to hand, particularly on the amount of new energy to be procured by 2030. But the introduction of this legislation suggests that the situation facing the State is far graver than we appreciated. For that reason the Government is now essentially adopting Labor's solution. We congratulate the Government on doing so. In the Government model, the procurement will be driven by a new body, the consumer trustee, which will be the contracting party with private sector providers.

The second part of the Government plan involves the development of new transmission capacity—that part of the system known as the grid. As part of its privatisation of energy assets in 2015, the New South Wales Government sold or leased for 99 years 100 per cent of TransGrid—the State-owned corporation in charge of electricity transmission. No increase in transmission capacity in this State has been developed before or since and,

as a result, we are told that only one in 20 new energy projects can be connected to the grid—one of the biggest restrictions on bringing the next generation of New South Wales electricity producing assets online. We are told that they just cannot be connected. What has this mob been doing for the past decade? The one thing it has done is to sell the assets, not enlarge the capacity. That is why we are not getting the cheaper, cleaner energy we need.

Some transmission upgrades are currently underway to facilitate, for example, Snowy 2.0, and they are being planned to improve the interconnection with other States. But they do not address the full problem which is why this mechanism is needed. The New South Wales Government's proposal is to get out of the Federal regulatory test for new infrastructure in transmission, known as RIT-T test, as Victoria did, and implement its own scheme. The consumer trustee will assess and authorise what transmission is needed and where and the infrastructure planner—it could be the department or some private provider who comes to Government with a bright idea—will then develop a solution design. An independent regulator, variously either the existing Federal body, the Australian Energy Regulator or, if the Federal Government does not consent, the Independent Pricing and Regulatory Tribunal, or possibly someone else appointed by the Government, will determine the reasonable cost of the build. The Government has given itself at least three options in the legislation which is problematic. I will come back to that.

Any new build will not proceed until the consumer trustee determines that the REZ needs it and the Energy Corporation of New South Wales will play a coordinating role to make sure that these assets are delivered as and when generation needs to come online. The Government is not clear in the legislation as to who will undertake any new build and it is looking at ways to involve the private sector to compete. Under our plan, new transmission assets were to be procured also using the reverse auction mechanism involving the competitive tension that comes with bidding to keep costs down. This legislation does not prevent the Government taking this approach but it does not require it. One of the concerns that we have had—and we have expressed this to the Government—is if there is a cost risk in the Government's framework, this is it. The Government needs to be very careful in how it implements this part of the scheme.

The Government will find in us a willing partner. We are signing up to this package but we recognise that it is not without some risks. Given reports about the escalating costs of other transmission projects and the declining consumer benefits they bring, we are alive to the dangers in this part of the plan and we call on the Government to be rigorous in ensuring that costs are kept in check. As I indicated earlier, the coordination of the development and delivery of new generation, storage, firming and transmission assets will be undertaken by the State Energy Corporation.

The third part is the energy infrastructure fund—the fund that the Leader of One Nation refers to as the energy tax. I put on record Labor's concern about the potential operation of the electricity infrastructure fund and how much cost it might expose energy consumers to in the future. As the member for Wollongong, Paul Scully, noted in a recent edition of the *Australian Financial Review*, there were comments from a range of energy stakeholders indicating that the energy plan in New South Wales transfers risks to consumers and taxpayers, but of course they already bear the risk. Under the current regulatory system, using the RIT-T test, transmission providers go to the regulator and say, "Here is an idea". The regulator approves, they build it and they recoup their revenue through the regulatory envelope of revenue that they are allowed to charge their customers. The Government is essentially replicating that same model. There are risks of overspending but we have not had sufficient investment in transmission, particularly in the past decade.

Our package did not contain that element. Again, that is another aspect of the plan that needs to be watched very carefully in its implementation. The third part of the Government's announced plan—careful, there is a caveat here—was to be local procurement and local jobs to ensure that the procurement spend driven by the legislation will benefit New South Wales suppliers of products, goods and services, and drive the creation of jobs in New South Wales. Frankly, the Minister talked a pretty big game on this. The Minister consulted relevant unions, which were very supportive, but when the legislation hit the deck in the other place there was no guarantee and no detail. There was a promise in new section 34W of being able to set up committees. The Minister put out a press release saying that he was going to set up a working group to look at that issue further.

That was despite the promise in *The Daily Telegraph* on Tuesday last week—the day the legislation was introduced into Parliament—that the bill would contain some kind of steel mandate and that there would be a clear commitment to use New South Wales steel in building the renewable energy zones and our future energy needs. But the bill presented to Parliament contained not a single mention of steel or aluminium. The soaring poetry of the Minister's rhetoric was not matched by the Government's actions. What was on offer was a committee—or, to use the language of the Minister's media release, a task force. As Paul Scully, the member for Wollongong, put it: All the Government was offering was a meeting, not a mandate. That was a key area where Labor pursued amendments to the legislation, including attaching to this bill as much of Labor's NSW Jobs First Bill, currently in the other place waiting to be debated.

Labor asked the Government to pass its bill as part of this package. Labor's bill was much broader. It looked at building jobs and industries across the State, in the city and in the regions more broadly. It would definitely have complimented the energy infrastructure legislation, but it was much broader than that. In a failure of ambition and bipartisan cooperation and an inability to rise to the challenge, the Government said no. But we have attached some elements of that package to this bill. The policy embedded in the bill has the potential of ending, to a large degree, the climate and energy wars. It can provide a way to significantly build the industries of the future, re-industrialise the State and deliver a significant jobs boom, as well as delivering secure, cheaper and clean energy. While Opposition members recognise that the Government consulted the Opposition before bringing the bill forward, we regret that it did not adopt in whole our policy on local jobs and procurement as part and parcel of the new framework for energy infrastructure.

The legislation introduced to Parliament was weak and lacked commitment to ensuring that local communities and workers were guaranteed a fair share of the benefits. Also, the boundaries of the originally identified renewable energy zones benefited—shock, horror!—Coalition-voting communities, while places like the Hunter and the Illawarra, the backbone of energy generation, industry and manufacturing in this State, were to be locked out of the billions of dollars of investment in new energy and jobs that that could bring. In correcting that imbalance I recognise the hard work and perseverance of Labor's deputy leader, Yasmin Catley, and our shadow Minister for Natural Resources, Paul Scully, who is also MP for the steel town of Wollongong, in ensuring that those areas are now included in a renewable energy zone—the new Hunter-Central Coast REZ and the Illawarra REZ—so that they do not miss out on opportunities.

It is the height of cheek that the member for Upper Hunter, Michael Johnsen, introduced his own Hunter REZ amendment. When we look at the date stamps on the two sets of amendments we realise that Mr Johnsen is playing catch up. It clearly was not his idea. He was asleep at the wheel when the bill went through their joint party room. But suddenly, when it looked like he was going to be missing out on some action for his electorate, he said, "Me too", despite a political lifetime of trash-talking renewable energy and the benefits it could bring. What a hypocrite that guy is!

**The PRESIDENT:** Order! The honourable member should not make imputations or reflections on another member.

**The Hon. ADAM SEARLE:** I will do it by substantive motion.

**The PRESIDENT:** The honourable member should continue with his contribution to the second reading debate.

**The Hon. ADAM SEARLE:** I will. It beggared belief that the renewable energy zones had not been earmarked for the energy capital of the State—that is, the Hunter and the Central Coast—while the Central West and other communities that would benefit from the construction activity were to get the lion's share of the benefits. Labor understands the need to locate this where there is the resource, but there is an awful lot of resource, expertise and manufacturing potential in the Hunter and the Illawarra. I recognise that they are now included. That will unlock new opportunities and allow new industries to flourish alongside an existing energy sector that is a significant economic driver for the Hunter and Central Coast communities. The Opposition thinks that is the best way and the best place to build up jobs in renewable energy.

It is also important that we make use of the existing industry and resources; for example, the Port of Newcastle is well served by road, rail and shipping. It is already a hub for a world-class manufacturing sector. It is logical and sensible for the Hunter and Central Coast to be in a REZ because they are already home to significant electricity transmission infrastructure. The grids are sitting there; we just need to connect up new resource. It is regrettable that the Government did not also agree to Labor's proposal to include Lithgow, west of the Blue Mountains, in a renewable energy zone. Areas such as Lithgow have done it hard. It saw the closure of the Wallerawang Power Station and the Angus Place colliery in late 2014. Since then there has not been any support for the 600 jobs that were lost and left behind.

Members will remember the difficulties in 2017. Mount Piper Power Station is the youngest coal-fired power station, but it is dependent on a single coalmine. In 2017 the approvals for that coalmine fell over due to noncompliance with their planning approvals. This Parliament had to intervene to legislatively fix that. Since then we have found that the power station has a very unreliable coal supply. The lack of good quality coal has bedevilled that coal-fired power station. Every day it produces 10 per cent of the State's power supply. If that cannot get good quality coal to keep burning, 10 per cent of the State's current power supply is at risk continually. That shows the risk for the State of its over-reliance on only one form of power supply.

We firmly believe that the new infrastructure that will arise from this legislation is a once-in-a-generation opportunity to create local jobs, support local businesses and bolster local supply chains. Although the outcome

of discussions with the Government was not perfect, we have come a long way. The measures now in the bill are only stopgap measures. Sweeping, whole-of-government reforms are needed. Not least is the poor attitude of the Government to local procurement. The Premier said that we need to buy manufactured goods like trains overseas because we are not good at making them here. We have a strong manufacturing sector. The Government has no faith in it. We must rediscover faith in manufacturing in this State. We must re-industrialise and make sure there is a good, reliable power supply to fuel that. The New South Wales Liberals and Nationals cannot be allowed to botch the process like they have botched the privatisation of electricity in the past.

There are aspects of the bill that are worth commenting on because they are improvements that Labor was able to secure. In relation to part 2, which deals with the board and the advocate, the legislation establishes a New South Wales renewable energy sector board comprising manufacturers of steel, aluminium and other materials, the metal fabrication industry, the Australian Workers' Union, the Electrical Trades Union, the Australian Manufacturing Workers' Union, the Construction, Forestry, Maritime, Mining and Energy Union and employers in the relevant industries, as well as experts and the energy corporation. The board is to undertake important functions preparing, for example, the New South Wales renewable energy sector plan to maximise the use of locally produced and supplied goods and services, maximise the employment of suitably qualified workers, foster opportunities for apprentices and trainees, and other matters.

The plan has a legal mandate. The Minister must take into account the plan and may impose conditions consistent with the plan and give directions as well. There is also an electricity infrastructure jobs advocate to develop strategies and incentives to encourage investment, development, workforce development, employment, education and training in the energy sector in the Hunter and Central Coast, Illawarra, Far West and Central West regions of New South Wales, with particular attention to road, rail and port infrastructure needed in those regions. There is a focus on other matters as well. In part 4, proposed section 22, we have included the Illawarra and the Hunter-Central Coast REZs. There are concerns with some of the drafting; for example, we had issues with proposed section 41, dealing with the transfer of network infrastructure, but the Government has identified that that is to enable private proponents and developers of infrastructure to onsell them. That makes sense.

In relation to the long-term energy supply agreements, the reverse auctions found in clause 46, for example, enabled the Government to enter these reverse auctions but did not require it, so the competitive tensions of reverse auctions and the lower prices that they have brought, both in Australia and overseas, did not have to be engaged in. Now the legislation says that "the consumer trustee must conduct a competitive tender unless the regulator otherwise authorises generally or in a particular case". So there is a way to avoid having to do it but, equally, there must be reasons.

Part 7 establishes the electricity infrastructure fund. As I have indicated, the Opposition had concerns and put forward some suggestions for the provision of some parliamentary oversight of that. Those suggestions did not align with the structural integrity of the Government's package. We understand that. We could have had a fight with the Government over that or, indeed, many other aspects of the bill. But we will not do that because we think that laying the foundations at least of a bipartisan framework for energy infrastructure development in this State is the overriding objective.

Part 8 of the bill deals with the appointment of various bodies, such as the energy security target monitor; the consumer trustee; the financial trustee; the scheme financial vehicle, which will take all the risks; the infrastructure planner, who could be a number of different persons; and, of course, the regulator in clause 63. The regulator may be the Australian Energy Regulator, the tribunal or some other person. Different regulators can be appointed for the purpose of undertaking different functions. The Labor Party also achieved other changes to the bill. However, I will not go into those now.

The Opposition has come to this substantial task in good faith to achieve an outcome. We thank the Government for meeting us part way. The bill is not perfect. However, this is the beginning of the journey, not the end. It is important that we make sure that, to the greatest extent possible, the things that will make this work should be engineered and manufactured here, not overseas. Blue-collar industries—manufacturing—must not be allowed to continue to wither on the vine. We must maximise local content and boost workplace participation in any new electricity infrastructure project that is funded or facilitated by the Government. We cannot keep importing products, expertise and ingenuity. We should be developing and using them here. We must develop and foster the economic and physical infrastructure requirements for a strong energy export industry so that we can futureproof existing and future jobs and employment and guarantee the long-term future of the regions that have been the backbone of our economies and power generation.

The Coalition Government has spent the past decade trashing our manufacturing industry, trashing our domestic supply chains, undermining stable and rewarding jobs for blue-collar workers and putting our economy and society in a precarious situation. That was all before the COVID-19 pandemic. We have been exposed by the international economic crisis caused by COVID-19 and by our dependency on international supply chains.

We have been left utterly exposed by the scourge of precarious casualised work and by the Coalition's ideological obsession with undermining good-quality, full-time union jobs. Our amendments aim to ensure that new infrastructure brings new employment opportunities, maximises the use of locally produced and supplied goods and services, maximises the employment of local workers and maximises the number of apprentices and trainees so that we can eliminate the skills gaps in those industries.

We should use the opportunity presented by this unprecedented infrastructure investment to deliver long-term opportunities for local workers. That means building a skills base that allows people to pursue rewarding and fulfilling careers. In so many ways the bill exists to correct the failure of the market and the failure of the Liberal-Nationals Coalition Government in this State to see what was right in front of it for so many years. We welcome the Government seeing sense finally. Coming late to the realisation about what needs to be done is better than not coming to it at all but it may be that we are only just in time to make up for the lost decade. Time will tell. The Opposition will be watching but we are a willing and engaged partner in the process.

**Mr DAVID SHOEBRIDGE (21:24:23):** On behalf of The Greens, I indicate that we will support the Electricity Infrastructure Investment Bill 2020. Within the next 15 years it is expected that four of the five coal-fired power stations in New South Wales will reach the end of their useful lives. A number of them may fall over before then. They are old, decrepit and their useful life is coming rapidly to an end. The New South Wales Government has been in denial about that fact. For decades the Federal Government also has been in denial about that fact. In the absence of a clear framework and blueprint from the Federal and State governments to transition to new energy supply, to a revamped energy transmission network and to energy storage solutions, minimal large-scale investment has been made in the kind of energy infrastructure needed to transition us as those coal-fired power stations get turned off one after the other.

We saw what happened in Victoria with that unplanned, chaotic transition, where the market said that it would not build another coal-fired power station and would not invest the billions of dollars it would take to turn ageing pieces of infrastructure into something even vaguely reliable. When the market makes that very clear, what is needed is a clear policy framework to allow for the public or private investment—The Greens would say primarily public investment—in renewable energy, infrastructure and storage. That did not happen in Victoria. When a very large coal-fired power station using some of the dirtiest coal on the planet shut down in Victoria, we saw spikes in electricity prices and uncertainty of supply. Neither business nor consumers won from that.

For decades The Greens have been clear that New South Wales and Australia must put in place a clear framework to transition to 100 per cent renewable energy. That is the only game in town if we want to build the kind of scale of electricity generation required not only to replace our ageing coal-fired power stations and coal-fired infrastructure but also to make Australia and this State an energy superpower going forward. That is what we want to achieve. The New South Wales Greens took to the last State election a policy that calls for public investment in the transmission infrastructure and in the solar, wind, pumped-hydro and storage infrastructure needed to deliver for renewable energy zones across New South Wales. That was the policy position that we took to the last State election.

Having spoken with the experts, we could see that a transition plan to build key renewable energy zones in the Central West, in the north and on the Hay Plain in the south-west of the State was necessary. The experts told us that the Broken Hill region could also be one of those renewable energy zones. It could pose transmission difficulties but Broken Hill could have real potential to be a renewable energy zone. The Greens saw that that long-term plan and stable investment—we say public investment—was needed to build the infrastructure and create certainty so that those renewable energy zones can produce jobs, power and attract investment in regional New South Wales, deliver the power into the national grid, keep our lights on and make energy cheaper. That was the vision that The Greens took to the State election.

Fundamentally The Greens believe that to make that the cheapest, the most reliable and the most certain, it should be done through public investment because currently the State can borrow the money at 0 per cent interest. We can plan it, build it and produce it at a lower cost than corporate Australia and return all of the profits that are generated back to the people of New South Wales. That was the plan The Greens NSW took to the last State election because we knew we needed it to transition from our ageing, decrepit coal-fired power fleet. But we also knew that to deal with climate change we must urgently transition to 100 per cent renewables. The State Coalition did not bring a similar transformative plan to the last State election because the culture and climate wars have created stasis in this policy space at a State and Federal level for the past two decades. The bill, although not The Greens' plan for building 100 per cent publicly owned renewables in New South Wales, is at least the first credible long-term strategic plan to build that renewable energy future and to see the large-scale investment needed to not only keep the lights on and our prices low but also dramatically reduce our carbon emissions in the energy sector. We finally see a plan.

When The Greens were consulted early and saw the plan, we gave a commitment to the Government that we would sit down in good faith and work to deliver it. We committed to working with the Government on amendments that were needed to improve the bill on procurement, additional renewable energy zones, critical investment in green hydrogen and First Nation economic empowerment to help deliver the best outcome we could in the time available to us since we received the bill last week. I put on record that there have been good faith negotiations with Minister Kean and his staff, all of whom I credit for engaging in those honest and direct conversations. They knew what they could and could not achieve. I hope that the multi-partisan support and honest negotiations that went into producing the bill and the amendments—a number of which were achieved in the lower House earlier this week and a small number of which will be achieved in this place—are a blueprint for not only hopefully producing long-term strategic investment in renewable energy but also breaking with the climate energy culture wars that have bedevilled this country for the past two decades.

The bill was about honest, good faith negotiations and all of us are committed to long-term, sustainable, low-emission—The Greens would say 100 per cent renewables, but there is a small dispute between us that we will deal with through some amendments—and structured transition to a renewable energy future. What does the bill do? There are three essential elements to the bill. The first is to establish a framework for the State's renewable energy zones and a renewable energy zone policy. Renewable energy zones are parts of the State that involve coordinated development of new transmission and renewable generation infrastructure in energy-rich parts of the State. Following amendments in the other place, clause 22 of the bill delivers five key renewable energy zones in the State: Central-West Orana, the Illawarra, New England, the south-west and the Hunter Central Coast. The bill as originally drafted did not include the Illawarra or the Hunter Central Coast. As one of the co-chairs of Recharge Illawarra, which I share with the member for Wollongong, we work collaboratively with industry, unions and environmental groups in the Illawarra.

The Greens NSW made it clear from the outset that for us, including the Illawarra as a renewable energy zone was critical for our commitment to the bill. We know that the Illawarra can play a critical part as a renewable energy zone because it has the capacity for pumped hydro, world-class transmission infrastructure and is one of the ideal locations to produce battery storage. If the legislation is enacted the Illawarra will also provide a key place to develop the green hydrogen industry to not only provide energy for transport and manufacturing and a key fuel stock for green steel but also potentially provide green hydrogen power as an additional element in the firming infrastructure needed to ensure that we have a consistent, guaranteed energy supply with the renewables that we build. I give credit to the member for Wollongong for the negotiations and to Arthur Rorris from the South Coast Labor Council, who has been an unflagging advocate for investment in renewable infrastructure in the Illawarra. I also credit the unions he works with for ensuring that the Illawarra is included as one of the renewable energy zones in this State. That is good for the Illawarra, good for the country and good for the future.

We were also pleased to see the Hunter Central Coast included. The Hunter Central Coast and the Illawarra are the manufacturing powerhouses of this State. They have world-class transmission infrastructure in place and if we are going to build battery storage, firming infrastructure, green hydrogen and pumped hydro infrastructure to provide the consistency and the guarantee on supply needed as we map out this renewable energy future, there are few better places to do it than in the Hunter Central Coast and in the Illawarra. Not only do they have the transmission infrastructure available; they have an extremely highly skilled, competent and sophisticated manufacturing workforce and the manufacturing capacity that we know is needed for a renewable energy future. The second part of the bill is to establish the electricity infrastructure investment fund and the electricity infrastructure investment safeguard. That is the market-based investment framework that the Government wants to put in place to deliver the renewable energy zones generation, the long-term duration storage that is pumped hydro and firming technology, and the core infrastructure investment to get renewable energy to market.

The primary measure that is proposed for the delivery of that investment is a reverse auction scheme to produce that infrastructure at the lowest cost. We know that reverse auctions have worked in the past to deliver extremely cheap, large-scale renewable energy because The Greens and Labor in the Australian Capital Territory committed to reverse auctions to make it the first 100 per cent renewable jurisdiction in the country. What did that deliver? Despite all the fear and naysaying that came from climate deniers, the reverse auction process in the Australian Capital Territory delivered guaranteed low-cost renewable energy in an extraordinarily rapid transformation. It worked in the Australian Capital Territory and it has worked in other jurisdictions, so we think it can work here.

That is one of the reasons we support the bill. I say again that the cheapest way to build infrastructure, whether it is solar farms, wind farms, pumped hydro, batteries or green hydrogen, is if it is 100 per cent publicly owned. I note that another reason The Greens support the bill, notwithstanding our concern about the market-based approach that the Coalition is driving, is that it is ultimately ownership neutral. A future State government can participate in the scheme with public investment, which we know is the cheapest and most certain way of delivering it. It is investment neutral and we look forward to working with, if not this Government then future

governments, to ensure a big chunk of our renewable energy future is owned by the public and that it returns profit to public hands.

When the bill was initially announced it did not live up to the Minister's promises regarding local procurement. The unions have been critical to a series of ongoing negotiations—and I also acknowledge the Opposition for its role in those negotiations—that have been vital for The Greens support for the bill. Local procurement has been an important part of the work that my office has been doing in this space for years. The Greens did put forward steel procurement legislation that would have seen a commitment to using Australian steel, like the steel from the Illawarra, in all public infrastructure projects. We have been clear that it is time to stop exporting jobs and importing equipment such as steel, trains or light rail, and instead invest in local jobs and procurement.

As the largest employer and builder of infrastructure in the country, the New South Wales Government needs to take the lead on local procurement. The Greens endorse the amendments that entrench local procurement in the bill that have been agreed to in those negotiations. We want to see rows of pylons of transmission infrastructure that will march across the State after this legislation is passed. The Electricity Infrastructure Roadmap will invest an estimated \$32 billion into regional New South Wales, so we want to see the steel for the projects that arise from that funding coming from the Illawarra. We also want to see that pipeline of projects provide the economic justification to turn the plant in Port Kembla into a green steel facility with zero carbon emissions because the Government has guaranteed a market for that steel in the renewable energy future in New South Wales.

A couple of days ago I heard some of the right-wing members in the Parliament say that because this legislation was proposed last week, lay on the table for five days or more in the Legislative Assembly and was then voted through with amendments, it is some kind of conspiracy. We heard the Hon. Lou Amato articulate what the right wing thinks about conspiracies in the past few days, which made for an unusual contribution to say the least. However, that kind of conspiracy theory is not new to the right wing of politics. It is not new to One Nation members, who regularly spout these theories in both this Chamber and in the Federal Parliament. But it is a bloody weird conspiracy that sees every industry group in the country say that they want to see this legislation passed to allow renewable energy to be produced; that sees the mining, construction and manufacturing unions say that they want to see this legislation passed with the procurement provisions in the bill; that sees the environment movement coming forward urging this legislation to be passed and investments made; that sees Coalition, Labor and Greens members coming forward to say that they want this legislation passed so that renewable energy is produced in this State. That is a bloody big conspiracy!

Instead of it being a conspiracy that excludes just One Nation, maybe we are finally seeing good public policy in this space. Maybe, finally, we are seeing an example of how we can put the climate, energy and culture wars behind us to come together and legislate in the best interests of the environment, society and economics for the people of New South Wales. I hope that is what we are doing, but I echo the concerns of the Leader of the Opposition in the Legislative Council when he says that we have put a lot of trust in the Government on this issue, because the bill contains a lot of ministerial discretion. A series of regulations and guidelines will be needed, and the goodwill that has led us to this point needs to be returned with good faith and openness from the Government as it rolls out legislation. The Greens acknowledge that trust is a key element going forward.

I commend the amendments that were negotiated in good faith with the Minister in the Legislative Assembly and I credit my staff, the various stakeholders to whom we have spoken and the Minister's office for providing me with assistance in this regard. One of the critical amendments that was agreed to was the commitment to deliver a minimum of \$50 million towards green hydrogen over the next 10 years. Those amendments were moved in the Legislative Assembly by The Greens and are now in the bill. Item [3] in schedule 2 inserts an amendment which provides:

- (d1) \$50 million between 2021 and 2030 to develop the green hydrogen sector, including—
  - (i) the production of hydrogen energy using renewable energy, and
  - (ii) the supply, use and export of hydrogen energy produced using renewable energy ...

By "green hydrogen" The Greens do not mean hydrogen produced in the way that some political leaders in this country would urge, using fossil fuels and natural gas, which is no win for the climate at all; we mean hydrogen produced using renewable energy. That is a perfect example of how critical investment can be triggered by long-term plans and, in this case, a commitment to public investment in the green hydrogen sector, which The Greens know will be a key part of the energy solution in the future. The Government needs to get on board and provide the investment that will encourage the industry to create jobs, but I credit the Minister and his team for the good faith negotiations that have seen this commitment included in the bill.

The amendments negotiated by The Greens also provide that the electricity that goes into the green hydrogen industry will be exempted from infrastructure fees otherwise applicable to renewable energy, giving yet another economic boost to the industry in New South Wales. We are extremely gratified to see those amendments in the bill and believe that this is the start of an exciting, jobs-rich, economically powerful green hydrogen industry in this State. One day we will look back on this bill and say, "That is where it all started. That is where the job creation began. That is where the economic development kicked off."

The Greens acknowledge that there will be a lot of change in the electricity market. Earlier I spoke about four of the five coal-fired power stations being shut down, and that will cause significant change. However, there will be a natural development in the electricity market regardless of this bill. As we have seen around the State with large infrastructure projects, when energy supply is disrupted it can create extreme economic disadvantage that can result in real tensions. The Greens firmly believe that, as wealth is generated from the rollout of renewable energy and as these projects create jobs and provide economic empowerment for certain regions, we cannot leave anyone behind.

That is why we negotiated the additional provisions in clause 25 of the bill, which provides that fees for the access schemes, as determined by the consumer trustee, must include a component that is to be used for employment purposes. It sets out that that component can have a minimum and a maximum, as prescribed by the regulations. "Employment purpose" means "a purpose that promotes employment, skills and training for employees in the geographic area that forms the renewable energy zone to which the access scheme applies who are affected by changes in electricity generation in the State". We know those changes will happen and we want a pool of money available to provide training and new jobs and to ensure that nobody is left behind as we have that transition. The Greens think the amendments that we negotiated are critical. We are glad to see them in the bill because we want everyone to benefit from the changes that the bill will produce.

The Greens will move some amendments that we hope this Chamber will support, and they are entirely for First Nations economic empowerment and employment. My colleague Ms Abigail Boyd and I toured the large-scale renewable energy infrastructure that is being built in South Australia in that big arc above the Spencer Gulf. We went there because we wanted to see how that kind of large-scale infrastructure is rolled out in Australia, who benefits, who does not and how we make sure that we learn from what happened in South Australia. It has been exciting to see the scale of that renewable energy infrastructure, which has now provided a robust and low-cost energy solution for South Australia. It was not without its hiccups because it went through without the kind of broad-scale planning that we see in the bill, but it produced renewable energy on a large scale.

It is exciting to go to South Australia and see hectares and hectares of solar farms and, across the horizon, wind farm after wind farm. They get the benefit of the wind in the morning and solar during the day, and then the wind picks up again in the early evening. They have the benefit of that energy mix in South Australia and they are looking to build the interconnector to bring that energy to New South Wales and Victoria. The interconnector will be critical if we are going to see the kind of renewable energy investment on the Hay Plains and in the south-west of the State. We spoke to the local communities and councils in the area where that energy infrastructure had been built. They said that a lot of the jobs came with a big rush. During the construction phase, there were fly-in fly-out workers coming from Adelaide and other parts of the State. That was pretty hard for the local town because accommodation was tight and rents went up. A lot of the work went to outsiders. The construction happened and then, whilst they were grateful for some remaining jobs in the maintenance of the facilities, they did not feel like they got a fair share. They spoke about the need for genuine local procurement in projects; they said that was critical.

We also spoke with First Nations people. They said, "Look at all the infrastructure built on our land. Look at it all. Look at all these wind farms and solar farms. We did not have a seat at the table and none of the wealth has flowed back to the people whose land it is built on." We spoke to a couple of the key investors who acknowledged that they had made significant returns and there was money to be made from renewable energy. They acknowledged as well that there was no structure in place to ensure that First Nations communities—the landholders, traditional owners and land councils—benefited from the project. We do not want to see that replicated in New South Wales. We want to ensure that First Nations and local Aboriginal communities have a seat at the table when that infrastructure is being built on their land.

We have been speaking with the Dunghutti people from the mid North Coast. There is a proposal for a pumped hydro project on a mountain there. It is a large-scale project and is quite exciting. It will be flow-of-river pumped hydro, so it will not be taking anything out of the rivers. It is a billion-dollar scheme but there are no guidelines under which the Dunghutti people can sit down and talk with the project proponents. There are no rules about having to involve First Nations communities and ensure that they get jobs and economic empowerment. The Greens are concerned that if we go ahead without guidelines and rules about the obligation to consult and negotiate First Nations people, they will be duded in the State too.



That is why we will seek the support of the House for amendments that will introduce guidelines and obligations to consult and negotiate with local Aboriginal communities to ensure that the economic empowerment and jobs flow not just to the corporate owners of the projects but also to the First Nations communities on whose land they are built. I will speak more to that in the Committee stage, but for The Greens, that is a fundamentally critical part of the negotiations. We are glad to see that the Government has moved significantly in that regard and we hope to see it legislated both in the objects and in the operative provisions of the bill.

Finally I will speak to two further amendments. The Greens want the House to adopt a target of net zero emissions from electricity generation by 2030. I said there are good faith negotiations with the Government; we have not been able to get it over the line on that one. Nor, indeed, have we got the Labor Opposition over the line on a commitment to net zero emissions from electricity generation by 2030. For The Greens, that is essential. We will talk about that in the Committee stage. We also believe that any new fossil fuel power stations should be clearly ruled out and that there should be a clear provision that says a new power station that uses coal, gas, oil or other carbon-based fuels is not to be constructed or approved for construction in New South Wales, despite any other Act in law.

We should put that in the bill because we cannot build another fossil fuel power station in any good conscience, given the climate emergency that we are in. Again, I said that there were good faith negotiations with the Government. I might add that it ruled out supporting that amendment fairly early on—pretty much as soon as we articulated it, from my memory of the negotiations. I do not believe we have got the Labor Opposition across the line on that, but we know it is needed and we will talk about that in the Committee stage. I have said before that this is a chance to end the culture war and the climate wars. This is a chance to legislate for the long-term environmental, social and economic good of the State. We cannot mess it up. For those reasons, The Greens support the bill.

**The Hon. ROBERT BORSACK (21:57:33):** I have heard quite a bit tonight about the virtues of the Government's Electricity Infrastructure Investment Bill 2020 and all the mutual backslapping that is going on. Suddenly, it seems, the Government has gone from being troglodytes to being Green Lanterns themselves. It is all fantastic and life is just great. I oppose the bill, but where do I begin? The bill is another attempt to grab the inner-city elite vote at the cost of rural communities, and the Shooters, Fishers and Farmers Party will not support that. Minister Kean has stated that he has introduced the bill because the New South Wales electricity industry has "served us well" but the infrastructure is approaching the end of its life. That infrastructure has indeed served us well. The reason it is reaching the end of its life is because the Government has refused to invest in the maintenance of our thermal power stations so that it can justify its gross new green endeavour.

Instead of consistently spending money on the only known reliable energy source, coal, the Government is choosing to shut those stations down to invest billions in renewable energy zones that have no proven track record of reliable or affordable energy supply. In fact, it is proven that renewables are expensive and unreliable. The big battery of South Australia can keep the Tomago aluminium smelter going for all of eight minutes, at a cost of \$100 million. That is the example we have of battery power, and the Government wants to power our State off the back of it.

We need to see a business plan. The plan is to transfer the high cost and risk of this political play to the taxpayers of New South Wales to enable and encourage this high-cost investment strategy and chase more rent-seeking opportunists into New South Wales. The Government will effectively underwrite these investments with legislation. The Federal Government under Liberal leadership is heading in a much more balanced and economically rational, responsible and sensible long-term direction that seeks to transition, rather than drive a crazy green agenda that really is not about good policy but about lobbyists' cash flow and saving elite Liberal electorates in the 2023 State election, throwing The Nationals under the bus, as usual.

It is a highwire act that seeks to deep dive the New South Wales economy to unaffordability and unreliability over 10 years. There is no prudence in this nonsense at all. It is a gamble with jobs—rural and regional jobs especially, and agriculture in particular. Minister Green—I mean Kean—and his green coterie of advisers is seeking to destroy coal-fired power plants and insist that they be replaced with unreliable solar panels, windmills and batteries. The costs and a solution to reliability are conveniently forgotten. He has stupidly ruled out gas by saying that it has no future in New South Wales and that vanity projects, such as pumped hydro, are the answer. How can this be? What dams will be retrofitted and at what cost? There is no evidence at all that this so-called solution can indeed work or is cost-effective in practice. This is juvenile zealotry at its best and, at its worst, another economic suicide note, written this time for the Liberal-Nationals rather than the usual suspects.

As far as I can see, the Electricity Infrastructure Investment Bill 2020 is based on a pipedream and it is not good enough for the State of New South Wales. When the Government promises jobs for the regions and community involvement in renewable projects, as a Parliament we need to know exactly what modelling has been done to justify such a great promise. Recently I asked in the House how many ongoing jobs a solar farm or

windmill park will generate in a rural community. It is a fair question, and I look forward to the Minister's response. I highly doubt it will be the 2,800 jobs promised by Minister Kean. How could renewables possibly create jobs? Is the Government going to manufacture and produce the required infrastructure in the State? Where is the promise of local procurement and for local labour in the detail? How will this happen? What new manufacturing plants will be set up? How will this be encouraged? How will it be supported? What are the tax incentives? None of this; there is nothing there. This is all something for the future.

What the bill will do to rural communities is denude their landscapes and destroy the ecology by contaminating land and water alike and destroying prime agricultural land for generations of future farmers. Communities will be divided by those lucky enough to get windmill rentals and those who have to pay the price and put up with the noise, visual pollution and, of course, plummeting land values. Where the hell are The Nationals on this? Where are they? I have not heard a peep of opposition from them, but I guarantee that once they vote for the bill they will be out there spruiking that they fought the good fight but went down struggling.

The bill will destroy geographically beautiful locations in our regions by creating renewable energy zones. The worst part is, it is the cities that will receive the power generated, not the communities. The communities will be bypassed. Has anyone thought of the effect on regional tourism of these unsightly installations? Who would be interested in visiting the beautiful New England and have to stare at these monoliths? Not only will our children and grandchildren be living in the dark; we will also be buying our food and fibre from countries that have much lower standards than us.

The reason why so many people travel to our beautiful regions will be wiped out, with hideous structures looming over our quaint towns and hamlets. How do they plan on justifying that? This proposal may be taken seriously by our party if indeed, as Michael Shellenberger states in his book *Apocalypse Never*, we really want clean energy and we install new nuclear power technology, modular nuclear technology as a stopgap until fusion technology matures. Then we will see a truly limitless, clean source of electric power. But we know that is not what this is about. This is also about Matt Kean positioning himself for a tilt at the Premier's job and a pay-off to his handlers.

**The Hon. Ben Franklin:** Point of order: The member is making unsubstantiated and inappropriate allegations about a member in the other place. If he continues to do so he is obviously out of order. If he wants to do so he should do it by way of substantive motion. I ask that he withdraw the comments. He was using the term "his handlers".

**The Hon. ROBERT BORSAK:** That is exactly what his handlers are. I acknowledge that interjection.

**The DEPUTY PRESIDENT (The Hon. Trevor Khan):** Order! When I am seeking advice with regard to a matter when a point of order is taken, it is not for either the member who took the point of order, or for the member—who should take his seat—to continue a discussion, particularly on the matter that is the subject of the point of order. I do not uphold the point of order. But I indicate that if adverse reflections are made on a member in the other place it should be done by way of substantive motion. To do otherwise is disorderly. The member may proceed.

**The Hon. ROBERT BORSAK:** Thank you for your judgement. We will all pay for this ambition. If the Government were truly concerned about the environment and the generation of greenhouse gases that will destroy us all, indeed cook us all, it would not be advocating such a veil of lies and a sham. There is the bigger sham than the proposal, that hydro-electricity along with batteries will provide the firming capacity needed to keep the lights on. Are the Minister's lights actually on? Seriously! We have just come out of a prolonged drought where our farmers could not fill their basins with water, and the Government is going to throw hydro-electricity dams into the equation. Now, without building a single dam in New South Wales since 1987, it is going to add a further demand for water. Where is this water going to come from? How much water is needed to pump these hydro exercises during the night and day? During the inevitable next drought, how much water will need to be reserved and not allowed to flow to the farmers for use on their farms?

They will require probably up to 20 per cent of what the catchments hold. I can tell members that it will be taken from our farmers. The Government is systematically shutting down our agricultural sector. This will just be another blow. Are they going to buy back more water licences to make this work? Exactly how much more will our farmers have to sacrifice, not to mention the loss of drinking water to country towns and cities. Is the Government going to build more dams? It has reneged on building that specific infrastructure so many times already, are we now supposed to believe that it will start to build them? How long will that take? In times of drought and high demand, priority will go to keeping the lights on, not providing drinking water for bush towns or villages and not providing water for already struggling irrigation farming. It will certainly not be taken from environmental flows. The environmental impact is quite large when it comes to hydro-electric dams should the Government ever decide to build one and make more. How do those opposite feel about that?

What about The Greens? In a bid to produce one supposed environmental outcome they may be willing to sacrifice another. That is quite a trade-off. These are ideas that should be explored in depth, and we should seek to understand them. The Government held an inquiry into circuses to appease its new bedfellows, the Animal Justice Party. Yet when it comes to fundamentally changing the underlying economic assumptions of what business, employment and the whole economic landscape of New South Wales would look like, we are expected to wave it through based on the Government's word, with the opportunistic support of Labor and The Greens. Are they kidding? This is not parliamentary process, this is hoodwinking; it is not fair on anyone in this State, but it is only the Shooters, Fishers and Farmers Party and One Nation who can see through this baloney.

The Government could easily go to the Reserve Bank and seek 10-, 20-, or 30-year bonds at almost no cost. We have seen it in yesterday's budget; eye-watering borrowing is no longer a dirty word with this Government, and neither should it be in response to record-breaking COVID-caused recession. Yet for some self-serving reason, the Government will be seeking higher-cost sources of funds that could add as much as \$1.7 billion to the annual costs of its plan if fully implemented over 10 years. What we have before us is an expensive, private sector rent-seeking exercise. This Government can call it what it likes, but a carbon tax will end up paying for all of this. Every single taxpayer in this State will end up paying for this and they will end up paying more. Where is the Government going to find these investors? As I have said before in this House, is it a Canadian superannuation fund and what rate of return are they going to be looking for on this investment? The Minister all but said it in his second reading speech. He said:

The private sector already sees the potential in New South Wales and has signalled it is ready to invest in 120 large-scale energy generation projects in the pipeline, totalling \$25 billion in potential investment.

This Government is simply doing the bidding for its master lobbyists, who are the real power behind the throne and, subsequently, we have this bill. The backbone of this bill is papers produced by the Blueprint Institute, which was set up by none other than connections with the Liberal Party lobbyist Michael Photios and his friends. There is a lot of money to be made from the renewable energy future and this Government is going to make damn sure that its friends do not miss out, that they indeed get in first. We know that the great big scare of global warming will waste billions and billions of dollars on what in the end really will just be transitional technologies. It is a big Ponzi scheme. Where is the Labor Party on this?

Only recently, Joel Fitzgibbon said that the Labor Party has spent too much time talking about issues like climate change and not enough time talking about the needs of its traditional base. Mr Fitzgibbon almost lost his Federal seat in Hunter because he was peddling climate change and climate action. Now, this very Liberal Government is out there peddling the same climate crisis nonsense. Need I remind the Liberal Party how it lost Eden-Monaro because of the Shooters, Fishers and Farmers Party? There is a lesson that both sides of this House will have to learn the hard way: If you do not heed the demands of our regions you will continue to lose them. Labor, I suggest, should acknowledge that too. There are voices outside of Macquarie Street and inner-city apartments and they will be heard. Someone has to look after those people. The Minister is trying to sell this bill to us. In his speech he said:

The scale of this private sector investment is so vast that it will drive \$32 billion of timely and coordinated private sector investment into New South Wales by 2030. It will support 6,300 construction jobs and 2,800 ongoing jobs and \$1.5 billion in lease payments to landholders in regional New South Wales. It will save households \$130 and small businesses \$430 a year.

What the people of New South Wales should really be interested in is how much we are going to be paying for foreign investors to bring this to our shores, because we sure cannot manufacture or produce the necessary infrastructure here at the moment. How can you justify that you will reduce electricity prices by amortising \$32 billion in capital expenditure over the lifetime of these renewable energy zones, which will be around 20 years? Then we have to repeat the dose and do it all over again. Again, where is the business plan? Where are the numbers to back up this pipedream? Based on current facts and examples on renewables, the so-called savings simply cannot occur. What this Government has put forward in this bill will hinder the State's ability to produce even toothpicks at all let alone steel or aluminium cost competitively with overseas.

No local sourcing policy will override this anti-competitive knee-jerk political response. How are we expected to keep our steel manufacturing in aluminium industries afloat? How will the Government keep Port Kembla and the upper Hunter viable? The Government produces road maps for renewables but no road maps for industries that have underpinned our economic stability for decades on lower energy costs. This Government is full of spin, trying to justify the proposed renewable energy bill, spinning so wildly that it might be able to provide the firming capacity that the State needs just to keep the lights on if this bill was passed. I will finish with a rhetorical question. How many Ministers does it take to change a light bulb? The answer is none, because under this Government's green regime there will be so many power outages that they will be using candles. The Shooters, Fishers and Farmers Party does not support this bill.

**The Hon. EMMA HURST (22:15:01):** On behalf of the Animal Justice Party I briefly express our support for the Electricity Infrastructure Investment Bill 2020. The bill signals a much-needed shift in government policy and investment away from outdated coal-fired power and towards clean renewable energy. New South Wales has some of Australia's best resources for wind, solar and hydro energy and we should be utilising them. The Government's plan, which is backed by significant funding, will harness these resources and create key renewable energy zones that will be able to deliver clean and affordable power to the people of New South Wales. Given the length of time that it can take to develop these renewable energy zones—up to 10 years—it is critical that we start building this infrastructure now. It has been reported that this plan could increase the share of renewable energy in New South Wales from about 16 per cent today to more than 60 per cent by 2030. That is not perfect, but it is significant progress in the right direction.

If humans and animals are going to continue to survive the present climate crisis, big investment in these kinds of clean solutions is critical. The lives of human and non-human animals are already being impacted by climate change and we will continue to face new challenges for survival. More frequent and intense drought, fires, storms, heatwaves, rising sea levels, melting glaciers and warming oceans threaten all life forms on this earth. It is not too often that we see Labor, the Coalition and the Animal Justice Party working together on an issue that we all strongly agree on, but I am glad to be finishing the year on something as important as this together, and I am glad to see the Coalition and Labor helping get these important changes through, which will have really long-term benefits for animals. As I said, we need to be doing much more, but this is a fantastic first step and we support the bill.

**Reverend the Hon. FRED NILE (22:16:56):** On behalf of the Christian Democratic Party I am pleased to speak in support of the Electricity Infrastructure Investment Bill 2020. The bill will make legislative amendments needed to give effect to the NSW Electricity Infrastructure Roadmap as well as parts of the NSW Electricity Strategy. I note also that the objects of the legislation are to improve the affordability, reliability, security and sustainability of electricity supply, which we would all agree with; to coordinate investment in new generation, storage, network and related infrastructure; to encourage investment in new generation, storage, network and related network and infrastructure by reducing risk for investors; to foster local community support for investment in new generation, storage, network and related infrastructure; and to support economic development and manufacturing.

Further objects of the legislation are to create employment, including employment for Aboriginal and Torres Strait Islander people, which our party particularly supports; to invest in education and training; to promote local industry, manufacturing and jobs; and to promote export opportunities for generation, storage and network technology. In looking through the budget papers I was curious to see whether there was a reference to this plan and I could not find one except a reference in the budget papers on page 7-4, headed "Energy", which states:

Essential Energy operates and maintains one of Australia's largest electricity networks, covering 95 per cent of New South Wales. The business serves more than 855,000 customers, including homes, hospitals, schools, businesses and community services, and is an economic enabler for regional, rural and remote communities.

Essential Energy is focused on continuing to drive network charges down, while delivering safe and reliable electricity to customers.

All of us would agree with that objective. The budget papers go on to say:

In real terms, network charges for a typical residential customer have decreased by 40 per cent since their peak in 2012-13 and by 43 per cent for a typical business customer. By 2023-24, these charges are forecast to fall by a further four per cent for residential customers and six per cent for business customers.

I am sure that all members of the House would agree with that objective. We hope that those objectives can be fulfilled. The budget papers conclude:

Essential Energy continues to streamline its operations and invest in innovative and enabling technologies to ensure it can continue to deliver safe, reliable electricity long into the future.

I obviously agree with those as factual statements. I am curious as to how the Government has coordinated Essential Energy with this bill, because there seems to be no reference to it as far as I can see. It would be a big oversight if the Government is pursuing a particular strategy and Essential Energy is over here on the side. It has to be a centrepiece in this electricity infrastructure investment. Other speakers have referenced this crisis that we face in New South Wales—namely, that four of the State's five power stations, which currently provide three-quarters of New South Wales' electricity supply, are expected to close within 15 years. I have seen that statement quoted in many places. I hope it is wrong, but it may be factual. If it is, what takes the place of the power supplied by those four power stations is a challenge for the Government.

I have some suggestions. The road map is the New South Wales Government's plan to deliver the major electricity infrastructure needed in the State to replace these power stations in a way that improves reliability and lowers prices. The road map introduced through this bill will hopefully deliver cheap electricity while keeping the

lights on. That is the objective. We know that in other States, when they have experimented with some of these provisions, all they had were extensive blackouts—no power, nothing. This is what the Government hopes will happen: New South Wales will be in the lowest 10 per cent of the OECD countries for electricity prices in 2030. There will be \$130 per annum in average savings on electricity bills per household for 20 years and \$430 per annum in average savings on electricity bills per small business for 20 years. It hopes to build the equivalent of the Central-West Orana and New England renewable energy zones. The Government also hopes that this legislation will grow the economy, create jobs and support the regions, particularly with 23,600 additional jobs across the New South Wales economy by mid-2030 and \$32 billion in private investment, mostly in regional areas, by 2030.

I would be curious to know how much of that \$32 billion in private investment has already been promised by private industry in the State. It seems to be a big amount. Private investment has been very silent about it. The Government also hopes that the legislation will create 6,300 construction and 2,800 ongoing jobs by 2030, mostly in regional New South Wales. We hope that is the case, particularly in the Hunter and the Illawarra. Finally, it hopes to achieve the objective of \$1.5 billion in lease payments to landowners prior to 2042 for hosting generation—that is, for having wind farms and so on their property. Is \$1.5 billion in lease payments an optimistic prediction? Because landowners are resisting having these towers on their property.

In summing up this legislation, there are three parts to this bill. First, it will establish a framework for the State's renewable energy zones [REZ], which is a whole new concept. The zones involve the coordinated development of new transmission and renewable generation infrastructure in energy-rich areas where it is supported by local communities and consistent with agricultural production. Second, the bill will establish an electricity infrastructure investment safeguard. The safeguard is a market-based investment framework needed to deliver the new REZ generation—long generation storage, for example, pumped hydro, that a lot of us question. Certainly my study is that the amount of electricity gotten from the pumped hydro is used up by the way it operates. It has to use electricity to produce electricity, so it is neutral situation. The Government is also hoping with the gas and batteries—we have heard a lot about batteries. The way that they operate in South Australia is almost a joke. If the Government thinks that this will be the goal and solution to New South Wales' power problems, it needs to look again at what is happening in South Australia.

The Government again hopes for an increased investment in this whole area in the State. Are there signs of that happening? Are the investors sitting there with millions or billions of dollars and asking where they can invest their funds? Thirdly, the bill will also make other legislative amendments to give effect to the New South Wales electricity strategy, such as establishing the Energy Security Target regime. At least the Government is doing something; it is an attempt. It now appears to have the support of the upper House with the major parties represented in this Chamber. Hopefully the Government will have an open mind about the use of gas and exploiting that opportunity—we have abundant gas available—lower emission coal and, thirdly, these new module uranium power plants that are being built all over the United States and other countries and which we have banned in Australia. We support amending the legislation to remove that embargo on any new uranium power stations, especially if this new model is being introduced in the United States. It is low-cost but very effective in producing electricity.

We support the bill. A lot of trust is involved in this legislation, with the Government and the response of the business community with investment. As I said, there does not seem to be much sign of abundant funds flying from that investment area, but the Government is hopeful that it will happen. I do not know whether it will achieve that with high interest rates to encourage those investments, but I have not seen any sign of that money or that the State's private sector is looking to where it can invest all its funds. Because of the pandemic and other things, a lot of businesses seem to be short of funds. There are no funds sitting around waiting to be invested. The Government will be working very hard to get that anticipated level of investment. In principle, we agree with the bill. No legislation is perfect. It is better to have a model, which can be improved and amended as time goes on. We support the Electricity Infrastructure Investment Bill.

**The Hon. MARK LATHAM (22:31:18):** One does not know whether to laugh or cry at this legislation. The way it has been framed is laughable. This is a centrally planned, command-and-control model the likes of which one thought—in terms of sensible economic policy—went out with the fall of the Berlin Wall. The Minister is appointing himself as some sort of energy tsar in New South Wales, with a number of underlings and new statutory bodies underneath, to essentially plan a system based on a new electricity tax that raises money from distributors, is passed on to consumers and engages in voodoo economic energy supply. I will deal with this in detail and start with some points that the leader of The Greens, Mr David Shoebridge, and the shadow energy Minister made. Mr David Shoebridge said that the bill has the support of industry. Let me read from a public statement made this afternoon from one of the industry players—no small factor in this—the operator of Vales Point Power Station, who is helping to keep the lights on in this Chamber right now:

Prior to this gross intervention by the New South Wales Government in their electricity infrastructure road map, I had thought there was broad political bipartisan support for the continuing operation—albeit at minimal operation output to make way for mandated wind and solar—of the different States' coal-fired power stations post-Liddell closure until equivalent replacement dispatchable generating capacity was fully committed and operational. However, the gigantic intervention into the electricity market in New South Wales, if not tempered with reality and how to operate and manage and regulate a complex, open and competitive market, has to be seen as a massive change of electricity law which will have investors seeking legal redress against the Government.

The Government in this case is the unorthodox coalition of the Liberals, The Nationals, Labor and The Greens. They are the sponsors of the bill. This industry participant, major player and investor has written how investors—notice the plural; it is not just him—are seeking legal redress against the Government. On what basis? It is the loss of commercial value of their asset in this radical, experimental, irresponsible Matt Kean plan. One thing that logically follows from legal action is the reality that, in that loss of commercial value, they will be looking to off-load their assets faster than currently planned. This is a looming catastrophe for the New South Wales economy that gives a complete falsehood to the assertion of Mr David Shoebridge that the bill has industry support. The leader of The Greens has shown himself yet again to be a fantasist. He is making up a proposition that all parts of industry are supporting the bill.

We also know the concerns that have been flagged by AGL. Again, it is no small player in this industry sector. AGL talked of freezing and reviewing assets—not the coal-fired power stations but battery storage and gas peaking plants. The battery that is supposedly the sort of investment being urged on and facilitated in this bill is under review at AGL's Liddell site. This is just the beginning of industry concern about this gigantic intervention to destabilise the National Energy Market, cause and bring forward the early closure of the existing assets and completely put at risk economic stability and prosperity in New South Wales. I further take the point made by the shadow energy Minister. In relation to his acknowledgement of the new State electricity tax, he said that there is a similar mechanism which funds transmission. That is all we are talking about here. But he clearly has not read the bill. The new electricity tax is funding not just the one element of transmission but the other three of new generation, firming capacity from the pumped hydro, and storage from battery.

In this Parliament the Labor, Liberal, The Nationals and The Greens coalition has come together to say that it is satisfactory policy to develop a new flat electricity tax in New South Wales without any cost-benefit analysis, modelling released or quantification of what this new tax looks like for what seems like the monumental task of funding a decade of investment in generation, transmission, firming and storage. On the transmission front, surely the Labor Party and its spokesperson would acknowledge that these future costs of transmission obviously have to be greater than they are now, because they are essentially relying on generation capacity of solar and wind in the western districts of our State. Obviously, it is far more expensive to hook up to the far western part of New South Wales in transmission than it is to repair or improve the existing network, which tends to be based along the east coast for the unsurprising reason that that is where most of our residents live.

The Leader of the Opposition is at an historic moment in New South Wales politics where, for whatever motivation—whether he has stumbled into this and does not understand the bill or he does not care or he has some other aspect of policy that he is trying to support regardless of the impact of a new electricity tax—he must acknowledge that the funding cost of transmission under these arrangements will be greater than we have in the State at the moment and that these are unknown costs for generation, pumped hydro and battery. For the Labor Party to be supporting a new aggressive flat electricity tax in the hands of Mr Matt Kean—this Hornsby accountant fresh off the Liberal party cocktail scene—to hurt working people is one of the most shameful moments in Australian Labor Party history.

When that party is under siege by the likes of Joel Fitzgibbon, who is saying that it has abandoned working people, the news for working people is, "You ain't seen anything yet. Here comes the new electricity tax to knock you for six." It is un-costed, unquantified and unknown. Labor is flying in the dark as to the impact of this because it has refused to support a proper committee process, the full disclosure of all the documents, the slowing down the implementation of this bill and the full transparency needed to get all the facts on the table. The Leader of the Opposition will probably say that it supported that order under Standing Order 52 and will give the House that assurance. When he got his own order for papers through on formal business, how do you think that happened? Was it a fluke of formal business where the Government just waved it through? There was clearly an agreement to have that waved through.

**The Hon. Penny Sharpe:** Point of order: The Hon. Mark Latham is straying a long way from the substance of the bill that is before us. He is also making imputations about the motives and otherwise of the Opposition that are simply incorrect. I ask you to call him back to speaking on the bill before us.

**The DEPUTY PRESIDENT (The Hon. Shayne Mallard):** The honourable member was within the broader terms of the bill, but I will ask him not to venture into a reflection upon—

**The Hon. MARK LATHAM:** I am not trying to.

**The DEPUTY PRESIDENT (The Hon. Shayne Mallard):** The honourable member knows not to quibble. I am just making an observation. I ask him to come back to the core issue of the bill.

**The Hon. MARK LATHAM:** I accept that observation. I note I am putting my commentary about matters that are very clearly on the public record of this House.

**The DEPUTY PRESIDENT (The Hon. Shayne Mallard):** I am giving the member general advice. I do not want to call him to order.

**The Hon. MARK LATHAM:** I think that I am being relevant to the consideration of the bill by pointing out how proper process and transparency of this House of review and scrutiny has not been followed, and why there is a manic determination to push through this monumental economic and electricity reform at any cost—even that of not knowing what we are talking about in using an electricity tax to fund the whole scheme that applies beyond transmission into generation, storage and firming. We are flying blind on that. There are also the massive economic consequences of the existing generators closing early. Members heard me quote from that statement made this afternoon from the Vales Point operator. We as a Chamber are betraying every duty of care we have to the citizens of New South Wales to know the facts, to make a reasoned assessment of the public policy consequences of this proposed legislation and, most particularly, to pay particular need during a recession for energy security, affordability and keeping the lights on and powering up the New South Wales economy into the future.

The idea that in the space of a decade New South Wales is going to be 100 per cent renewable out of this bill is essentially a radical economic experiment. One can look up the Australian Energy Market Operator dashboard right now and see that 80 per cent of the power generated in New South Wales—so every four out of five lights in this Chamber—comes from black coal. To say that that will go to 0 per cent in the space of a decade is a complete and utter fantasy. There is an assumption afoot in this bill that, funded by the new electricity tax, there is going to be enough wind and solar supported by pumped hydro and battery to keep those lights on. Nobody or no economist looking independently at this economic model would say that in a command-and-control model of preferment—where the Minister sets himself up as the tsar and the underlings do the work and they are all appointed by him—they have got the expertise in a competitive market economy to get it right. There is no precedent for this anywhere in the world.

Common sense would say that if one is investing in the intermittent nature of wind and solar, one needs to have a 100 per cent guarantee. Vales Point's Trevor St Baker made this point about the guarantee already in place before we make the transformation. We have to have the guarantee that the battery storage is viable and the pumped hydro firming is going to be feasible into the future. The Hon. Robert Borsak made a wonderfully devastating point that New South Wales has not built a dam for 33 years, yet the supposition of this bill with pumped hydro is that hundreds of dams will be built in the next decade. For pumped hydro one needs the dam at the top of the peak, the dam at the bottom and the pipes that are doing the pumping. We need two dams for every pumped hydro scheme when no dams have been built in 33 years.

If one reads the Minister's second reading speech, again, one does not know whether to laugh or cry. He is relying on an ANU study that I critiqued three years ago, which points to what are supposed to be 9,000 potential pumped hydro sites in New South Wales that nobody has visited or inspected in person. It is another satellite mapping exercise. They look at the contour of the land and, if they can see a contour at the top and at the bottom of the hill—without knowing any of the rainfall measurements or if there is water in those contours—they say that that is a possible pumped hydro site. Who would do that? Who would exercise their duty of care to the people of New South Wales from satellite mapping about 9,000 supposed sites that nobody has visited? I visited the sites in my area. One of them was a water tank for the Oakdale community water supply. What a joke! Others were just dry gullies that would not have water running through them except in absolutely exceptional storms.

When I critiqued this and asked the researchers at the ANU how many sites they had visited, they said none. It was all satellite mapping. The proposition advanced by the Minister in his second reading speech and adopted by the Government and the co-sponsors in the Labor Party and The Greens is the pumped hydro equivalent of the koala State environment planning policy. They are completely and utterly fanciful maps that do not match the reality, mainly for the reason that nobody has visited the sites to check out their viability. How many sites has the Leader of the Opposition visited out of the 9,000? I say none. The Parliamentary Secretary? None. What about the Leader of the House? Have you visited any of the 9,000 sites? How can you legislate for things you do not know?

**The DEPUTY PRESIDENT (The Hon. Shayne Mallard):** Order! The Hon. Mark Latham will direct his comments through the Chair. It is not a conversation. The Leader of the Opposition will cease interjecting.

**The Hon. MARK LATHAM:** Is this a religious faith? A satellite map identified some contours and a couple of researchers at ANU said that there were 9,000 sites and that is good enough for us. I almost fell off my chair when I read that in the Minister's second reading speech because I critiqued this three years ago. I have visited these sites as they apply to my part of Sydney. I urge every member to go back and rethink this. A committee would have examined this sort of stuff and would have gone and visited the sites and had a look. They probably would have been the first human beings to go to these sites and think maybe this could be pumped hydro—genuine explorers on our committee. This madness and fantasy is supposed to be the intellectual, factual and evidential basis on which this bill is proceeding. People will be writing PhDs about this for decades to come wondering how it could ever have been analysed and rushed through in this way.

Then we come to battery storage. We know famously that the biggest battery in the world—Elon Musk's—powers up Tomago in South Australia. If it were here, it would go for eight minutes. We know that the head of AGL, Brett Redman, said that if we wanted entire battery storage for a 100 per cent renewable Australian economy it would take 350,000 shipping containers. If we laid them out end to end, they would go from Sydney to Perth and into the Indian Ocean. We are told to follow the science, but I am afraid that this is science fiction. Today in New South Wales battery storage feeds less than 0.1 per cent of the energy into the grid. Dan Walton at the Australian Workers' Union has pointed out—unfortunately, in other respects he has gone missing in this particular debate—that it is a feeble amount of battery storage, but seemingly within a decade it is going to be doing a capacity job that runs well into double figures and above. One would have to question the credibility of this.

One goes to the failure of the Minister to release the modelling and to even tell the Cabinet and the Treasurer of the damning audit of the modelling that said that the assumptions are massively inflated and that we will not get anywhere near the investment that is being projected. Earlier today members heard the feeble answer from the Leader of the Government when I asked him who the new investors knocking on the Government's door in the last 10 days were. He is a former energy Minister, sits at the table and the Leader of the Government in this place and he could not identify any. That again confirms the need to release the audit report on the modelling that says that these assumptions are fundamentally inflated. Beyond that, I will not go into the full narrative about the orders made under Standing Order 52, but we do know for sure that on 4 August the head of the Australian Energy Market Operator wrote to the Minister and said that the proposal does not address the risk of bringing forward the closure of the existing generators.

I do not know how the Labor Party in particular got into this mess. It is charted in its history, its role and its voting returns to look after working people. How can it proceed on this basis and essentially say, along with The Greens, "In Matt and a wacko, bizarre command-and-control economic model we trust"? Labor thinks that these are the things upon which economic prosperity and the livelihoods of working families in New South Wales can rely. It thinks that we can do this by sitting down with Ava Hancock, who has a brother who makes money out of renewable energy, and James Malcolm Hay, one of the authors of the policy in a department who has business interests in renewable energy. It thinks that this is probity and that it is proper, credible and reliable. It is living in a fantasy world. It is a sad moment to see it. As for The Greens, this is, of course, a religious commitment they have. They are not all that interested in the facts, but surely even they should discharge a duty of care.

As for the Government, it has not seen the full documents at Cabinet level. There has been a deliberate withholding of those documents in the process. That too is shameful. How people in the Government have allowed this to be rushed through beggars belief. I report furthermore to the House that whistleblowers in the department say the advice to the Minister has been rewritten. I know from my application under the Government Information (Public Access) Act [GIPAA]—understanding that my order for papers under Standing Order 52 would not get through the cartel here, who do not want to see the facts—that I would not have access to the earlier advice, only the final advice. Who is the departmental officer saying that to the so-called information officer? James Malcolm Hay. He said that I could only see in my GIPAA application the final advice. Why could I not see the early advice when I have got information that the advice indeed has been rewritten to the Minister's satisfaction?

Beyond that, I was told I could not see the consultant's notes. I take that to mean the audit on the modelling which says that these assumptions are unrealistic and completely inflated. In recent times that process not been a strength of this Government. Ethical, proper, methodical and evidential process has not been its strength either in the Maguire matter, in the community grants matter and now in some other issues under investigation at Camellia. I urge the House, and those who have stumbled into support of this process and this bill, to add Matt Kean and his energy road map to the list. There is a lot more to come. I urge the House at minimum to rethink the desirability of the committee process that would flush all of this out in the public interest. I urge members not to fly blind and not to betray their duty of care to the people of New South Wales. In its current form, this bill must be absolutely rejected.

**The DEPUTY PRESIDENT (The Hon. Shayne Mallard):** Before I call the Hon. John Graham, I remind members to use the correct titles of Ministers and other members in the House.



**The Hon. JOHN GRAHAM (22:51:33):** I support the bill. I agree with members who have said how important this bill is. One could not think of a bigger jobs and productivity leader that exists in State politics and many of the economic controls held at national level than this. This is one of the things the Parliament can do to really shift the State economy, absolutely one of the most important bills we will deal with and one of the most important areas of public policy at a State level. It deals with something that has felt like an intractable problem federally and at the State level and something that, on the face of it, should be so simple. Producing and distributing electrons around the State has been so complex for so long. That goes to why there is a mood in the House to support this. There is some hope of breaking through what feels like decades of complexity and political failure in this area. That underlies the approach that the Opposition takes.

For me, the fact that we meet here in a moment of hope influences my view about this. I refer to the pandemic. Since 9 November we have heard the news that two vaccines with more than 90 per cent efficacy might be on the way and perhaps widespread towards the end of next year. What an endorsement of science, human ingenuity and ability to break through complex problems. I would like to see that sense of hope applied here. The same human ingenuity will hopefully provide a path through the issues that are of real concern to all members of this House as we tackle them. I am sympathetic to arguments and calls that have been made for a committee process and more scrutiny. I certainly do not simply trust the Minister in this matter and have concerns about how this will unfold.

This has been left so late and the Government has been so inactive in this area that it is important that the Parliament acts. It is important that we move on the bill. One of the reasons that we are at panic stations and dealing with this so late is because the deadlines and the time lines are really hurting us. Liddell will potentially shut down in 2023. As this strategy makes clear, it takes 10 years to build a renewable energy zone and eight years to build a large pumped hydro project. The deadlines and the time lines underline the urgency here. Members on this side of the House feel that if we do not act then there is a real risk that the lights will go out under the current Government inaction.

The other thing that worries us is that when the parliamentary inquiry looked at this question, the Australian Competition and Consumer Commission found that retail electricity prices in New South Wales have increased in real terms by 52 per cent over 10 years. Working people are paying those prices. That is hurting our people and that is why we want to act. People just cannot afford to pay the bills. They are out of work when they should be in work, and it is too expensive for businesses to keep the lights on. Members on this side of the House have a real urgency to deal with those issues after the inaction of this Government, but that should not be a substitute for scrutiny. There should be scrutiny as this unfolds, but we do not see that as a barrier to passing the bill.

One reason for optimism is knowing just how quickly this whole policy area is moving around the world. It is changing so fast. We only have to look to the US, where NextEra is the world's top generator of wind and solar electricity, and compare that to ExxonMobil. Since 2018 that oil major has seen its market capitalisation reduced by 60 per cent. NextEra has soared past it to \$147 billion and is now the most valuable energy company in the US. That is just one signal that shows how quickly things are moving. This House must be careful to keep up with the very latest developments. Things have moved so quickly in 18 months. Capital markets are shifting. Clean energy stocks around the world are up 45 per cent this year.

The President-elect of the United States plans to spend an enormous amount of money on shifting America's energy economy. The EU has earmarked 30 per cent of its \$880 billion COVID-19 recovery plan for climate measures in clean energy. Just the scale of the change that is happening elsewhere is really driving this around the world. We should be part of that in a responsible way that we are confident will secure the future of the State. That is where other countries are moving at the moment.

I will deal with the issue about the location of renewable energy zones. I support a renewable energy zone around the Hunter. I do so because of the long-running community discussion about transforming—not replacing, but building on top of—the existing focus on energy. The skills and the existing infrastructure has been there for a long time. It is really about the long-term jobs that will be there for the kids in the Hunter down the track. The transmission infrastructure—those crisscrossing 330-volt lines—form a nest across the Hunter and down into the Central Coast. Being a former energy focus has advantages. Ross Garnaut talked about some of the areas around the country that will benefit as we move into a different sort of energy production. He said:

There are advantages in location at the transmission nodes built around the declining fossil fuel power generation ...

He singled out Newcastle and went on to say:

The advantages are greater if there are low-cost hydro or pumped hydro storage sites nearby: the industrial cities close to the Great Dividing Range ...

Newcastle again features in a list of sites around the country. He also stated:

New industrial strengths will be built more easily in provincial cities with strong industrial traditions and established energy, port, other transport, and training infrastructure.

Again Newcastle and the Hunter feature. He noted that there will be special advantages at first in the old transmission nodes for coal generation. He again cited Newcastle:

The transmission systems that took coal-based power to the cities and other centres of big demand will find new value bringing in renewable energy. Old industrial towns have legacies of infrastructure and industrial culture that have value for new industrial activity.

For those reasons, I support the fact that the bill now reflects the Hunter as a renewable energy zone. I agree that it is unorthodox for a bill to start its passage without that and then in a short period of time to arrive in this place with it. But it is important that those advantages are recognised, and the bill was deficient to just single out those two areas. There are three renewable energy zones in the bill but only two of them had targets allocated: the eight gigawatts of generation capacity from the New England Renewable Energy Zone and the three gigawatts of generation capacity from the Central-West Orana Renewable Energy Zone. That has strengthened the bill and those targets need to be fleshed out for those other areas. That is because the bill says that the consumer trustee will preference bids for generation infrastructure located in a renewable energy zone when making its recommendations. There is an ability to do that outside of those areas, but really they are crucial to where this development will happen.

Reverend the Hon. Fred Nile was asking about where this new investment is coming from and how much of it there is. That was a very good question. We have repeatedly heard from the Government about the pipeline of infrastructure investment in this sector that is sitting there ready to go. It is billed as \$25 billion in potential investment that is already there. This road map will now take us to \$32 billion by 2030. As I read it in the strategy, that is really just the extra \$7 billion on top of what has already been repeatedly referred to in the Chamber. It is important to look at that. It is a little bit more modest than this Minister might be tempted to promote but it is still a very big potential investment for the State and very well worth pursuing. I do have concerns regarding the risks within the bill. The Leader of the Opposition spoke very well to the detail of this and has set out that case. He outlined a number of risks.

The first risk involves the reasonable cost of the bill. There are three options for the regulator that might deal with this. That matter is not quite settled and that is very important to how this lands in the long run. The second risk involves the transmission cost. As the Leader outlined, the Opposition argued for a reverse auction. This bill says it is possible but not required. That has important implications for how this lands and what the costs are in the long term. The third area of risk is the Electricity Infrastructure Fund itself. Those costs are highly leveraged as well; it is not just the structure of the bill. The Minister said in his second reading speech:

The agreements give the long-term energy service [LTES] operator periodic options to exercise a derivative arrangement in return for constructing and operating a generation, long duration storage or firming project.

...

The risk management framework provides for the scheme financial vehicle to enter a second type of derivative arrangement referred to as a risk management contract. ... It relates more generally to the financial position of electricity consumers. For example, if there is illiquidity in the contract market as a result of long-term energy service agreements being put, it is important for consumers that the risk management framework authorises the scheme financial vehicle to provide liquidity on the basis of the put contracts. The scheme financial vehicle will establish a fund called the Electricity Infrastructure Fund. I put those on the record to say that there are risks in this model. This is potentially quite a leveraged model. *The Australian Financial Review* has spelt out, as the Leader of the Opposition noted, that it is the taxpayer and the consumer that bear those risks. We are leaning heavily here on the competence of the Government in actually getting this in place. We are backing the framework here and we lean heavily on the Minister and the Executive to do this right. Who bears the risk if it goes wrong? Pensioners, the poor, the unlucky, renters, the young and anyone who is not in a job and hopes to be, or hopes that someone will be hiring down the track, bear the risk. That is the risk in this bill and that is what we are hoping the Executive will deal with. It is important to make it clear that those elements are in the bill.

I will mention a couple of final points. I would like to see more detail about cost savings in this bill. The Minister referred to this in passing in his second reading speech but it is so fundamental to whether or not this delivers for the State. It is so fundamental to jobs and productivity and to how this unfolds. The Government has claimed that households will save an average of \$130 per year from 2023 to 2042. We should back this bill today and get this moving, but the Minister should release that modelling and be clear with people. What are we saving? What does this mean? It is very unclear exactly what those figures are based on.

I recognise the speed with which the bill has been improved and I thank the members of our team: the Leader of the Opposition in this place, the deputy leader in the other place and the shadow Minister for Natural Resources. They have all worked very closely to pursue some of the issues that are now in the bill, and they have substantially improved it. Finally, I will refer to the jobs in the bill. The Minister said that it is expected to support 6,300 construction jobs and 2,800 ongoing jobs in 2030, mostly in regional New South Wales. All of those jobs are welcome but in my view that is also not the main game. The Opposition has improved on that by insisting on local procurement. Again, that has driven extra jobs into this package and is very welcome. But the main game here—the real economic impact on the State—is getting this package right. It is about getting low-cost, long-term

energy to businesses and putting people on the payroll. That will support industries across the State. That is the real, long-term jobs lever in this bill.

I welcome the jobs that come directly. I welcome the fact that there is now a more serious local procurement plan, as a result of the Opposition's insistence on it. But the Minister must get this right if the real jobs and productivity benefits are to be felt by the State. If some of those risks go wrong, it just shifts the cost curve. The risk falls on those who cannot pay—on those who hope to work but will not be able to. That is why I am very happy that the Opposition is backing this bill and why we have to move now. If we get this right, then it offers a future for New South Wales where we have the energy—the low-cost, long-term, reliable energy—to get manufacturing back across the State, to rebuild some of the processing capacity that should be part of the State's workforce and to keep mining rare earth minerals. We have a real capacity there. It puts options for smelting supported by renewable energy and energy export on the table for the State. Those are very welcome.

I strongly support the principle that we have outlined here that there should be a "no-one left behind" approach as we are pursuing this, but it also has to be about the main game. If we get this right, it is the most important economic intervention that we can make in the State. It is for those reasons that I support the bill. We meet in a moment of hope on the pandemic, and I hope that the passing of this bill will also be a moment of hope. One thing that gave me hope was the member for Upper Hunter in the other place. He is a well-known coal advocate and nuclear guy, who has given no thought to the idea of a renewable energy zone in his own backyard. He was tinkering in the garage, presumably building a small modular nuclear power reactor—

**The DEPUTY PRESIDENT (The Hon. Shayne Mallard):** Be careful.

**The Hon. JOHN GRAHAM:** —but he took time out as the bill came through the House. He raced in to get on board with this new renewable energy fad. He was right there. Even the member for Upper Hunter was on board with this and joined the rush when it came. He knew that it was about jobs for his region. It gave me hope to see even a sceptic like the member for Upper Hunter racing across the Chamber to claim credit on this issue. Building on what is there now, Hunter kids might have jobs as these energy projects come online—not just the jobs with these energy projects but also the jobs that they will support in the future.

**The Hon. MATTHEW MASON-COX (23:11:13):** We indeed meet in a moment of hope. The hour is late, not just tonight but in relation to rebuilding our energy generation infrastructure in this State. What a challenge we have before us. It has been a very interesting process to date and I cannot help but think that maybe we should take a little more time to sort out this bill. I arrived in the party room on Tuesday last week to a one-page summary of one of the most complex pieces of legislation that I have ever read, dealing with the most important piece of economic infrastructure that we have. I have taken the time to try to understand this in the short period that has been allowed me. I thank the Minister, who very graciously gave me an hour and a half of his time to talk through these issues with his advisers and sort through some of the risks—as I saw it and as I still see it—in relation to this package.

I note the fact that this bill will not go to a committee, which would have been my preferred course. I believe that a committee would have had the time to deal with the detail that this package presents, the choices that are made and the fine risk decisions that are embedded in it. That would have been a very wise course of action. A committee could particularly look at the modelling, the benefits, the reaction of the market, the alternatives and other information and come up with an assessment. I have no doubt that the bill has gone through a number of hands already. I have been assured by the Minister and by other contributions tonight that the multi-partisan approach means that it has really been gone through in incredible detail. The bill has gone through the hands of the best consultants in the business. It has been reflected upon by the key regulatory authorities in the market: the Australian Energy Market Operator, the Energy Security Board and the like.

This is seen as a road map to the future—not only for New South Wales but one that every State of Australia can follow—to ensure that we can deliver an energy market of the future. That does give me some comfort. I am a risk averse sort of character by nature and I am always a little bit concerned when taxpayers and consumers are underwriting that risk. In those contexts, as a Parliament, we need to have a very close look at this package. I have limited time, so before I get to the detail I will give the bill a little bit of historical context. When I first came into this place in 2007, we commissioned the Owen report. It looked at all of those myriad issues and identified the problems that we are going to face when needing to replace generators. Based on the projections in terms of electricity use, it was very clear that the State was going to have to replace generators in the next 10 to 15 years and that we had better get on with it.

A whole range of recommendations came out of the report that talked about sovereign risk and the risk and cost of replacing those generators. It recommended privatising some of the electricity assets and reducing sovereign risk. It recommended letting the market take some sort of price signal, looking at the energy forecasts to determine the appropriate courses of action to replace aging infrastructure. That is what we did. We looked at

all of those things. The Labor Government was in power at that time and the Coalition went down that pathway. I know that members opposite remember this with some fondness; I certainly do. I remember sitting in the chair just behind Mike Gallacher the day that Michael Costa came in here to seek our support for the Labor Government's privatisation program, assuming that because the shadow Treasurer was Mike Baird—a man of impeccable investment bank credentials—that of course the Coalition would be signing up to a privatisation program.

But we know the history: we did not. The Coalition said no because it was privatisation under Labor and we were not prepared to take that risk. Maybe there was a political edge to it too. Who knows? The reality is that the Coalition did oppose it at that time. History will show that led to the gentrader model, which was an unmitigated disaster. Maybe we should have signed up to privatisation before letting the great Roozendaal descend upon us like the vulture in the dark and send us into gentrader oblivion. I remember that moment as well because Parliament was prorogued. A committee was set up to investigate what he had done and found practice of the very dark arts in boardrooms around New South Wales. I remember with great fondness the Hon. Eric "The Rooz" Roozendaal and how a whole swathe of directors resigned from the boards of those companies—Delta Electricity and Eraring Energy. In order to get the documentation signed, Roozendaal basically appointed directors on the spot and got them all to sign off. It was a magnificent piece of work. Do not let any sort of accountability or transparency get in the way of the deal getting done.

The reality is that the Coalition paid for that through the nose when it came to Government in 2011. It had to unwind those transactions, which cost hundreds of millions of dollars. I remember the Cobbora coal mine. There were all manner of problems in relation to unwinding those deals. The Government sold the State-owned retailers: Country Energy, EnergyAustralia and Integral Energy. It then sold the Eraring Energy, Mount Piper and Wallerawang power stations. In 2014 it dealt with Macquarie Generation. In 2015 and 2016 there was the TransGrid 100 per cent 99-year lease and the Ausgrid 50.4 per cent lease. In 2017 there was the Endeavour Energy 50.4 per cent lease.

The Government took those transactions to the 2015 election and received political permission to move ahead with that privatisation, but the key to that privatisation was to really increase competition in the market. It was to reduce the risk that the State had in those generators and to encourage the rebuilding of them through market-linked systems. Indeed, New South Wales was operating in a National Energy Market and we must not forget that. In Queensland, the State-owned generators are basically underwriting a lot of this system. Victoria and South Australia saw some generators close and there was a very strong move to renewables, particularly in South Australia. That caused uncertainty and problems with the national grid.

Looking forward to Liddell closing in 2023 and five generators closing in the next 10 to 15 years, clearly time is against us. In that context, it is very understandable that the New South Wales Government has decided to act. I am nonetheless concerned that the actions embodied in this package may have unintended consequences, particularly in relation to the National Energy Market. I have particularly been waiting to hear the Federal Government's response to this, but I have heard very little. It has been rather a muted reaction. I have been privately assured that the Federal Government is in alignment with the broad principles of this package, and there has been some feedback from the regulators and the National Energy Market that this is indeed a road map worthy of pointing to the future. I will have to take some of those things on faith, and that is really at the heart of this package. We have to trust that we have this direction right, but nonetheless we need to continually be on our guard to scrutinise each of the steps forward on this roadway.

Looking back gives us a picture not only of where we have come from but the reasons why. Moving back to a State command-and-control structure that we have moved away from over the past 10 years concerns me and makes me pause to reflect. It is something that all members should think about in the context of where this might go next. But nonetheless, we are driving forward. I personally congratulated the Minister for his courage, vision and willingness to undertake a very complex process. At the same time, I also directly gave him my misgivings about some aspects of it. Let us turn to that.

My first misgiving concerns the renewable energy zones. Members are aware that there were three, but then suddenly we ended up with five when the bill came into this place. That is always a cause for concern. I watched a bit of the debate in the other place and it seemed that whoever could come up with the next renewable energy zone would get a tick—a present—and they would all march on. To be serious, renewable energy zones are an important part of this plan. They will certainly drive some benefits in regional areas and that is a very pleasing part of the road map. While those employment benefits are modest, that is the nature of renewable energy projects and associated infrastructure. There is a lot of up-front cost in building that infrastructure initially, and then the operation is fairly straightforward and focused on maintenance.

I am certainly pleased that the Minister in the other place saw fit to look at the local content issues in that regard, and at how to ensure that the pipeline being presented to this State is driven by local expertise and skills.

The industry development policy that was quickly developed in the other place is moving down that right pathway. I have always been a big advocate of having a strong local content policy. This sows the seeds to develop that in New South Wales. It is something that has been missing as a way of developing Australian expertise in industry and something that the Commonwealth does a lot better than the States. No-one need look further than the Australian submarine project in Adelaide to witness all of that. Looking at the renewable energy zones, I am still concerned about the potential for gold plating in relation to those assets and the role of the regulator in determining the actual requirements. I have been assured that gold plating will not be allowed to happen and that the Government will be diligent in ensuring that those assets will be as required. In that regard, one needs to have a look at the Energy Security Target.

I was immediately concerned by proposed section 11 of the bill, which sets the energy security target as being maximum demand plus reserve margin. The maximum demand is forecast peak demand for megawatts of electricity based on a 10 per cent probability of exceedance, and then adds a reserve margin—basically the largest two generator units in the State producing whatever megawatts of electricity that might be. It is essentially the peak plus two generator units. That straightaway struck me as building to maximum peak demand and beyond, which has been part of the problem with the gold plating that has occurred in the past. I have been assured by the Minister that this can be met by measures such as demand management. We can look at other risk management measures and obviously this will be closely monitored by the regulator and the consumer trustee.

This will be important to determine whether or not we can keep the prices where they need to be so that the infrastructure is timed in such a way as to ensure the transition from the existing coal-fired power stations to renewable energy with the necessary firming. This is to ensure that we do not end up with blackouts and are able to drive seamlessly into this renewables future. That is what we all want. But ensuring that happens is like landing a jumbo jet on a football field. It is a challenge to say the least. The electricity infrastructure investment safeguard looks at the long-term energy service agreements which are designed to meet that energy security target. Again, I was concerned we were directly, through the risk management framework, underwriting the scheme in terms of the financial vehicle, which may in itself put significant pressure on consumers. As it has been put in the legislation and explained to me, a long-term energy supplier will enter into a contract with the scheme financial vehicle and be able to put out at a certain strike price the energy supply that it is contracted to under that long-term agreement.

It is in the legislation that that would be a derivative contract, and derivative contracts under the Finance Administration Act are basically anything, not just a put contract. It could be a put contract with all manner of variations. Having worked in financial markets and with a lot of merchant bankers, I know how innovative products are in this regard. I understand the risks associated with pitting oneself against the wiles of the market and the merchant mercenaries that populate that field. I am concerned that we get the personnel right. The key positions in this regulatory framework are going to have to be absolutely top drawer and with strong advice to support them to make the right decisions when dealing with the sharks of the financial system. Having worked on both sides of the fence, it leaves me with serious concerns. I will leave it at that.

To the wider risk management framework, I was assured that should the electricity price be too low to provide the regulated or determined rate of return under the long-term contracts, then that money would be paid out of the financial vehicle to those long-term contractors. In the other case, if their price was higher, the windfall profit would flow back into the financial vehicle. I hope that is the case. This is where the derivative problems occur because these products can be designed in such a way as to have caps and percentages to drive profitability one way or the other. This will be an important area to get right in the scheme. There is a lot of detail and I am sorry to have gone into that detail in some length. There is more, but in the time left I will focus on the self-evident risks. I have mentioned the consumer risk in relation to the financial vehicle of the long-term contracts. There is also the transmission costs for new infrastructure, including the new renewable energy zones. At the moment there are determinations in relation to that and that will flow into this new system. That will then come through on our electricity bills in relation to network costs.

So one flow of costs will come in from network costs and another flow will come into the financial vehicle. Of course, the financial vehicle is underwritten through the electricity legislation by the distributors. We know that a levy applies to the Climate Change Fund and at the moment that money is being used as a lovely slush fund for various projects. In relation to the scheme's financial vehicle, we have that on steroids. The bottom line is that the funds that come in from those distributors will then become higher prices charged through the market to consumers. That is how the system works in underwriting the whole process, both for the transmission and the cost of electricity. These are the risks that we must face in relation to this whole scheme. Having said that, there are risks in relation to model assumptions, to private sector response, to the National Energy Market and the integration of the system. There are risks in relation to the take-up of pumped hydro. There are firming risks. There is risk all over the place, but again this is a moment of hope. [*Time expired.*]

**The Hon. ROD ROBERTS (23:31:27):** I support and endorse the comments made by my colleague the Hon. Mark Latham. In the time that I have been in this Parliament I have never heard any policy discussed that is based around hope and trust. In fact, I have never heard the word "trust" used so much. How those opposite can trust the Hon. Matt Kean has me shaking my head. Tonight all we have heard is that there is risk involved in this. We need trust, and, according to my good friend the Hon. Matthew Mason-Cox, let's all bow and hope. If we are here to make policy based on risk, trust and hope we are in awful trouble. I have gone back and had a look at a few things. I have applied my old detective skills—I call them skills, but that will be debated by the end of the night. I know I cannot use props but I have a document from the New South Wales Parliament's website on "The Role and history of the Council". I remind honourable members that:

The Legislative Council acts as a 'House of review' by scrutinising the actions of the executive government and holding it to account.

Further:

Mechanisms by which the Council undertakes its role as a 'House of review' include its extensive committee system, the annual Budget Estimates inquiry, the review of legislation, orders for the production of state papers, and the questioning of ministers in Question Time.

I am perplexed as to how we are conducting any review whatsoever into this legislation. There is certainly no opportunity for the extensive committee system to look at the bill or for questioning at budget estimates. My colleague the Hon. Mark Latham has been stymied in his attempts to get access to State papers under Standing Order 52. He has also tried the Government Information (Public Access) Act mechanism and has been stymied there as well. We have asked questions of Ministers in this Chamber and we have received unsatisfactory results. How can we as a Chamber hold the Executive Government to account when we cannot perform our role?

I have spoken in the Chamber on two numerous occasions. The Hon. John Graham must have been missing on those nights. I draw his attention to my comments on 15 September about the failed exercise of renewables in California. The member said we should look at the scale of change in the United States. Let me refresh his memory. I quote:

It's almost 3 p.m. Time to turn off major appliances, set the thermostat to 78 degrees (or use a fan instead), turn off excess lights and unplug any appliances you're not using.

We need every Californian to help conserve energy. Please do your part.

This is not some Third World country; it is California in the United States of America on 7 September this year. California tried the failed experiment of 100 per cent renewables. I state clearly that I have at no stage said I am against renewables, because I am not. I am concerned about the transition period into renewables. I remember, as would Mr President and some of the—I do not like using the word "elderly", but you know what I mean—other members of this Chamber, when mobile phones first came out. Mr President was perhaps too young in 1984.

**The PRESIDENT:** The member should speak through the Chair, but he cannot speak on behalf the Chair.

**The Hon. ROD ROBERTS:** I take that observation on board. I will speak from my own experience and not recognise the fact that Mr President is perhaps older than I am. In 1985 or 1986 the Criminal Investigation Branch was so excited when the first mobile phone came out. I think it took three of us 14-stone detectives to carry it around. The battery pack was as big as the rostrum in front of me. However, in 2020 we all carry our mobile phones in our pockets because over time technology develops. But if we are relying on battery technology as of now, the Elon Musk battery in South Australia, which can power that Tomago Aluminium smelter for a total of eight minutes—

**The Hon. Adam Searle:** It is for frequency control, not generation.

**The Hon. ROD ROBERTS:** I will ignore the interjection, but I reflect on the fact that I sat silently in the back of the Chamber for the past five hours. If we are relying on that as our form of battery at the moment, we are in awful trouble. I again refer to my good friend the Hon. John Graham. I do not do so facetiously, but he gave me ammunition by talking about Ross Garnaut. When we start relying on self-confessed gurus I have one name to bring to mind: Tim Flannery, who said in 2007 that we are going to run out of water, that the world is caving in and we are in big trouble. Let us start looking at evidence, not ideology. I will tell members who said the following quote after I read it out because I am going to talk about the ideology of pumped hydro:

New South Wales is currently experiencing unprecedented drought conditions. Around 98 per cent of the State is affected and forecasts indicate that hot and dry conditions are expected to extend through summer. Major regional centres such as Tamworth, Dubbo, Orange and Bathurst have less than 12 months of town water supply remaining. I will not bore the members of Chamber, but it goes on. The water Minister, the Hon. Melinda Pavey, said that in the Legislative Assembly on 16 October 2019, just before members of this House debated the Water Supply (Critical Needs) Bill 2019. It was critical because we were running out of water, but the Government wants to rely on pumped hydro. We are going to rely on water to run our electricity system. I do not think that is extremely smart. Tonight the Hon. Matthew Mason-Cox said, "If we get this right." We cannot be risking this on "if"; it should be "when we get this right". I draw the Government's attention to the proposal by the Menzies Research Centre, a Liberal think tank reported in *The Australian Financial Review*:

The apparent minimal role envisaged for gas in NSW's electricity infrastructure road map, released by energy minister Matt Kean on Monday, overlooks the cheapest and most flexible option for backing up renewable energy, according to Menzies Research Centre.

Their own side is in turmoil. It continued:

The Menzies report by economist Dr Brian Fisher found that gas is the cheapest and quickest way to ensure a renewables-intensive electricity grid can deliver power around the clock.

The firm said that a plan that relies chiefly on pumped hydro and battery technology to back up variable renewable energy "will be expensive to install, require long lead times and [be] vulnerable to failure".

That was the Menzies Research Centre, the Liberal-aligned think tank. I quote from *The Australian* on 17 November 2020:

AGL Energy has paused its Newcastle gas plant decision and is reviewing a giant battery investment at Liddell, amid uncertainty around the NSW government's controversial energy blueprint ...

"We have previously announced plans for battery storage at Liddell, which we were progressing but will also review this," Mr Nicks said.

The Leader of the Government said in this House this morning, and I accept what he says because he was previously the energy Minister, that companies make decisions like this all the time. They are in, they are out, they are backing around. Mr Nicks made this statement after he had read the energy road map as proposed by the energy Minister. He did not grab it and say, "Right, this is good. We are running with this." He looked at it and said, "Hang on a second. We are going to put everything on hold because this does not look too good." I remind Opposition members that they are not going to get away with just a touch up on the run-through. *The Australian* reported Jennie George, the former leader of the Australian Council of Trade Unions, as saying the only people that were out of step were Labor MPs who failed to take note of the result of the last election. I could go on to quote Stephen Smyth, Peter Jordan and a few other members of the union movement.

We are rushing into this. We should not be rushing in. We are the House of review. We have available to us numerous mechanisms to review legislation. This is an extremely important piece of legislation that is going to have an impact on the state of New South Wales for many years to come. I said in a committee the other day that in my time in this Chamber I believe—and I stand to be corrected—that about 80 per cent of the legislation we move is amendments; not new bills, but amendments to previous bills. We do that because the original bills were deficient and insufficient and not fit for purpose, so we have to bring them back, readjust them and do them all over again. We can afford to do that with this bill. We are talking about people's livelihoods, their jobs and families and all that flows down from that—the economy, housing et cetera. We cannot afford to get this wrong. I do not want to be sitting on the crossbench for another three or four years moving amendments to this bill because we cocked it up, and the reason we cocked it up is because we rushed it and the reason we rushed it is because the Government did not want it scrutinised.

**Mr JUSTIN FIELD (23:43:33):** It was fascinating to hear the Hon. Matthew Mason-Cox raise the Owen report in his contribution. It took me back to when I first came to this place in late 2008 or 2009. I was working for Dr John Kaye, who was a former engineer and The Greens energy spokesperson at the time. I have been thinking that I would be interested to hear what Dr John Kaye would have to say about the bill. He was a force on those issues. Energy occupied a lot of my time when I first came to this place and was working for Dr John Kaye and the Owen report and what it led to was a big part of that. This prompted me to google some of the news reports around that time. In 2007, *The Sydney Morning Herald* reported:

Wind, solar and other renewable energy sources will not be able to provide baseload power in NSW for at least 15 years, Premier Morris Iemma says.

That was in 2007. It also reported:

Mr Iemma has defended the findings of an independent inquiry which found a new gas or coal-fired power station must be built to meet the state's growing power consumption beyond 2014.

**Reverend the Hon. Fred Nile:** Hear, hear!

**Mr JUSTIN FIELD:** Before we do that, Reverend the Hon. Fred Nile, let us think about what has happened in nearly 15 years since 2007. Interestingly, the last GenCost report by the Australian Energy Market Operator and the CSIRO found that wind, solar and storage remained the cheapest technology new build electricity generation available to us, which just repeated and strengthened that finding in the initial report in 2018. Things move quickly in this space. We got there well ahead of the warnings of the Owen report. The other aspect of the Owen report was the demand for new coal-fired or gas-fired power stations to be built in New South Wales, which was what consumed my time.

I got my first introduction to political campaigning in Dr John Kaye's office in the "No new coal" campaign. It was a campaign against a plan by Labor energy Minister Ian Macdonald, who was absolutely adamant we

needed two new coal-fired or gas-fired power stations. There was a big community campaign; I thought I had built a big community campaign working with other activists. We had a great slogan, "No new coal". It is an oldie but a goodie. We had some good corflutes and the like. The State Labor Government approved those stations but they never got built. The warning in 2007 by Professor Anthony Owen was that we needed a new coal-fired or gas-fired power station and a bit of extra gas obtained on the margins.

We filled the gap by reducing demand, got more energy efficient, added some technologies around demand management and with renewable energies. Things move quickly in a space. We now have a situation where four of our coal-fired power stations will reach the natural end of their life. We have not had to build a new one in the past couple of decades because of improved technology. The gap is filled by other technologies. It is not just a matter of hope. It is a matter of science and engineering and evidence that when those coal-fired power stations end their service life we can replace them with renewable energy—wind, solar and storage.

It is not a matter of hope and faith; however, I recognise the contributions from both sides of the Chamber stating the concerns around the nature of the package and the risks associated with the financial engineering linked to it. There are billions of dollars of private capital looking to go into this sector. It has been the case for quite some time now that one of the key limitations for those large-scale renewable projects where we have the best renewable energy is infrastructure costs. It is hard for any one proponent to get their project up or to justify the expense on the taxpayer to build the infrastructure for a single generation entity. That is why the renewable energy zones are an important part of that. I enjoyed reflecting on my experience in Dr John Kaye's office and the "No new coal" campaign.

Having a reliable and affordable energy system also must consider the climate imperative. Last summer's bushfires have shown us the consequences of failing to address climate change. I do not pretend for a moment that New South Wales rushing to net zero emissions is going to solve the global climate crisis, but we certainly cannot do it if New South Wales does not play its part in it. The reality is that according to the scientific evidence and physics and all the credible international experts in this space, we need to be hitting net zero emissions by 2050.

The advice from the International Energy Agency is that if we want to hit net zero emissions by 2050, we must phase out subcritical coal power by 2030. There is a climate imperative to transition our fossil-fuel based energy systems to renewable energy. Thank goodness that in this place tonight and the other place this week both sides of politics—and even some of the extremes—have come together, recognising that doing so for the benefit of transition is absolutely essential.

For too long it has been a disaster in Australian energy and climate policy. If it takes State governments to force a change at the Federal level, I am glad it is coming from New South Wales. I know there are similar models in other States as well, but once the biggest State shifts, it really makes it immovable. The energy wars are over. I commend the work by Minister Kean and his team to build that consensus by being open to amendments. It will reflect well on the Parliament in the future. It is a highly complex task. I recognise there are lots of moving parts. It is a deeply politicised task, as it always will be, because there will be competing local demands. It is curious to me that the renewable energy zones have expanded from three to six, and maybe up to seven by tomorrow. I would have thought that renewable energy zones would be based on the renewable energy resources of the zones, but I do not suspect that the southern Shoalhaven will become one.

Unfortunately, I have to keep moving the bushfire ash off my solar panels to keep them going over winter down there. That is not our natural advantage; our forests are. I would be happy to talk to anyone about protecting our forests. We do not get any benefit from having the sorts of contributions made by the Hon. Mark Latham, with his Abbott-esque electricity tax scare campaign that I am sure will be running strongly over the newswires and on 2GB tomorrow. I am sure he will have an audience with some right-wing shock jocks and on Sky News. That will all disappear and will not touch the sides given the willingness of the major political parties to come together around the issue. We do not need that politicisation anymore.

It is curious to me that the Shooters, Fishers and Farmers Party has tried to drive a wedge here on regional economies. For as long as I have been working in and around regional communities and the farming community, they have always seen renewable energy as an important additional revenue stream for not only individual farmers but also those communities more broadly. The ebbs and flows of the climate and weather systems change the economic fortunes of regional communities, and renewable energy provides some stability, which is important. The conversation around transition cannot leave out those communities. I acknowledge the move towards recognising the important role of the Hunter and Illawarra's manufacturing bases, which are energy-reliant industries. Doing what we can to ensure they are a part of the renewable energy future of New South Wales is critically important.



The New South Wales Government has made the decision to develop the NSW Generations Fund. Some of that money is coming from mining royalties and will grow to \$70 billion by the end of the decade. That is an important thing to do because coal royalties, as we saw in the budget, will decline over time. New South Wales is doing the right thing by putting those declining coal royalties into the fund. I cannot think of a better way to spend some of those fund resources than to support communities in their transition away from coal and into a sustainable future. The bill offers a pathway, a framework and a road map to do that.

In conclusion, I again recognise the contribution that the Minister and his staff have made to bringing forward a creative, inspired and aspiring program to transition the community. I also thank all the members who worked constructively together to find consensus on what will be an important economic and environmental reform for New South Wales.

**The Hon. BEN FRANKLIN (23:55:04):** On behalf of the Hon. Damien Tudehope: In reply: I am very pleased to speak in reply on the Electricity Infrastructure Investment Bill 2020. I thank all honourable members who contributed to debate on the bill. I begin by thanking and acknowledging the Opposition, particularly the leader in this place and shadow Minister, the Hon. Adam Searle, for constructive engagement on this bill. He was certainly correct when he said that this is a once-in-a-generation opportunity. As many honourable members have recognised today, the bill will secure our State's energy supply for decades to come. The Government acknowledges the support of the Opposition in achieving this outcome.

The Hon. Adam Searle raised concern that we need to protect consumers. I assure him that the Government is equally focused on the financial position of consumers. This Government in this bill is putting consumers first and is doing so in a range of ways. Most importantly, a consumer trustee will be appointed to act in the consumer's long-term financial interests as they administer the competitive process for long-term energy service agreements. Consumers will be protected from long-term energy service [LTES] operators making windfall profits in future years. If the LTES operator earns above a specified amount in a future year when it has not exercised an option, it could be required to repay previous payments from the scheme financial vehicle. Timely investment will help to protect consumers by helping to avoid the price spikes that would otherwise happen in the wake of power station closures. This investment will happen at lower prices, putting overall downward pressure on prices for consumers.

The infrastructure safeguard has been designed to ensure new energy infrastructure optimises benefits for consumers at lowest cost and risk. It will do this by encouraging new low-cost projects, keeping project costs down leading to lower energy bills, reducing risks of delayed investment and associated price spikes, and ensuring sufficient capacity in the system to keep the lights on when demand is high. The Hon. Adam Searle also referred to some of the similarities between this scheme and the Opposition's scheme. Reverse auctions are used all over the world to bring in electricity infrastructure, which is a point to which I will return momentarily. This scheme has a number of improvements over the Opposition's scheme. One of those improvements is the LTES agreements. By structuring these as option contracts, they will integrate more effectively with existing market structures and ensure that, if consumers are ever required to make payment under the contracts, they are doing so when they are paying the lowest possible prices.

The Opposition also referred to amendments in the bill on local procurement. This is a good example of the benefits of constructive negotiation across the aisle. The Government intended to have a task force to do the detailed work on ensuring that we drive local manufacturing while protecting consumers' financial interests and adhering to Australia's international trade obligations. The Government then intended to give effect to it through regulations. The Opposition has a bill on local procurement in the other place, but what is in this bill before the House this evening reflects a compromise between those positions and, importantly, retains the Government's focus on protecting consumers and respecting our agreements with our international trading partners. I thank the Opposition for working constructively with the Government on this bill to find a path forward on this topic to ensure that we have cheap, reliable energy.

I also thank members of the crossbench, Mr David Shoebridge, Mr Justin Field, the Hon. Emma Hurst, Reverend the Hon. Fred Nile, the Hon. Rod Roberts and the Hon. Mark Latham for their engagement on the bill and their contribution to the debate this evening. I turn now to address in detail a number of observations made by the crossbench. I first turn to the contribution made by Mr David Shoebridge. I acknowledge The Greens as well for supporting this bill and for negotiating in good faith with the Government in a constructive and positive manner to help the Government improve the bill in relation to supporting the development of a green hydrogen industry. As Mr David Shoebridge stated in his contribution, we will look back on this bill as being what led to the development of the New South Wales green hydrogen industry. As Mr David Shoebridge noted, we have seen the effects of what can happen when there is not a clear framework to transition to a new energy framework, as occurred in Victoria where closure of the Hazelwood coal-fired power station resulted in spikes in prices and uncertainty in supply. In such circumstances, neither businesses nor consumers ended up being winners.

That is why this bill is so critical. It is not only a blueprint for investment but also a blueprint for ending the destructive policy debate around energy and climate change. I also thank the Hon. Robert Borsak for his contribution to the debate. I will address a number of the comments that he made. The honourable member said that gas was ruled out under the policy. It is not. Gas will be eligible to compete for firming grounds for LTES agreements. The Hon. Robert Borsak also said that this policy will not support the bush. That is simply not true.

**The PRESIDENT:** According to sessional order, it being midnight proceedings are interrupted.

*Adjournment Debate*

## ADJOURNMENT

**The PRESIDENT:** I propose:

That this House do now adjourn.

## COUNCIL AMALGAMATIONS

**The Hon. MARK BUTTIGIEG (00:00:53):** I draw to the attention of the House the subject matter of an article in *The Sydney Morning Herald* dated 31 October 2020 regarding council mergers. I was made aware of the article by the Mayor of Bayside, Joe Awada, who has been diligently serving his community despite difficult circumstances emanating from the amalgamation. The publication included data and quotes from LSI Consulting regarding the performances of councils in New South Wales. LSI had provided figures that claimed Bayside Council was the worst-performing merged council in our State. Both the mayor and the general manager at the council completely repudiate this as it is not based on accurate data.

Bayside Council has also had a third party—an independent accountant—evaluate the council's performance and they also verified that LSI Consulting's evaluation was incorrect. The council has said that LSI's entire financial modelling is flawed. Bayside Council was formed in September 2016. However, all other councils were merged in May 2016. The rates of revenue for that year went to Rockdale and Botany, which were the two previous councils, while the expenditure for that year went to the newly formed Bayside Council. The council said the consultant did not take into account or include any rates of revenue for Bayside Council for 2016. Because that is the baseline year used in the index, and without an adjustment made, the modelling is incorrect.

Bayside Council said that this means the consultant got it wrong by \$240 million and the council has in fact demonstrated cumulative productivity improvement and has been operating in surplus, making Bayside a high-performing council. LSI additionally said the council had a blowout in labour expenses. However, that is incorrect. The expenditure is noted to have increased in line with both inflation and correct award rises. Unfortunately, the incorrect information about Bayside Council's performance provided by one consultant tarnishes the council's reputation when it has been working very hard to achieve surplus results. It should be noted that LSI accounting also actively sought out business from the council in March 2020 and Bayside Council did not engage the consultants for any services.

The council has the highest confidence in its financial systems and has reminded me that the council is subject to regular review from the Office of Local Government in New South Wales and the Audit Office of New South Wales. The forced mergers policy of the Government has placed many councils in severe financial positions and Bayside should be commended on how it progressed strongly through this period. Bayside Council also missed out on a Stronger Communities Fund grant, and we now know that Coalition-held seats ultimately received 95 per cent of funds from the \$252 million grants program and that documents relating to those grants were destroyed by the Premier's office.

Despite the clear problems with the Coalition's forced amalgamations policy and the Stronger Communities Fund, it should be noted that the Minister for Local Government, the Hon. Shelley Hancock, also agrees that Bayside Council in fact has been performing strongly. The Minister met with Mayor Joe Awada and the general manager, Meredith Wallace, last week and made the following statement:

As a newly formed Council in 2016, the Mayor and General Manager have been working hard to balance the books. For three of the past four years, the council has reported surplus net operating results and surplus results before capital. The council's employee costs have also remained stable for the three full years reporting of its operations. While the council was granted extensions to lodge its financial statements for the first three years, it has submitted its 2019-20 statements within the legislative timeframe. The 2019-20 statements were issued with an unqualified audit report—a significant achievement. A success story worth celebrating!

The Auditor-General also recently congratulated the council on its financial achievements. I commend and applaud Bayside Council for those achievements and efforts.

## ILLAWARRA REGION

**The Hon. MARK BANASIAK (00:05:37):** Tonight I will continue with what I briefly touched on yesterday in my private member's statement. On Monday 16 November 2020 Transport for NSW exhibited options for the Outer Sydney Orbital Stage 2 between the Hume Motorway and Appin Road in south-western Sydney. A transport corridor connecting those two major roads is rightly acknowledged by Transport for NSW as providing a major link between south-west Sydney and the Illawarra and a link road between Appin Road and the Hume Motorway to cater for the population boom expected in the region in the coming years.

On the Government's own projections, 300,000 residents are expected to move into the South West Growth Area in the next 30 years, and it is important to plan to connect new communities and Western Sydney Airport to Sydney's arterial roads. A Transport for NSW spokeswoman told the *Wollondilly Advertiser*:

South-West Sydney is one of NSW's fastest -growing areas, so it is important we get on with the job of planning and delivering the road connections needed for the community.

However, these communities need more than just planning. Families in the south-west and Illawarra need infrastructure, certainty and a fair go. Transport for NSW indicates in its exhibition papers that any infrastructure may be decades away. Raising expectations in the media then crushing those expectations in policy documents is not honest or fair. What these communities need is connectivity from the Hume Highway to Appin Road sooner rather than later. As I said yesterday in this Chamber, despite its close proximity to Sydney, the Illawarra region has historically suffered the misfortune of being taken for granted by one political party and neglected by the other. But the Shooters, Fishers and Farmers Party does not take any region of New South Wales for granted.

If neither major party is prepared to fight for the Illawarra, or for those people who have or will be moving into the South West Growth Area, our party will. Wollongong is an innovative region with the University of Wollongong being at the forefront of technological innovation across a wide variety of fields. It makes sense to connect that innovation with the rest of New South Wales and, in particular, with the South West Growth Area. The ability for the Illawarra and the South West Growth Centre to grow is effectively limited by connectivity issues. Several studies have highlighted the potential economic and social benefits of better connectivity between the Illawarra and Sydney. As I said yesterday in this Chamber, a connected community is a prosperous community.

In fact, one of the key findings of the University of Wollongong's SMART Infrastructure Facility was that there would be substantial net economic benefits to the Illawarra and the industrial heartland of south-west Sydney with improved speed and reliability of passenger and freight rail transport services between the two regions. It is simply not good enough for the Government to continue spruiking the need for regional development as a means to address housing affordability pressures, the availability of public spaces and congestion in Sydney, and then do nothing about it. Here is the Government's chance to do something and leave a legacy for generations to come. We are already seeing that expansion in the South West Growth Area, yet both the Illawarra and the south-west region are struggling to maintain healthy growth and low unemployment, particularly low youth unemployment.

As noted by the SMART Infrastructure Facility, better transport connectivity between both regions has the potential to open up jobs, education, housing and leisure opportunities. Why is the Government denying these regions the opportunity to grow and prosper together? As I said yesterday, I am a proud Wollongong boy and the Shooters, Fishers and Farmers Party is proud to advocate for the regions. Connectivity from the Hume Highway to Appin Road, and a passenger and freight rail transport service between the two regions, is what is needed. We do not need to wait for any more studies to tell us what we already know and what is needed as a matter of urgency. The Shooters, Fishers and Farmers Party will have a lot more to say on this issue in the coming months.

## COVID-19

**The Hon. BEN FRANKLIN (00:09:38):** This evening I speak in this Chamber for one of the final times this year. It has been a very challenging year. The COVID-19 pandemic has brought tragedy and hardship on our State, our nation and our world, but in New South Wales we have risen to the challenge with a steely resolve and we can end the year justifiably proud of what we have achieved. In late March and April our State felt entirely closed. Offices and streets were empty, stores were shut and we lived life cut off from friends and family in a way that was previously unthinkable. Our number one priority was protecting our State against the coronavirus. It is easy to forget the forecasts that existed at the start of the pandemic. We were looking potentially at tens of thousands of cases and thousands of deaths. We needed to build our stocks of ventilators, hospital beds and personal protective equipment [PPE]. It was a frightening time. We were watching on as devastating scenes emerged from Italy, from New York and around the world and wondering if we would be next.

In challenging times we see the mettle of the community and the mettle of governments. I am proud to say that this Government was up to the task. In March we announced over \$800 million to double our ICU capacity, prepare for additional COVID-19 testing, purchase additional ventilators and medical equipment and establish

acute respiratory clinics. We put out a manufacturing call to arms to businesses to diversify and help produce ventilators, hand sanitisers, masks and all forms of PPE—and the response was overwhelming. We worked with private and public hospitals to help form a partnership to increase the bed capacity in our health system. We recruited contact tracers who were second to none and were capable of making thousands of calls a day. Our health system has been tried and tested, but NSW Health has met every challenge that has been thrown at it and we are known as having the best capabilities in the country. Our own Prime Minister said New South Wales is the "gold standard" in dealing with COVID-19, and President-elect Joe Biden has been on the phone to Mr Morrison to ask how we have done it.

In the face of adversity, this Government has achieved great things. Throughout this crisis we have done what the people of New South Wales put us here to do: we have led, and we have done so with courage and fortitude. Serving the people of New South Wales and investing in their present and future has been our focus at every turn. I remind members of just some of the ways that we have been there for communities across New South Wales this year; I will start with small businesses. In April this Government allocated \$750 million to the small business support fund, allowing businesses to apply for grants of up to \$10,000 to help them stay afloat. We also allocated \$14 million to the Business Connect program to support businesses navigating the challenges of COVID-19. In June we rolled out the small business recovery grant, with \$3,000 available to small businesses. In September some \$45 million was made available through the southern border small business support grant program.

In the budget announced just this week we have made cuts to payroll tax, invested \$15 million to revitalise businesses in the Sydney CBD and invested half a billion dollars to help Aussie families support local businesses through the Out and About vouchers. Our families have done it tough too. That is why we introduced free preschool and why we are extending it for another year. It is why we announced in July that over 10,000 computers had been delivered to schools around the State to make sure students—HSC students in particular—were able to learn from home. It is why we kept our schools open, so that no parent had to choose between putting food on the table and their child's education.

Knowing how tough and lonely this year might be, we invested over \$73 million in a mental health support package specifically for COVID-19 that included 180 additional specialists, community clinicians and peer support workers to help families and individuals struggling throughout the pandemic. We know that almost 270,000 jobs were lost in this State between March and May. Our goal was and is to get jobs back and reboot our economy. That is why the Jobs and Infrastructure Acceleration Fund dedicated \$3 billion to helping businesses and communities get back on their feet, with almost \$1.8 billion to projects and opportunities in regional New South Wales. Further, we created Great Southern Nights, with over 1,000 COVID-safe gigs across the State featuring household names and emerging musicians to get our local live music venues back on their feet—all in a COVID-safe way.

These achievements are remarkable. I am so proud to be a member of this Government, which has delivered so much for my community, for regional New South Wales and for the State more broadly. I thank each and every one of my colleagues who has helped make it happen. But at the centre of our success are two people who are equally as determined, equally as fierce and equally as passionate as each other about the people of this State: Premier Gladys Berejiklian and Deputy Premier John Barilaro. They are forces to be reckoned with. I have no doubt that New South Wales would not be in the strong and enviable position that it is today without their leadership. With that, I say farewell and good riddance to 2020 and look forward to a successful and healthy 2021.

### WESTERN SYDNEY MANUFACTURING JOBS

**The Hon. PETER PRIMROSE (00:14:27):** On 16 September this House resolved, amongst other things, that it recognises the critical importance of manufacturing jobs in western Sydney. Then on 23 September, in response to that resolution, the House acknowledged the importance of manufacturing. As part of the resolution it stated:

- (2) That this House calls on the Leader of the Government in the Legislative Council to report to the House on the following matters ...

Five matters were listed. The first of those was:

- (a) the specific major manufacturing projects since 2011 for both Western Sydney and New South Wales, that the Government or any of its agencies procured from overseas ...

As of today, we have again failed to hear anything from the Leader of the Government despite the resolution of the House that he report on the critical jobs issues in a critical part of the State, being western Sydney. As resolved by the House, I call upon the Leader of the Government to act upon that decision and report back to the House. I have sought additional information from the Government on a number of matters concerning other issues with jobs in western Sydney. For example, I sought additional information from the jobs Minister about the likely

effect of the COVID pandemic and associated economic factors on the proposal to have the aerotropolis operating from 2026. I have received absolutely no information back from the Minister—not one word. Instead, I got the Government's tired mantra that 200,000 new jobs will be created over 20 years as a result of the aerotropolis. How does the Government expect to meet the target if it cannot even confirm that the aerotropolis will be operational from 2026?

Of course, that leads to the other issue, which is the investment required to create those 200,000 jobs from the aerotropolis. Based on what was in this week's budget, when I do the back-of-the-envelope calculations and apply the Government's formula of \$3 billion being needed to create 20,000 jobs, it tells me that \$30 billion will need to be invested over 20 years for the aerotropolis to realise the projected creation of 200,000 extra and new jobs in western Sydney. But I do not see any sign of an average \$1.5 billion per year being invested to create those 10,000 jobs a year across western Sydney at or around the aerotropolis. The New South Wales Government is silent on where the \$30 billion investment will come from. As for expected private investment, particularly the 18 foundation tenants that the Government has agreements with, it turns out that the Government only has "non-legally binding commitments" with those organisations. Despite any investments and the glossy claims in media releases, there are no legally enforceable contracts to deliver even a single job for western Sydney.

I grew up in western Sydney and still live there. If eventually delivered, those 200,000 purported new jobs will help ensure that many current and future westies will have housing security, food on the table, shoes for their kids, money for medication and fuel in the car. But the Government must come clean and tell us whether the aerotropolis will become operational in 2026. It should tell us that COVID has not affected the time lines. Most importantly, it should tell the western Sydney community how and when the much-publicised 200,000 new jobs will be created. It should show us the modelling; otherwise, it is just so much froth and bubble. That could and should be part of the report back to the House, which the House has resolved that the Leader of the Government give, on jobs in western Sydney.

#### NATIONAL AGRICULTURE DAY

**The Hon. WES FANG (00:19:05):** Given the hour, I can now say that today, Friday 20 November, marks National Agriculture Day, a day dedicated to celebrating our iconic farmers who feed and clothe the nation. National Ag Day is a concept of the National Farmers' Federation. This year the theme is #AgDayAUBakeOff, encouraging budding bakers to whip up a country classic, enjoy time with family and friends and post a photo to social media. While COVID has restricted the ability to gather in large numbers and lunch under the gum trees at Charles Sturt University campus in Wagga Wagga, more than 150 events have been officially registered across the country to celebrate our farmers.

A particular aspect of National Ag Day this year is the disconnect between the city and the country—and boy, have members seen that today. National Ag Day aims to begin a new conversation between farmers and the community designed to better connect all Australians with agriculture and the people behind its production. Incredibly, according to National Farmers' Federation research some 63 per cent of Australians feel some level of disconnect with agriculture. This was most evident earlier this year in the scenes of panic buying at the start of the pandemic. Educating people that Australian farmers produce two-thirds more food than our population can consume is a key lesson to take away from this important day. We must do all we can to bridge the gap between the city and the country.

National Ag Day can be celebrated in so many ways, whether it is a visit to your local school to talk about farming, a get-together with family and friends or a simple post to social media, I encourage everyone to get involved. Today I joined my Nationals colleagues the mental health Minister, Bronnie Taylor, the agriculture Minister, Adam Marshall, the education Minister, Sarah Mitchell, the Minister for Water, Property and Housing, Melinda Pavey, and the Nationals Whip, Steph Cooke, in the Parliament foyer to celebrate some of the fantastic produce New South Wales has to offer.

Unfortunately, I will not be able to show off my baking skills later today because I will be here in this Chamber. However, I look forward to seeing the hundreds of lamingtons, all baked with Aussie-grown flour, eggs, milk and sugar, posted to social media with the hashtag #AgDayAUBakeOff. All members know that regional Australia has done it tough over the past few years, and I congratulate the National Farmers' Federation on this initiative. Our farmers and primary producers have shown such strong resilience in recent times. I encourage everyone to acknowledge their hard work, especially as they reap the rewards of a bumper harvest this year.

**The PRESIDENT:** The time for the adjournment debate has expired. The House now stands adjourned.

**The House adjourned at 00:22 until Friday 20 November 2020 at 10:00.**