

# LEGISLATIVE COUNCIL

Thursday 20 June 2024

**The PRESIDENT (The Hon. Benjamin Cameron Franklin)** took the chair at 10:00.

**The PRESIDENT** read the prayers and acknowledged the Gadigal clan of the Eora nation and its Elders and thanked them for their custodianship of this land.

## *Announcements*

### **BICENTENARY OF THE LEGISLATIVE COUNCIL**

**The PRESIDENT (10:02):** I inform members that when the House resumes sitting after the winter recess, the celebrations for the bicentenary of the Legislative Council will reach an important milestone. Sunday 25 August will represent exactly 200 years from the first meeting of the Legislative Council, Australia's first legislative body, which has evolved into, arguably, Australia's most innovative parliamentary Chamber. All members should have now received an invitation to a gala dinner to be held on Saturday 24 August at which current members and senior officers of the Fifty-Eighth Parliament will be joined by the Governor of New South Wales, former members of the Legislative Council and other special guests. On Sunday 25 August the Parliament will be open to all with a full program of music, historical re-enactments, the final of the public speaking competition, tours, film screenings and children's activities. I encourage all members to put that in their diaries now.

As we approach these dates and events, I draw to the attention of members two important bicentenary publications, copies of which will be delivered to their offices later today: *The State of the Colony: People, Place and Politics in 1823* and *The Spark: The Act that brought Parliament and the Supreme Court to New South Wales*. These are the edited proceedings of the bicentenary history conferences hosted by the Legislative Council in 2022 and 2023. Both conferences had an outstanding range of speakers, including leading historians, jurists and public office holders. Their contributions were thoughtful and shed new historical insights on the origins of this House and conditions in the colony when it was established. I commend the publications to the House. I congratulate the Black Rod team on their organisation of these two outstanding events. I thank Dr David Clune, OAM, former parliamentary historian, for editing the transcripts into highly readable books.

## *Bills*

### **COMMUNITY SERVICES SECTOR (PORTABLE LONG SERVICE LEAVE) BILL 2024**

#### **First Reading**

**Bill received from the Legislative Assembly, read a first time and ordered to be published on motion by the Hon. Penny Sharpe, on behalf of the Hon. Daniel Mookhey.**

**The Hon. PENNY SHARPE:** According to standing order, I table a statement of public interest.

**Statement of public interest tabled.**

**The Hon. PENNY SHARPE:** According to standing order, I declare the bill to be an urgent bill.

**The PRESIDENT:** The question is that the bill be considered an urgent bill.

**Declaration of urgency agreed to.**

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

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

**Motion agreed to.**

*Budget***BUDGET ESTIMATES 2024 TIMETABLE**

**The Hon. PENNY SHARPE (Minister for Climate Change, Minister for Energy, Minister for the Environment, and Minister for Heritage) (10:05):** I seek leave to amend Government business notice of motion No. 1 by inserting the following after paragraph (4):

- (5) That, unless the committee decides otherwise:
- (a) the sequence of questions to be asked at the hearings for the following portfolios alternate between Opposition and crossbench members, in that order, with equal time allocated to each:
- (i) Education and Early Learning, Western Sydney;
  - (ii) Premier;
  - (iii) Treasurer;
  - (iv) Police and Counter Terrorism, the Hunter;
  - (v) Transport;
  - (vi) Attorney General;
  - (vii) Finance, Domestic Manufacturing and Government Procurement, Natural Resources;
  - (viii) Special Minister of State, Roads, Arts, Music and the Night-time Economy, Jobs and Tourism;
  - (ix) Emergency Services, Youth Justice, Customer Service and Digital;
  - (x) Regional Transport and Roads;
  - (xi) Health, Regional Health, the Illawarra and the South Coast; and
  - (xii) Women, Seniors, Prevention of Domestic Violence and Sexual Assault.
- (b) the sequence of questions to be asked at the hearings for the following portfolios alternate between crossbench and Opposition members, in that order, with equal time allocated to each:
- (i) Agriculture, Regional New South Wales, Western New South Wales;
  - (ii) Small Business, Lands and Property, Multiculturalism, Sport;
  - (iii) Climate Change, Energy, the Environment, Heritage;
  - (iv) Planning and Public Spaces;
  - (v) Families and Communities, Disability Inclusion;
  - (vi) Skills, TAFE and Tertiary Education;
  - (vii) Local Government;
  - (viii) Aboriginal Affairs and Treaty, Gaming and Racing, Veterans, Central Coast, Medical Research;
  - (ix) Water, Housing, Homelessness, Mental Health, Youth, the North Coast;
  - (x) Corrections, Better Regulation and Fair Trading, Industry and Trade, Innovation, Science and Technology, Building; and
  - (xi) Industrial Relations, Work Health and Safety.

**Leave granted.**

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

- (1) That the budget estimates and related papers for the financial year 2024-2025 presenting the amounts to be appropriated from the Consolidated Fund be referred to the portfolio committees for inquiry and report.
- (2) That, as per the resolution of the House on 21 November 2023 adopting the 2024 sitting calendar, the 2024-2025 supplementary budget estimates hearings are to be held from 2 December to 6 December 2024.
- (3) That, further to the resolution of the House of 21 November 2023 adopting the 2024 sitting calendar, the 2024-2025 initial budget estimates hearings be scheduled as follows:

**Day One: Tuesday 27 August 2024**  
 PC 3 Education and Early Learning, Western Sydney  
 PC 4 Agriculture, Regional New South Wales, Western New South Wales

**Day Two: Wednesday 28 August 2024**  
 PC 1 Premier  
 PC 4 Small Business, Lands and Property, Multiculturalism, Sport

**Day Three: Thursday 29 August 2024**  
 PC 1 Treasurer

PC 7 Climate Change, Energy, the Environment, Heritage

**Day Four: Friday 30 August 2024**

PC 5 Police and Counter Terrorism, the Hunter

PC 7 Planning and Public Spaces

PC 1 The Legislature

**Day Five: Tuesday 3 September 2024**

PC 6 Transport

PC 5 Families and Communities, Disability Inclusion

**Day Six: Wednesday 4 September 2024**

PC 5 Attorney General

PC 3 Skills, TAFE and Tertiary Education

**Day Seven: Thursday 5 September 2024**

PC 1 Finance, Domestic Manufacturing and Government Procurement, Natural Resources

PC 8 Local Government

**Day Eight: Friday 6 September 2024**

PC 6 Special Minister of State, Roads, Arts, Music and the Night-time Economy, Jobs and Tourism

PC 1 Aboriginal Affairs and Treaty, Gaming and Racing, Veterans, Central Coast, Medical Research

**Day Nine: Monday 9 September 2024**

PC 8 Emergency Services, Youth Justice, Customer Service and Digital

PC 2 Water, Housing, Homelessness, Mental Health, Youth, the North Coast

PC 6 Regional Transport and Roads

**Day Ten: Tuesday 10 September 2024**

PC 2 Health, Regional Health, the Illawarra and the South Coast

PC 8 Corrections, Better Regulation & Fair Trading, Industry & Trade, Innovation, Science & Technology, Building

**Day Eleven: Wednesday 11 September 2024**

PC 5 Women, Seniors, Prevention of Domestic Violence and Sexual Assault

PC 1 Industrial Relations, Work Health and Safety

(4) That for the purposes of the 2024-2025 initial budget estimates hearings:

- (a) each portfolio, except The Legislature, be examined concurrently by Opposition and Crossbench members only from 9.15 a.m. to 10.45 a.m., 11.15 a.m. to 12.45 p.m., 2.00 p.m. to 3.30 p.m. and 3.45 p.m. to 5.15 p.m., and, if required, by Government members only from 10.45 a.m. to 11.00 a.m., 12.45 p.m. to 1.00 p.m., and 5.15 p.m. to 5.30 p.m.; and
- (b) the portfolio of The Legislature be examined by Opposition, crossbench and Government members from 9.15 a.m. to 11.00 a.m., and from 11.15 a.m. to 1.00 p.m.

(5) That, unless the committee decides otherwise:

- (a) the sequence of questions to be asked at the hearings for the following portfolios alternate between Opposition and crossbench members, in that order, with equal time allocated to each:
  - (i) Education and Early Learning, Western Sydney;
  - (ii) Premier;
  - (iii) Treasurer;
  - (iv) Police and Counter Terrorism, the Hunter;
  - (v) Transport;
  - (vi) Attorney General;
  - (vii) Finance, Domestic Manufacturing and Government Procurement, Natural Resources;
  - (viii) Special Minister of State, Roads, Arts, Music and the Night-time Economy, Jobs and Tourism;
  - (ix) Emergency Services, Youth Justice, Customer Service and Digital;
  - (x) Regional Transport and Roads;
  - (xi) Health, Regional Health, the Illawarra and the South Coast; and
  - (xii) Women, Seniors, Prevention of Domestic Violence and Sexual Assault.
- (b) the sequence of questions to be asked at the hearings for the following portfolios alternate between crossbench and Opposition members, in that order, with equal time allocated to each:
  - (i) Agriculture, Regional New South Wales, Western New South Wales;
  - (ii) Small Business, Lands and Property, Multiculturalism, Sport;
  - (iii) Climate Change, Energy, the Environment, Heritage;
  - (iv) Planning and Public Spaces;

- (v) Families and Communities, Disability Inclusion;
  - (vi) Skills, TAFE and Tertiary Education;
  - (vii) Local Government;
  - (viii) Aboriginal Affairs and Treaty, Gaming and Racing, Veterans, Central Coast, Medical Research;
  - (ix) Water, Housing, Homelessness, Mental Health, Youth, the North Coast;
  - (x) Corrections, Better Regulation and Fair Trading, Industry and Trade, Innovation, Science and Technology, Building; and
  - (xi) Industrial Relations, Work Health and Safety.
- (6) That for the purposes of the 2024-2025 initial budget estimates hearings:
- (a) the committees must hear evidence in public;
  - (b) the committees may ask for explanations from Ministers, Parliamentary Secretaries or officers of departments, statutory bodies or corporations, relating to the items of proposed expenditure;
  - (c) Ministers be invited to appear for the morning sessions only unless requested by committees to appear also for the afternoon session;
  - (d) witnesses, including Ministers, may not make an opening statement before a committee commences questions;
  - (e) members may lodge supplementary questions with the committee clerk by 5.00 p.m. within two business days following the receipt of the hearing transcript; and
  - (f) answers to questions on notice and supplementary questions are to be published, except those answers for which confidentiality is requested, after they have been circulated to committee members.
- (7) That the committees report by 27 June 2025.

I will quickly explain what the amendment means. We are trying to manage the committees and the chairs, but all members will get the same amount of time. In some of the committees, Opposition members will ask their questions first and the crossbench will ask their questions second. In the second group of committees, the crossbench will ask their questions first and Opposition members will ask their questions second. It is about us understanding that members need to move between committees, given the schedule. I thank members for their patience, and I thank the Opposition for its suggestion for dealing with this. I hope this motion accommodates, as much as possible, what members need. I commend the motion to the House.

**The Hon. NATALIE WARD (10:08):** The Opposition supports the motion and thanks the Government for working with the crossbench and the Opposition to make budget estimates hearings more workable for everybody.

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

**Motion agreed to.**

### *Committees*

## **JOINT STANDING COMMITTEE ON NET ZERO FUTURE**

### **Establishment, Membership and Chair**

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

- (1) That a joint standing committee be established to inquire into and report on Net Zero Future, in particular:
  - (a) to monitor and review the exercise of the Net Zero Commission's functions under the Climate Change (Net Zero Future) Act 2023;
  - (b) to examine each annual report, and other reports of the Net Zero Commission as the committee sees fit and to report to both Houses of Parliament on any matter appearing in or arising out of any such report;
  - (c) to inquire into any question in connection with the committee's functions which is referred to it by both Houses of Parliament and to report to both Houses on that question; and
  - (d) any other related matters.
- (2) That, notwithstanding anything to the contrary in the standing orders of either House, the committee consists of 12 members comprising:
  - (a) five members of the Legislative Assembly; and
  - (b) seven members of the Legislative Council; of whom:
    - (i) three are Government members, being the Hon. Cameron Murphy, the Hon. Emily Suvaal and the Hon. Mark Buttigieg; and

- (ii) four are non-Government members, being the Hon. Wes Fang, the Hon. Jacqui Munro, the Hon. Sue Higinson and the Hon. Jeremy Buckingham.
- (3) That the chair of the committee be the Hon. Jeremy Buckingham and that the deputy chair be appointed by the Legislative Assembly.
- (4) That, notwithstanding anything in the standing orders of either House, at any meeting of the committee, any seven members of the committee will constitute a quorum, provided that at least one member of each House is present at all times.
- (5) The committee has leave to make visits of inspection within New South Wales and elsewhere in Australia.
- (6) That, unless the committee decides otherwise:
  - (a) all inquiries are to be advertised via social media, stakeholder emails and a media release distributed to all media outlets in New South Wales;
  - (b) submissions to inquiries are to be published, subject to the committee clerk checking for confidentiality and adverse mention and, where those issues arise, bringing them to the attention of the committee for consideration;
  - (c) attachments to submissions are to remain confidential;
  - (d) the chair's proposed witness list is to be circulated to provide members with an opportunity to amend the list, with the witness list agreed to by email, unless a member requests the chair to convene a meeting to resolve any disagreement;
  - (e) the sequence of questions to be asked at hearings alternate between Opposition, crossbench and Government members, in that order, with equal time allocated to each;
  - (f) transcripts of evidence taken at public hearings are to be published;
  - (g) supplementary questions are to be lodged with the committee clerk within two business days following the receipt of the hearing transcript, with witnesses requested to return answers to questions on notice and supplementary questions within 21 calendar days of the date on which questions are forwarded to the witness;
  - (h) answers to questions on notice and supplementary questions are to be published, subject to the committee clerk checking for confidentiality and adverse mention and, where those issues arise, bringing them to the attention of the committee for consideration; and
  - (i) media statements on behalf of the committee are to be made only by the chair.
- (7) That a message be sent acquainting the Legislative Assembly with the resolution and requesting the Legislative Assembly appoint five of its members to serve on the committee, including appointing a deputy chair.

**Motion agreed to.**

*Documents*

**STATE BUDGET 2024-2025**

**Production of Documents: Order**

**The Hon. NATALIE WARD (10:08):** On behalf of the Hon. Damien Tudehope: I move:

That, under Standing Order 52, there be laid upon the table of the House within 21 days of the date of passing of this resolution the following documents, excluding the budget papers for the financial year 2024-25, in the possession, custody or control of the Premier, the Treasurer, the Minister for Finance, Minister for Domestic Manufacturing and Government Procurement and Minister for Natural Resources, the Treasury, the Premier's Department or the Cabinet Office relating to the 2024-25 budget:

- (a) all advice, correspondence, briefing papers and documents provided by New South Wales government departments, agencies and public trading enterprise sectors to the Treasurer, Treasury, the Premier's Department or the Cabinet Office relating to the 2024-25 budget, including but not limited to:
  - (i) any documents that assess the impact of any of the measures outlined in the budget; and
  - (ii) any models or documents that estimate the revenues to be raised as a result of the measures outlined in the budget.
- (b) all advice, correspondence, briefing papers, budget kits and budget electorate reports provided to any members of Parliament relating to the 2024-25 budget;
- (c) all documents provided to individual members of Parliament outlining regional electorate capital works summaries, by electorate, including but not limited to documents described as electorate reports and regional reports in Prime—the financial management system used by Treasury;
- (d) all documents which refer to capital expenses by electorate, by agency, funded by appropriations from Parliament as well as funds from asset sales and other sources, including but not limited to documents described as electorate reports and regional reports in Prime—the financial management system used by Treasury;
- (e) all documents which refer to capital and recurrent expenses by electorate, including but not limited to documents described as electorate reports and regional reports in Prime—the financial management system used by Treasury; and
- (f) any legal or other advice regarding the scope or validity of this order of the House created as a result of this order of the House.

**Motion agreed to.**

## STATE BUDGET FINANCES 2024-2025

### Production of Documents: Order

**The Hon. NATALIE WARD (10:09):** On behalf of the Hon. Damien Tudehope: I move:

That, under Standing Order 52, there be laid upon the table of the House within 21 days of the date of passing of this resolution the following documents in the possession, custody or control of Premier, the Treasurer, the Minister for Finance, Minister for Domestic Manufacturing and Government Procurement and Minister for Natural Resources, the Treasury, the Premier's Department or the Cabinet Office relating to the 2024-25 budget finances:

- (a) any document detailing recurrent and capital estimates at agency level for the financial years 2023-24 to 2024-25 inclusive, noting that printouts provided from the Treasury's financial information system should only be the version consistent with the 2024-25 budget;
- (b) any document identifying uncommitted, unallocated funds or contingencies within those forward estimates, noting that printouts provided from the Treasury's financial information system should only be the version consistent with the 2024-25 budget;
- (c) all estimates relating to projects included in the Essential Infrastructure Plan;
- (d) any document showing economic and other assumptions underpinning the estimates for the financial years 2024-25 to 2027-28 inclusive;
- (e) any document identifying or qualifying risks and contingent liabilities that might impact the financial years 2023-24 to 2026-27 inclusive;
- (f) any document that relates to the State's future financial position as revealed in the estimates;
- (g) any documents pertaining to 2023-24 actual budget performance not requested elsewhere in this order;
- (h) all documents pertaining to revenue estimates 2024-25 to 2027-28 inclusive; and
- (i) any legal or other advice regarding the scope or validity of this order of the House created as a result of this order of the House.

**Motion agreed to.**

### *Motions*

## UNITED NATIONS GUIDE ON THE HUMAN RIGHTS OF SEX WORKERS

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

- (1) That this House notes that in March 2024, the special rapporteur on the right to health, together with the independent expert on protection against violence and discrimination based on sexual orientation and gender identity [IE SOGI] and the United Nations Working Group on Discrimination Against Women and Girls [WGDAG], published a guide on the human rights of sex workers.
- (2) That this House further notes the United Nations guide affirms that:
  - (a) the criminalisation of sex work is a human rights violation;
  - (b) sex workers worldwide suffer stigmatisation, discrimination, legal barriers and violations of their human rights, which prevent them from accessing essential services and increases their vulnerability to abuse and violence; and
  - (c) these violations have largely remained unaddressed in international human rights law.
- (3) That this House further notes that the United Nations experts in the guide called upon nation-states and other relevant stakeholders to:
  - (a) review relevant legislation and regulations in force to decriminalise sex work;
  - (b) take a comprehensive approach to addressing the human rights of sex workers, their clients and related sectors or people who may be involved in the chain of service;
  - (c) take preventive and rehabilitative measures to protect sex workers;
  - (d) respect and protect the key principles of non-discrimination, equality and privacy, as well as bodily integrity, autonomy, dignity and wellbeing of sex workers;
  - (e) ensure that people involved in sex work enjoy the right to access sexual and reproductive health services, and are free from violence or discrimination;
  - (f) ensure that people involved in sex work have access to equal protection of the law in theory and in practice;
  - (g) guarantee the right to health through prevention and care policies that are respectful of the gender identity and expression of transwomen, particularly those who engage in sex work;
  - (h) train law enforcement officers on their obligations towards sex workers and protecting sex workers from violence;
  - (i) immediately cease the practice of detaining sex workers in "rehabilitation centres";

- (j) adopt legislative, administrative, social, economic and other measures necessary to prevent, investigate, prosecute and punish all acts of violence against sex workers, whether perpetrated by the State or by private individuals, and to ensure reparations for victims;
  - (k) ensure the meaningful engagement and participation of sex workers in all their diversity in all legal, policy and programmatic implementation activities; and
  - (l) take care not to conflate sex work and trafficking in legislation because it leads to the implementation of inappropriate responses that fail to assist either sex workers or victims of trafficking in realising their rights and, at worst, with violence and oppression.
- (4) That this House calls on the Government to affirm its commitment to protect the human rights of sex workers in accordance with calls from the special rapporteur on the right to health, together with the independent expert on protection against violence and discrimination based on sexual orientation and gender identity and the United Nations Working Group on Discrimination Against Women and Girls.

**Motion agreed to.**

### **WORLD ELDER ABUSE AWARENESS DAY**

**Ms ABIGAIL BOYD (10:10):** I seek leave to amend private members' business item No. 1145 for today of which I have given notice as follows:

- (1) In paragraph (4) omitting "carers" and inserting instead "support".
- (2) In paragraph (4) omitting "on a demand-based model" after "Ageing and Disability Commissioner".

**Leave granted.**

**Ms ABIGAIL BOYD:** Accordingly, I move:

- (1) That this House notes that Saturday 15 June 2024 was World Elder Abuse Awareness Day, a day launched in 2006 to help communities around the world better recognise, understand and prevent the abuse and neglect of older persons.
- (2) That this House calls on governments to take urgent action to prevent elder abuse.
- (3) That this House further notes that:
  - (a) according to the Australian Institute of Health and Welfare:
    - (i) one in six Australians experience elder abuse in their lifetime, however, only one in three of these victims seek help; and
    - (ii) this abuse is most often committed by family members, specifically by children or grandchildren who make up 30 per cent of perpetrators.
  - (b) according to the Older Women's Network NSW, older women disproportionately make up 70 per cent of elder abuse victims due to factors including:
    - (i) the exclusion of older women from conversations about, and efforts to end, violence against women, which increases their risk of abuse and magnifies the systemic barriers to reporting gendered abuse;
    - (ii) limited research into the intersection of gender-based violence and elder abuse and the intersection of men who perpetrate intimate partner violence and then harm their older family members, noting that the absence of this research has left the experiences of older women facing abuse invisible; and
    - (iii) lack of specific services geared towards helping older women report and leave their abuse, resulting in women over 55 becoming the fastest growing homeless population in 2019.
  - (c) the threat of abuse that older women face is severe, with 14 older women, out of 35 total women, killed this year as of 2 June 2024, half of whom were murdered by a family member, according to Counting Dead Women Australia.
- (4) That this House calls on the Government to commit to protecting the needs of our rapidly growing elderly population by providing funding for resources such as housing and support, for those who are abused and by supporting research on the intersection of ageism with other forms of discrimination, to ensure that no individual slips through the cracks of our support systems, and by adequately funding the Ageing and Disability Commissioner.

**Motion agreed to.**

### **WORLD AUTISTIC PRIDE DAY**

**Ms ABIGAIL BOYD (10:11):** I move:

- (1) That this House notes that:
  - (a) Tuesday 18 June 2024 is World Autistic Pride Day, a day first celebrated in 2005 to empower people with autism and encourage them to feel proud in their abilities; and
  - (b) according to the Australian Bureau of Statistics, the number of individuals with autism is growing each year and every one of these individuals deserves to feel valued, heard and protected by their governments.
- (2) That this House affirms that:

- (a) each individual's experience with autism is different, especially for women whose experience often falls outside of the previously male-focused research, and every person's experience is valid even if it does not fit into preconceived notions of what it means to be autistic;
  - (b) people with autism provide invaluable contributions to our society and deserve recognition for the countless advancements they have made in the fields of science, medicine, technology, art and politics;
  - (c) people who are neurodivergent contribute unique and crucial perspectives to all levels of social and political discussion and deserve to have their views respected, with some well-known individuals including:
    - (i) Greta Thunberg, who is known for challenging our world leaders to take action on climate change;
    - (ii) Grace Tame, who has fought her entire adult life for systemic reform and genuine justice for victim-survivors of sexual assault; and
    - (iii) Chloé Hayden, actress, activist and author of *Different, Not Less*, who has changed the face of autistic representation in the Australian media landscape.
  - (d) a person is only disabled in the context of their environment, and it is the responsibility of our Government to remove barriers that exist for those with autism in everyday life.
- (3) That this House calls on all members of Parliament to educate themselves on the experiences of those with autism to better value their contributions, hear their perspectives and have pride in these individuals.

**Motion agreed to.**

**THE HON. JILLIAN SKINNER, AM**

**The Hon. NATALIE WARD (10:11):** I move:

- (1) That this House notes:
- (a) the important and tireless contributions made by the Hon. Jillian Skinner, AM, to serving her communities and improving lives through the Parliament of New South Wales and specifically in the areas of community health, education, youth affairs, journalism and the Liberal Party of Australia (NSW Division);
  - (b) that the Hon. Jillian Skinner, AM, has long served her community and New South Wales in many capacities including as:
    - (i) member for North Shore from 1994 to 2017;
    - (ii) Minister for Health from 2011 to 2017;
    - (iii) Minister for Medical Research from 2011 to 2015;
    - (iv) shadow Minister for Health from 1995 to 2003 and 2005 to 2011;
    - (v) shadow Minister for Education and the Arts from 2003 to 2005;
    - (vi) shadow Minister for Youth Affairs from 1995 to 1999; and
    - (vii) deputy leader of the Liberal Parliamentary Party from 2007 to 2014.
  - (c) the extensive service of the Hon. Jillian Skinner, AM, to health and health services in many capacities, including as:
    - (i) Chair, Australian Healthcare and Hospitals Association;
    - (ii) board member, Children's Cancer Institute;
    - (iii) patron, Karitane;
    - (iv) member, Cancer Australia Advisory Council;
    - (v) Deputy Chair, Justice Health and Forensic Mental Health Network Board NSW;
    - (vi) member, Cancer Institute Board;
    - (vii) member, strategic advisory committee, the Violet Initiative;
    - (viii) member, advisory board, DetectedX;
    - (ix) Chair, Council of Australian Governments Standing Council on Health; and
    - (x) Director, NSW Office of Youth Affairs.
  - (d) the extensive and long-standing contribution of the Hon. Jillian Skinner, AM, to work in the community for Neutral Bay Public School and North Sydney Occasional Care Childcare Centre.
- (2) That this House congratulates the Hon. Jillian Skinner, AM, on being appointed as Member of the Order of Australia as part of the King's Birthday Honours.

**Motion agreed to.**



**THE HON. SHELLEY HANCOCK, OAM**

**The Hon. NATALIE WARD (10:11):** I move:

- (1) That this House notes:
  - (a) the important contribution made by the Hon. Shelley Hancock, OAM, to the community of South Coast, the Shoalhaven and New South Wales.
  - (b) Mrs Hancock's extensive community service through the Parliament of New South Wales and Shoalhaven City Council including as:
    - (i) member for South Coast from 2003 to 2023;
    - (ii) Speaker of the Legislative Assembly from 2011 to 2019;
    - (iii) Minister for Local Government from 2019 to 2021;
    - (iv) Shoalhaven City Council Deputy Mayor and Ward 3 Councillor;
    - (v) Chair of the Rural Fire Service Strategic Planning Committee; and
    - (vi) Chair of the Works Committee.
  - (c) her significant service to the people and the Parliament of New South Wales.
- (2) That this House congratulates the Hon. Shelley Hancock, OAM, on being awarded the Medal of the Order of Australia in the King's Birthday Honours 2024.

**Motion agreed to.**

**MEN'S HEALTH WEEK**

**Dr AMANDA COHN (10:12):** I move:

- (1) That this House notes that:
  - (a) Men's Health Week, from 10 to 16 June 2024, highlights the importance of men's health and wellbeing;
  - (b) men are less likely to visit a general practitioner or engage in preventive health than women, and this is compounded when they are from a lower socio-economic background or live outside of metropolitan areas;
  - (c) mental health issues such as depression, anxiety and suicide are significant concerns among men;
  - (d) suicide is the leading cause of death for males under the age of 55; and
  - (e) Australian research has found that one in four men have no close friends or relatives and one in 10 men over 45 live alone.
- (2) That this House further notes that:
  - (a) community engagement, supportive relationships and safe environments where men can discuss their emotional and psychological wellbeing without judgement are essential for their overall health; and
  - (b) encouraging open conversations about mental health can counteract harmful online rhetoric and provide positive outlets for men to seek support from appropriate health services.
- (3) That this House calls on the Government to:
  - (a) promote and support initiatives that encourage men to seek support for psychological and emotional wellbeing and reduce the stigma associated with preventive and mental health care; and
  - (b) work with mental health professionals, community organisations, and other stakeholders to create safe and inclusive environments for men to discuss their mental health and wellbeing.

**Motion agreed to.**

**MR GERARD HAYES, AM**

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

- (1) That this House congratulates Mr Gerard Hayes, AM, on being appointed as a Member of the Order of Australia as part of the King's Birthday 2024 Honours List for his outstanding contributions to emergency services and industrial relations through his work as a unionist.
- (2) That this House notes that:
  - (a) Gerard Hayes worked as an ambulance officer, paramedic and intensive care paramedic in metropolitan and regional New South Wales for 15 years, where he became involved with the Health Services Union as a member and delegate;
  - (b) Gerard Hayes became an official of the Health Services Union in the early 2000s before being made the general secretary of the New South Wales, Australian Capital Territory and Queensland branch in 2012, the national president in 2018, and in 2024 is serving as the vice-president of the Australian Council of Trade Unions; and

- (c) during this time, Gerard Hayes has worked tirelessly to protect and improve the conditions, entitlements and lives of essential health workers in New South Wales, as well as safeguard our essential health services.
- (3) That this House thanks Mr Gerard Hayes, AM, for his ongoing service to industrial relations in New South Wales.

**Motion agreed to.**

#### *Documents*

### **TABLING OF PAPERS**

**The Hon. PENNY SHARPE:** I table the following papers:

- (1) Passenger Transport Act 1990—Report of the Office of Transport Safety Investigations entitled *Rail Safety Investigation Report: Rail Worksite Protection in NSW - Report 2 Cowan, 11 January 2023*, dated June 2024.
- (2) Report of the Registrar General entitled *Interoperability between Electronic Lodgment Network Operators: Second Progress Report to NSW Parliament*, dated June 2024.

#### *Business of the House*

### **POSTPONEMENT OF BUSINESS**

**The Hon. PENNY SHARPE:** I postpone Government business notices of motions Nos 4 and 5 until the next sitting day.

#### *Bills*

### **BETTER REGULATION LEGISLATION AMENDMENT (MISCELLANEOUS) BILL 2024**

#### **First Reading**

**Bill introduced, read a first time and ordered to be published on motion by the Hon. Penny Sharpe.**

**The Hon. PENNY SHARPE:** According to standing order, I table a statement of public interest.

**Statement of public interest tabled.**

#### **Second Reading Speech**

**The Hon. PENNY SHARPE (Minister for Climate Change, Minister for Energy, Minister for the Environment, and Minister for Heritage) (10:31):** I move:

That this bill be now read a second time.

The Government is pleased to introduce the Better Regulation Legislation Amendment (Miscellaneous) Bill 2024. The bill addresses the issues identified by NSW Fair Trading and the Building Commission NSW during the routine and ongoing departmental review of legislation. The bill will introduce amendments to 24 Acts and four regulations. These changes are designed to improve the clarity and accuracy of the laws and reduce regulatory burdens. The amendments are to the legislation administered by the Minister for Better Regulation and Fair Trading and the Minister for Building, and the Minister for Customer Service and Digital Government. The amendments will update outdated provisions and replace them with digital-ready provisions. Through the bill, the Minns Government continues to demonstrate its commitment to delivering laws that are not only responsive to change but also clear, accurate and reliable.

I seek leave to incorporate the remainder of my speech in *Hansard*.

**Leave granted.**

I will now turn to the specific amendments in the bill.

#### **Schedule 1: Minor Amendments**

The schedule 1 amendments will clarify existing provisions within these laws, as well as update or remove those that are outdated or no longer required.

Schedule 1.1 to the bill amends section 77 of the Associations Incorporation Act 2009 to remove the referral to section 65 which relates to the distribution of assets following the winding up of an association. This amendment will allow for a more efficient process for dealing with the distribution of assets for associations that have been involuntarily cancelled.

Schedule 1.2 to the bill amends section 8 of the Building and Construction Industry Security of Payment Act 1999 to clarify that a person is not entitled to a progress payment for work that they are contracted to do unless they are suitably insured and authorised to undertake that work. This amendment plugs a loophole in existing legislation and will ensure that the right to receive a progress payment for building work is limited to lawful building work. This will add an additional disincentive to people carrying out unlawful work as they will not be paid, in addition to the powers of Building Commission NSW to take action against them.

To ensure the consistent and appropriate application of the Licensing and Registration (Uniform Procedures) Act 2002, schedules 1.3 and 1.5 to the bill amend the Charitable Fundraising Act 1991 and the Conveyancers Licensing Act 2003 to remove unnecessary exemptions and align the laws with other Fair Trading NSW licence regimes.

Schedule 1.4 to the bill amends the Community Land Management Act 2021 to replace several incorrect references to common property with references to association property. These amendments ensure that the appropriate terms are used in the Act.

Schedule 1.6 to the bill amends the Fair Trading Act 1987 to clarify that the five-year period referenced in relation to a commercial agent licence relates to the cancellation of the relevant licence, not the suspension of that authorisation. This amendment ensures that the intent of the provision is accurately articulated and is consistent with other provisions within that Act.

Schedule 1.6 also amends section 58 of the Fair Trading Act for the purposes of the order that supports the NSW Government's Fuel Check App. Currently, the Fuel Check App only provides the location of EV charging stations. This amendment will allow Fuel Check to be expanded to capture fuller details including charging costs. With the number of EV's being sold increasing more than 120 per cent between 2022 and 2023 this will make the Fuel Check app even more useful for consumers.

Schedule 1 to the bill also includes a number of administrative amendments to the Home Building Act 1989.

Schedule 1.8 will amend sections 33E, 33F and 33G of the Home Building Act by updating the unit of competency within the Construction, Plumbing and Services Training Package for the installation and testing of medical gas pipeline systems. References to "Certificate IV in Gas Fitting" will also be removed from these sections as this is not a valid qualification in NSW. These amendments will ensure that the requisite certifications are accurate and up to date.

The bill makes two amendments to the Motor Dealers and Repairers Act 2013, the first of which is an amendment to section 5 (5) of the Act. Section 5 (5) currently exempts a person who sells a trailer for the conveyance of a second-hand boat from requiring a motor dealer licence. This exemption, however, does not apply for the purpose of conveying a new boat. To reduce the regulatory burden on people selling boat and trailer packages, schedule 1.9 to the bill removes the reference to "second-hand" to clarify that the exemption to hold a Motor Dealers Licence applies to persons involved in the conveyance of both second-hand and new boats.

The second amendment to the Motor Dealers and Repairers Act is to section 150 (b), which currently outlines the powers of authorised officers to ascertain whether there has been compliance with or a contravention of part 4.5 of the Road and Transport Act 2013. Schedule 1.9 to the bill amends this section to clarify that this power also extends part 4.5A of that Act.

This corrects the unintended consequences of the splitting of part 4.5 into two parts—one which deals with light vehicles and one which deals with heavy vehicles—which was not reflected in the Motor Dealers and Repairers Act. This resulted in authorised officers losing their power to investigate written off heavy vehicles.

This amendment rectifies this to ensure that authorised officers have the authorisations to investigate both written off light and written off heavy vehicles.

Schedule 1.10 to the bill updates sections 28 and 29A of the Pawnbrokers and Second-hand Dealers Act 1996 to allow a person pawning goods to use an electronic signature to sign a record of the agreement with the pawnbroker, or an extension of an agreement, if the record is kept electronically.

The bill makes two amendments to the Residential Tenancies Act 2010 regarding the appointment of and functions exercised by the chairperson and the deputy of the Chairperson of the Rental Bond Board.

Schedule 1.11 to the bill amends section 178 of the Act to appoint the Commissioner for Fair Trading as the Chairperson of Rental Bond Board. If no person is employed as the Commissioner for Fair Trading, the role of chairperson will be assumed by the Secretary of the Department of Customer Service.

Schedule 1.11 to the bill also amends schedule 1 to the Act to allow the deputy of the chairperson to exercise the same functions as the chairperson if and when the need arises. This is a simple and practical improvement to the operation of the board.

The bill also amends the Residential Tenancies Regulation 2019 which supports the Act by removing references to a repealed section of the Act to ensure the legislation remains accurate and up to date.

Schedule 1.13 will amend section 197 of the Strata Schemes Development Act 2015 to remove the current exemption that allows office copies of court orders that support registration of a plan to be lodged by hand. The intention is that where a plan is lodged electronically all documents lodged in support of the plan should also be lodged electronically. This will have no negative impact for lodging parties as it simply reflects current practice.

Another important change in this bill is an amendment to section 186 (3) of the Strata Schemes Management Act 2015 which requires a landlord to provide a tenant with updated by-laws or strata management statement if the by-laws or the strata management statement change. Schedule 1.14 to the bill reinstates this as an offence provision to correct a drafting error that inadvertently removed the offence and to enable the provision to operate as intended.

Schedule 1.14 to the bill amends section 191 of the Strata Schemes Management Act to clarify that building work for which a building bond is required includes parts of a building that are not within the strata scheme but which the strata scheme is required to service, maintain or repair. The need for this change stems from increasing numbers of mixed-use buildings, which comprise multiple forms of building use including apartments, shops and/or offices in one structure.

Under the strata building bonds scheme, the developer may be required to lodge a bond worth two per cent of the contract price to construct the building with Building Commission NSW.

This bond can be used by the strata scheme to pay for defects identified in the first two years post occupation. While this is straightforward for standalone apartment buildings, it becomes more complex where buildings are mixed use.

For example, if there is a common car park for use by an office block and the apartments above and there was a structure defect requiring repair, the strata scheme would be required to contribute to the costs of this repair. This would be because the car park is not only used by the strata scheme but is also essential to the structural integrity of the apartment components of the building.

Some developers are seeking to push a narrow adoption of the requirement to minimise the amount of bond by arguing these parts of the building are not captured by the bond scheme. To minimise the chance of this interpretation being challenged in court, this measure will clarify the operation of the provision and ensure that strata schemes enjoy the intended protection provided for by the Act.

In addition, a number of outdated references to penalty notice offences listed in schedule 5 of the Strata Schemes Management Regulation will be updated. This will preserve the integrity of compliance and enforcement measures and ensure that the regulation is consistent with the Act.

Schedule 1.17 to the bill will amend the Tow Truck Industry Act 1998 to remove the requirement to have held a licence or drivers certificate for a continuous period of at least three years immediately before a licence or driver's certificate for a term of three or five years can be granted. This will mean that new applicants can apply for a one, three or five year licence. The purpose of this amendment is to provide consistency to licence durations across all the legislation being administered by Fair Trading and to ensure that customers in tow truck the industry are not disadvantaged.

Schedule 1 to the bill also makes amendments to two Acts within the portfolio of the Minister for Customer Service and Digital Government.

Schedules 1.7 and 1.16 amend the Government Telecommunications Act 2018 and the Surveying and Spatial Information Act 2002 to remove the requirement for notices of meetings to be given to members of the Telecommunications Authority Advisory Board and the Board of Surveying and Spatial Information, personally or by post.

These amendments provide more flexibility and are technology neutrality, while maintaining the requirement for reasonable notice to be given to board members.

### **Schedule 2: Amendments relating to dissolution of Building Insurers' Guarantee Corporation**

Schedule 2 to the bill deals with amendments relating to the dissolution of the Building Insurers' Guarantee Corporation.

Schedule 2.2 amends the Home Building Act 1989 to dissolve the Building Insurers' Guarantee Corporation and the Building Insurers' Guarantee Fund, which was administered by the Corporation.

The Corporation and the Fund were established in 2001 to administer claims by homeowners affected by the collapse of HIH/FAI insurance. The last remaining claims on the Building Insurers' Guarantee Fund were finalised in December 2020. No new claims can be made under the fund.

Once the corporation is dissolved, the assets, rights and liabilities of the Building Insurers' Guarantee Corporation will be transferred to the NSW Self Insurance Corporation. Any balance standing to the credit of the Building Insurers' Guarantee Fund will be transferred to the NSW Self Insurance Corporation.

Schedules 2.1 and 2.3 to 2.5 make consequential amendments to:

- the Government Information (Public Access) Regulation 2018;
- the Home Building Regulation 2014;
- the Insurance Protection Tax Act 2001; and
- the State Insurance and Care Governance Act 2015.

to remove references to the Building Insurers' Guarantee Corporation, its claims administration functions and the Building Insurers' Guarantee Fund.

### **Schedule 3: Amendments relating to administrative arrangements**

I will now turn to the final schedule of the bill, schedule 3. This schedule contains a number of amendments relating to changes in administrative arrangements.

Schedule 3 to the bill will amend the Biofuels Act and a whole swath of building legislation to reflect recent changes in the machinery of government.

In each statute, the definition of "secretary" will be changed from the Commissioner of Fair Trading to the Secretary of the Department.

For the Plumbing and Drainage Act 2011, the definition of "plumbing regulator" will also be changed from the Commissioner of Fair Trading to the Secretary of the Department.

The definition of "department" in each statute has been updated to remove the need to amend the definition if the department changes or is renamed in the future.

These amendments reflect machinery of government changes, including transfer of building regulatory responsibilities. These powers now sit with the Building Commission NSW.

### **Conclusion**

The bill before the House today proposes amendments that will clarify, update and improve the operation of many laws.

They will ensure the accuracy and improved functionality of our laws, and enable the implementation of other small yet significant initiatives.

I commend the bill to the House.

**Debate adjourned.**

# NATIONAL PARKS AND HERITAGE LEGISLATION AMENDMENT BILL 2024

## In Committee

Consideration resumed from Tuesday 18 June 2024.

**The CHAIR (The Hon. Rod Roberts):** We are considering The Greens amendments on sheet c2024-073C.

**Ms ABIGAIL BOYD (10:35):** By leave: I move The Greens amendments Nos 1 to 8 on sheet c2024-073C in globo:

**No. 1 Plans of management**

Page 3, Schedule 1. Insert after line 9—

**[2A] Section 71BP**

Insert after section 71BO—

**71BP Purpose of plans of management**

The purpose of a plan of management made under this part is to set out the following—

- (a) the ongoing use and management of the land,
- (b) how the following values are to be protected, restored and enhanced—
  - (i) the natural environmental values of the land, and
  - (ii) the cultural values of the land,
- (c) how the public interest in the protection, promotion and understanding of the values referred to in paragraph (a) is to be supported,
- (d) how the research, monitoring and adaptive management of the values referred to in paragraph (a) are to be facilitated,
- (e) how the management of the land in accordance with the plan of management is to be broadly endorsed by the community,
- (f) how to enable development that must be—
  - (i) consistent with achieving the matters referred to in paragraphs (a)–(d), and
  - (ii) ecologically sustainable development within the meaning of the *Protection of the Environment Administration Act 1991*, section 6(2),
- (g) other matters prescribed by the regulations.

**No. 2 Plans of management**

Page 3, Schedule 1. Insert after line 12—

**[3A] Section 72AA, note**

Insert after the heading—

**Note**—Plans of management apply to certain land reserved or dedicated under the Act, Part 4 or Part 4A. Certain land specified under the Act, section 30B may be reserved under Part 4. Land granted under the Aboriginal Land Rights Act 1983 may be reserved or dedicated under Part 4A. The land may be reserved as a national park, historic site, state conservation area, regional park, karst conservation reserve, nature reserve, or Aboriginal area.

**No. 3 Plans of management**

Page 3, Schedule 1. Insert after line 12—

**[3B] Section 72AA(1)(w1)**

Insert after 72AA(1)(w)—

- (w1) assets of intergenerational significance.

**No. 4 Plans of management—scheme of operations**

Page 3, Schedule 1[5], lines 19 and 20. Omit all words on the lines. Insert instead—

- (a) the purpose and objects of this Act, and
- (b) the management principles under Part 4, Division 2 that are relevant to the land, and
- (c) the consideration of matters under section 72AA that are relevant to the land, and

- (d) the spatial and historical context of the land, and
- (e) a description of the environmental values and condition of the land, and
- (f) a description of the cultural values and condition of the land, and
- (g) the outcomes of an assessment of the potential threats and risks to the land in relation to the values referred to in paragraphs (e) and (f), and
- (h) the limitations of the information available in describing and assessing the matters referred to in paragraphs (e)–(g), and
- (j) strategies or activities proposed to be carried out to recognise and promote the values referred to in paragraphs (e) and (f) of the land, and
- (i) objectives and performance measures, and
- (k) a scheme of operations in accordance with subsection (2) which is proposed to be undertaken in relation to the land, and
- (l) existing leases or other interests in the land, and
- (m) a detailed map of the following—
  - (i) the location of the land within New South Wales,
  - (ii) the location of where certain uses and activities for the proposed land may be carried out.

**No. 5 Plans of management—scheme of operations**

Page 3, Schedule 1[5], lines 21–26. Omit all words on the lines. Insert instead—

- (2) A scheme of operations in a plan of management must address the matters referred to in section 72AA(1)(a)–(j), (l) and (m).

**No. 6 Plans of management**

Page 4, Schedule 1. Insert after line 1—

**[5A] Section 73A Public exhibition and consultation for plans of management Omit "60 days" from section 73A(2)(c). Insert instead "90 days".**

**[5B] Section 73A**

Omit "28 days" wherever occurring in section 73A. Insert instead "60 days".

**[5C] Section 73B Adoption, amendment and cancellation of plans of management Insert "or the relevant regional advisory committee" after "responsible authority" in section 73B(3).**

**No. 7 Plans of management**

Page 4, Schedule 1. Insert after line 4—

**[6A] Section 73B(7)**

Omit "However, in relation to an amendment or alteration of a plan of management, the reference in section 73A (2) (c) (as applied) to "60 days" is taken to be a reference to "45 days"."

**No. 8 Recategorisation of land**

Page 8, Schedule 1[24]. Insert after line 19—

**15 Flora reserve recategorisations**

- (1) This clause applies to the following land dedicated under the *Forestry Act 2012*—
  - (a) land dedicated as the Mumbulla Flora Reserve No 187 within the Mumbulla State Forest No. 605, being land of an area of about 6,146ha,
  - (b) land dedicated as the Tanja Flora Reserve No 188 within the Tanja State Forest No. 544, being land of an area of about 868ha,
  - (c) land dedicated as the Murrah Flora Reserve No 189 within the Murrah State Forest No. 140, being land of an area of about 4,233ha,
  - (d) land dedicated as the Bermagui Flora Reserve No 190 within the Bermagui State Forest No 142, being land of an area of about 575ha.
- (2) The dedications under the *Forestry Act 2012* of the lands as flora reserves are revoked and the lands are reserved as nature reserves under this Act to be known as follows—
  - (a) for the land referred to in subclause (1)(a)— Mumbulla Nature Reserve,
  - (b) for the land referred to in subclause (1)(b)— Tanja Nature Reserve,
  - (c) for the land referred to in subclause (1)(c)— Murrah Nature Reserve,

(d) for the land referred to in subclause (1)(d)—Bermagui Nature Reserve.

**Ms SUE HIGGINSON (10:36):** I thank my incredible colleague for moving the amendments in globo. The bulk of the amendments reflect the advice given to the Government by the National Parks Association. The amendments go to the core of what the National Parks Association is and how its protection should be prioritised. Ongoing work must be done by the Government to ensure that plans of management are fit for purpose, are able to be adequately consulted on with stakeholders and community, and genuinely prioritise natural and cultural values of protected areas above any other purpose. I understand that the Government and the Minister are working through this and that they are happy to commit to that program of work.

The final amendment addresses four flora reserves that are currently being managed by National Parks. It is an anomaly in how flora reserves are supposed to function. These particular flora reserves have been acknowledged for their high conservation values and are managed by National Parks for that reason. They should be included in the broader protected area network as formal reserves and given that greater level of protection. I appreciate that the Government has a process that must be followed, but amendment No. 8 is intended to be a reminder that these areas are ready and waiting for further protection. With that, I finish.

**The Hon. PENNY SHARPE (Minister for Climate Change, Minister for Energy, Minister for the Environment, and Minister for Heritage) (10:38):** I acknowledge Ms Sue Higginson's very passionate approach. I put on record the New South Wales Government's appreciation for the work of the National Parks Association. It is a dedicated NGO that cares deeply about our parks, but we disagree on this. We are not going to be supporting the amendments under the circumstances.

The Government does not support the amendments relating to the preparation or the content of park plans of management or amendments to change some of the flora reserves to nature reserves. The reasons are straightforward. At the moment we are in the process of talking to a range of stakeholders, and National Parks has committed to work with relevant stakeholders to explore opportunities for improvements more broadly in preparing park plans of management. That includes a commitment to improve both the clarity of such plans and transparency around how matters relevant to plans are considered and decision-making occurs. This requires consultation with a wide range of groups—in particular, relevant Aboriginal community organisations, recreational users, conservation groups and other agencies. That work cannot be rushed, and the Government does not believe that bolting it into the bill is the appropriate way to do it. We want to do the consideration properly.

Many things need to be considered—23 things, I think, from memory—in relation to the national parks Act when dealing with plans of management, and they are all important. Stakeholder discussions are particularly important. As we have talked about this week, we have over 60 million visits to national parks. People use them for a whole range of purposes, and we want them to do so as much as possible. The Government does not support changes to the plans of management at this time. We believe it is pre-emptive. However, the Government is committed to working with all stakeholders to get that right.

Turning to flora reserves, this is not an unusual thing. The flora reserves have existed for quite a long time. The amendments seek to revoke the flora reserves under the Forestry Act, and then put them as nature reserves under the National Parks and Wildlife Act. For people who are not across this, essentially, those lands are identified areas within State forests. As Ms Sue Higginson knows well, the care and management of those lands is handed over to National Parks. The amendments try to move those lands straight into the national parks estate. The Government does not support doing that in this way, at this time. We are undertaking a national parks establishment plan, which will deal with these issues.

I make particular mention of places like the Murrah Flora Reserve. A lot of work is going on with the Aboriginal community around the joint management of the park and the future management of Aboriginal places that sit within the park. We do not support lumping it into the bill today and dealing with it in this way. The Government is not necessarily opposed to the content of the amendments, but there needs to be more work. This is a revocation bill. The amendments go to things that are outside the scope of that. The Government is not in a position to support the amendments today.

**The Hon. NATALIE WARD (10:41):** I thank Ms Sue Higginson and The Greens for moving these amendments. I am always in awe of their commitment to their philosophical purpose and to holding the Government to account on some of these changes, noting that there will be continual revision on the way through. That said, regretfully, the Opposition is unable to support the amendments at this time. Firstly, on amendments Nos 1 to 7 relating to the plans of management, I am advised that the NSW National Parks and Wildlife Service has already committed to working with those relevant stakeholders. We will be watching that commitment closely because it is important that they do explore those opportunities for improvements to the processes of preparing those park plans of management. The Opposition is also committed to ensuring that that work does occur, in consultation with those stakeholders. That includes a commitment to improving both the clarity of the plans and,

importantly, transparency about how those matters relevant to the plans are considered and how that decision-making happens.

It is no surprise that we are clear about holding the Government to account on being transparent about that decision-making. I am advised that that will require consultation with a range of groups—importantly, including relevant Aboriginal community representatives, recreational users, conservation groups and other agencies. I am pleased to hear the Minister's commitment to doing this properly, and I absolutely believe her in that endeavour. Amendment No. 8 relates to the flora reserves. The Greens amendment has good intention, but the Opposition takes on board the Government's undertaking and commitment to deal with those through the national parks establishment plan. We will watch and wait, and we will be pleased to see how that pans out. For those reasons, the Opposition does not support the amendments.

**The CHAIR (The Hon. Rod Roberts):** Ms Abigail Boyd has moved The Greens amendments Nos 1 to 8 on sheet c2024-073C. The question is that the amendments be agreed to.

**Amendments negatived.**

**The CHAIR (The Hon. Rod Roberts):** The question is that the bill as read be agreed to.

**Motion agreed to.**

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

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

**Motion agreed to.**

### **Adoption of Report**

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

That the report be adopted.

**Motion agreed to.**

### **Third Reading**

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

That this bill be now read a third time.

**Motion agreed to.**

## **ENERGY LEGISLATION AMENDMENT (CLEAN ENERGY FUTURE) BILL 2024**

### **Second Reading Speech**

**The Hon. PENNY SHARPE (Minister for Climate Change, Minister for Energy, Minister for the Environment, and Minister for Heritage) (10:47):** I move:

That this bill be now read a second time.

I am pleased to introduce the Energy Legislation Amendment (Clean Energy Future) Bill 2024 to the Legislative Council. The Minns Labor Government has made action on climate change a whole-of-government priority. We are taking strong action on climate change to reduce our emissions, make our communities and environment more resilient to extreme weather events, and ensure the economy is strong, robust and built on local secure jobs and affordable energy.

Last year we legislated the emissions reduction targets to give New South Wales a net zero future. A key part of that is decarbonising our energy system. Today we are taking further steps to ensure New South Wales has a clean energy future. This is good for our environment, good for our regions and good for our economy. New South Wales households will benefit from cheaper power. Small businesses will benefit, enabling them to spend less on their power bills and more on employing people. Industry will benefit, creating new export opportunities and high-paying jobs. Landowners and regional communities will also benefit from this transformation.

The New South Wales energy system is swiftly transitioning to one based on renewable energy. As we make this important transition, the legislative framework that it relies upon must keep pace. This is an omnibus bill that supports delivery of the energy transition by updating relevant legislation to secure New South Wales's clean energy future. Through the bill, the New South Wales Government is seeking to streamline approval processes for critical electricity system infrastructure; strengthen New South Wales's transmission licensing framework; incentivise storage projects; clarify existing positions regarding support for green hydrogen and



regulation-making powers to ensure the safe operation of pipelines; refine EnergyCo governance arrangements; and enable strategic benefit payments to be paid to eligible landholders and others with interests in land who host new transmission infrastructure.

The bill amends five pieces of legislation that relate to different parts of the energy system: the Electricity Infrastructure Investment Act 2020, which I will refer to as the EII Act; the Electricity Supply Act 1995, which I will refer to as the ES Act; the Pipelines Act 1967, which I will refer to as the Pipelines Act; the Energy and Utilities Administration Act 1987, which I will refer to as the EUA Act; and the Land Acquisition (Just Terms Compensation) Act 1991, which I will refer to as the just terms Act. I will address each schedule of the bill individually. I turn to the amendments in schedule 1 to the bill. In total, three amendments are made to the EII Act. Those amendments include an accelerated regulatory approval process to recover the costs of electricity system security infrastructure projects. I am aware the Opposition has read the second reading speech in the other place.

I seek leave to incorporate the remainder of my speech in *Hansard*.

### **Leave granted.**

These projects will ensure the New South Wales electricity system remains stable as renewable electricity generation increases and coal power stations close.

It currently takes up to three years for regulatory approval of these projects under the National Electricity Rules and up to an additional three years to deliver these infrastructure projects due to supply chain issues — with only three equipment suppliers globally for some equipment types.

These amendments provide a faster process to approve cost recovery of these critical projects by including them in provisions for Priority Transmission Infrastructure Projects which the Minister for Energy can direct electricity network operators to carry out.

By speeding up approval cost recovery, network operators can place orders for equipment sooner and get this critical infrastructure built as soon as practical.

We estimate this could save each project between 18 and 30 months, time we cannot afford as our power stations close.

Speeding up the delivery of these infrastructure projects will help maintain the system security of the New South Wales electricity grid and reduce our dependence on coal-fired power stations for these essential system services.

The amendments to the ES Act introduce a requirement for a network operator authorised to carry out Renewable Energy Zones [REZ] network infrastructure projects to hold and maintain a network operator licence.

The REZ network infrastructure projects are vital to the future of New South Wales electricity reliability as coal-fired power stations retire, delivering large amounts of new energy to power our regions and cities.

The first of these Renewable Energy Zones is the Central-West Orana [CWO] REZ, which is expected to initially provide at least 4.5 gigawatts of new network capacity.

The amendments will ensure that the preferred network operator for the CWO REZ project will be required to hold and maintain a transmission operator's licence under the ES Act, ensuring the declared CWO transmission system will be operated and maintained safely.

The amendments will also enable licence conditions to be imposed regarding specified performance and reliability standards and business continuity requirements.

The amendments provide greater clarity to industry and the community on the licencing requirements under the ES Act for REZ network infrastructure projects.

Turning to incentives for clean energy technologies, the ES Act enables current and prospective green hydrogen producers to apply for a 90 per cent discount on electricity network charges.

Through this bill, minor amendments to the ES Act will clarify the scope of the discount and the Minister's regulation-making powers so that the concessions process can operate more effectively.

These concessions support green hydrogen production in New South Wales, which will play a critical role in industrial decarbonisation.

Finally on the ES Act, this bill makes amendments to support the delivery of Energy Security Safeguard schemes.

It updates the definition of "market customer" in the Energy Savings Scheme to reflect the Australian Energy Market Operator's introduction of a new participant category.

This change maintains the definition of "market customer" for the purposes of the ES Act as it was prior to the Market Operator's change.

Those now categorised by AEMO as "Integrated Resource Providers" will continue to be captured by the ES Act and participate in the scheme as the policy intends.

A further amendment to Energy Security Safeguard Schemes provides a regulation-making power to prevent Energy Savings Scheme and Peak Demand Reduction Scheme liability being incurred on electricity purchased by battery facilities.

The policy intent in these schemes is for liability to apply to end users.

A battery facility is not an end user because the electricity it purchases is later converted back into electricity and sold on to end users such as homes and business.

The amendment enables liability to be removed from electricity purchased by battery facilities, which play a critical role in the energy transition.

This Government takes energy storage seriously. And we are glad to take steps to incentivise more battery storage in New South Wales.

I now turn to schedule 3 of the Bill.

The amendments to the Pipelines Act proposed in the bill will make it easier to modernise the safety and technical regulation framework for pipelines in New South Wales, ensuring that the legislation remains fit for purpose for the future energy transition.

This includes adjusting for future changes in pipelines use, such as transporting hydrogen and other renewable fuels.

Relating to future-proofing the legislation for the energy transition, this includes additional abilities to prescribe requirements to better regulate for public safety, for example by requiring certain actions in the event of an escape and ignition of substances from a pipeline.

The changes, to be introduced into the regulation, include facilitating the requirements for decommissioning plans to ensure when pipelines operations are ceased, this happens safely and properly as well.

The changes will omit some offences and penalties from the Act at a date determined by proclamation so they can be relocated to the regulation to make it easier to regularly review and update penalty units to ensure consistency with other jurisdictions and to reflect risks and potential impacts on the public from any breach of provisions.

These amendments do not change the current regulatory framework or penalty unit amounts. Any changes to this will be done through revising the Pipelines Regulation, in consultation with industry and other stakeholders.

The amendments to the Pipelines Act will occur in two stages:

- The strengthening of regulatory-making powers will commence on bill assent.
- The removal of offences and penalties from the Act to be relocated in the regulation will commence by proclamation when the new regulation for offences and penalties comes into force.

These changes will ensure that New South Wales pipelines' safety and technical regulation is fit for purpose in supporting the ongoing and future energy transition.

I now turn to schedule 4 of the bill.

Schedule 4 amends the EUA Act with respect to the governance arrangements of the Energy Corporation of NSW [EnergyCo].

EnergyCo has functions under the EUA Act and functions as the Infrastructure Planner under the EII Act for New South Wales's Renewable Energy Zones and priority transmission projects.

The amendments in schedule 4 will refine and strengthen arrangements to EnergyCo's governance arrangements, building on amendments to the EUA Act made by the Energy Legislation Amendment Act, which were assented to on 12 December 2023 and will commence on proclamation.

The amendments in schedule 4 recognise the important role that EnergyCo is playing in the energy transition under the bipartisan road map and will support EnergyCo to function as a fully-fledged delivery agency in response to recommendations of the New South Wales Electricity Supply and Reliability Check Up.

The changes in schedule 4 are necessary to balance providing the new EnergyCo Board with sufficient autonomy and flexibility as EnergyCo delivers critical new electricity infrastructure, while ensuring strong ministerial and departmental oversight are maintained.

The amendments in schedule 4 refine and strengthen EnergyCo's governance arrangements to:

- ensure that the EnergyCo Board is responsible for the performance of the functions of EnergyCo and the CEO;
- provide an information-gathering power for the Minister for Energy;
- provide a qualified direction power for the Secretary;
- clarify requirements for corporate reporting and board procedure;
- ensure continuity of the CEO's employment under the new governance arrangements; and
- allow the EnergyCo board to establish committees and provide that members of those committees are protected from personal liability.

Making these changes now is a priority for the Government and will enable EnergyCo's revised governance arrangements to be in place before the EnergyCo Board commences in July 2024.

The amendments in Schedule 4 set EnergyCo up for success in delivering its functions while also ensuring the Minister and the Government have sufficient oversight and information to ensure positive outcomes for New South Wales electricity consumers and communities.

I now turn to schedule 5 of the Bill.

Schedule 5 implements the Strategic Benefit Payments Scheme through amendments to the ES Act, EUA Act and just terms Act.

This will support the successful delivery of the Electricity Infrastructure Roadmap, which involves the delivery of new transmission infrastructure in New South Wales to enable the energy transition.

The Strategic Benefit Payments Scheme, publicly announced in October 2022, aims to ensure private landowners or holders of other interests in land who are hosting new or eligible transmission infrastructure share the benefits of the energy transition.

This policy will now be enabled by this bill and is a key part of how the New South Wales Government continues to acknowledge the important role of private landholders in this critical energy transition.

Landowners currently receive a one-off compensation payment under the just terms Act, for hosting new transmission infrastructure projects.

The Strategic Benefit Payments Scheme provides an additional financial benefit of \$200,000 per kilometre to people with interests in land that host transmission projects critical to the energy transformation.

This payment will be made annually or as determined by the guidelines set by the Minister, for a period of 20 years. This approach acknowledges the ongoing presence of the infrastructure.

New South Wales is the first State to implement such a scheme.

And I note that Victoria and Queensland have followed New South Wales's example and implemented similar schemes.

The amendments will implement the scheme to ensure that landowners receive additional financial benefits, with eligibility prescribed by guidelines that transmission operators who hold the requisite licences must adhere to.

The amendments will also ensure that payments made under the scheme are separate, in addition to, and will not reduce the compensation payable under the just terms Act.

These amendments are long overdue and are required now to ensure host landholders have clarity regarding their overall compensation and benefit-sharing picture for hosting critical transmission infrastructure.

This Government is committed to ensuring that regional communities benefit from the transformation of our energy system. This change is one of the key ways we are actually delivering on this.

A clean energy future carries tremendous opportunities for New South Wales.

A lot of attention is paid to the challenges we face and to the disruption that the energy transition causes to some individuals.

Of course we need to manage these things.

But that does not take away from the fact that New South Wales—our economy, our households, our small businesses, our workers—will benefit from having a reliable supply of low-cost power.

Our renewable energy plan will deliver that supply steadily, in an orderly way, in a way that benefits New South Wales consumers, lowers our emissions and builds the base for New South Wales's prosperity into the future.

And we are pleased to be able to ensure our legislative framework is fit-for-purpose as we deliver a clean energy future for New South Wales.

I commend the bill to the House.

### Second Reading Debate

**The Hon. NATALIE WARD (10:50):** I thank the Minister for Energy for that elucidation. It was riveting to hear. She has thrown us all because she has been so efficient this morning. She is roaring through bills, which is wonderful. I speak on behalf of the Opposition in debate on the Energy Legislation Amendment (Clean Energy Future) Bill 2024. I share the responsibility of responding to the bill with the Hon. Scott Farlow and I thank him for his additional assistance in that regard. I also thank the shadow Minister for Energy and Climate Change in the other place, James Griffin, for his diligent work in that portfolio and for working with the Government on this bill.

I welcome the bill's amendments. The bill amends several non-contentious elements of energy legislation. That is fine, but it is a poor attempt to streamline the renewable energy rollout and appears to be another example of the Government having a—if I may say so respectfully—thin legislative agenda. That said, a number of the amendments diligently seek to tidy up legislation that is uncontroversial. The Opposition supports efforts to ensure New South Wales households and businesses have access to cheap, clean and reliable energy. We note that some amendments seek to clarify rules around who is authorised to work on pipelines and note the importance of ensuring our infrastructure is robust and safe, particularly energy pipelines.

With regard to the amendments seeking to support the green hydrogen industry, we are pleased the current Government is continuing to work on the previous Coalition Government's vision of creating a successful export green hydrogen industry in New South Wales. We also support legislation that supports landowners who host transmission infrastructure and expect the Government to continue working urgently with rural and regional communities, noting the impact that the energy transition is having on them. The Government clearly needs to work harder on getting the energy transition right. That said, we support the legislation.

**Ms ABIGAIL BOYD (10:52):** As The Greens energy and just transition spokesperson, I indicate our support for the Energy Legislation Amendment (Clean Energy Future) Bill 2024. As an omnibus bill that amends several pieces of energy legislation, it will streamline approval processes for critical electricity system infrastructure, strengthen New South Wales' transmission licensing framework, incentivise storage projects,

clarify existing positions regarding support for green hydrogen and regulation-making powers to ensure safe operation of pipelines, refine energy co-governance arrangements, and enable strategic benefit payments to landowners.

Schedule 1 amends the Electricity Infrastructure Investment Act 2020 to provide for a streamlined regulatory approval process to recover the costs of electricity system security infrastructure projects, such as synchronous condensers, by including those projects in provisions for priority transmission infrastructure projects. Schedule 2 amends the Electricity Supply Act 1995 in regard to two issues. The first is transmission licensing. The bill introduces a requirement for a network operator authorised to carry out renewable energy zone [REZ] network infrastructure projects to hold or maintain a transmission operator's licence. It will also enable licence conditions to be imposed regarding performance and reliability standards and business continuity requirements for the REZ network infrastructure projects, as well as introduce penalty provisions for REZ network operators who operate without a transmission operator's licence.

With regard to the clean energy incentives, the bill will clarify the scope of regulation-making powers regarding concessions for green hydrogen production and will provide for regulation-making powers to prescribe that certain purchasers or suppliers of electricity are not liable acquisitions for energy security safeguard schemes, with the intent to reduce barriers to battery storage and energy sharing. Schedule 3 amends the Pipelines Act 1967 to clarify regulation-making powers and provisions dealing with the making of directions regarding management and decommissioning of pipelines. It will also remove some offences and associated penalties regarding safety and technical requirements so that they can be transferred to regulations to ensure penalties can be kept up to date.

Schedule 4 amends the Energy and Utilities Administration Act to amend the governance arrangements for the Energy Corporation of New South Wales in response to the recommendations of the Electricity Supply and Reliability Check Up. Changes include allowing the Minister to require information from EnergyCo, giving the secretary qualified direction power over EnergyCo and ensuring the board is responsible for EnergyCo and the CEO. Finally, schedule 5 amends the Electricity Supply Act, the Energy and Utilities Administration Act, and the Land Acquisition (Just Terms Compensation) Act to develop and implement the strategic benefits payments scheme, which had been announced in 2022 to deliver additional financial benefits to eligible landowners and holders of other interests in land hosting new major transmission projects.

Those payments are in addition to up-front compensation paid in accordance with the just terms Act and are to be delivered by a transmission operator under its licence under the Electricity Supply Act in accordance with ministerial guidelines. I flag that The Greens will move an amendment in relation to that aspect in light of our understanding of how the Strategic Benefit Payment Scheme is working. I am not just The Greens spokesperson for energy; I am the spokesperson for energy and just transition. While we are pleased to see the Government getting on with the process of rolling out renewables—and we often hear from the more conservative side of politics that it has no plan for renewables and would prefer to see a far more simplistic road map towards getting to net zero emissions—the fact is that this is complex work that needs to be done in a very structured and detailed way. The Labor Government is doing that and I am glad it is moving in that direction.

What is not moving as quickly, and what The Greens would like to see move quicker, is the just transition aspect. The just transition authorities that the Government promised to set up are yet to materialise. There are communities across the State well up the curve when it comes to preparing for that transition. I cannot help but think of the Hunter area, which is close to my heart, which for at least a decade has been working diligently on getting itself to the point where coal workers and communities can be supported as they transition to a renewable energy future. Building in all of those additional types of more sustainable industries for that area is well advanced in its planning.

Again, I am glad to see the Port of Newcastle opening up to allow the Hunter to have a far more diverse range of industries that it is reliant on instead of just coal. That just transition aspect needs to move much quicker in parallel with the work that the energy Minister is doing with this bill. We also have real concerns about how much effort there has been so far, or maybe the effectiveness of the effort so far, to bring communities that are impacted by the rapid change to renewables on board with that renewables revolution. Community benefits schemes are an important piece of how we show in a very tangible way how those projects will benefit the local community and how they will reduce energy bills.

Let us have a look at the Strategic Benefit Payments Scheme, which is additional to the provisions of the Land Acquisition (Just Terms Compensation) Act. Under the Act, landowners are paid for renewables infrastructure cutting across their land in the same way people are compensated for a highway. But, in addition to that compensation, landowners receive the benefit of the Strategic Benefit Payments Scheme, which is an amount paid every year for a certain period. I would describe it as effectively being a bit of a bribe.

My concerns are that, unlike most community benefit schemes, it is not a benefit to the community from the operators of the renewable infrastructure. It is actually a benefit that the broader community pays to these particular landowners through higher energy bill charges. That is because there is nothing to stop the transmission operator making these payments under its licence; in fact, the scheme intends for that to happen. It will then transfer it back. I will have more to say on it when we come back after question time.

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

#### *Visitors*

#### **VISITORS**

**The PRESIDENT:** I welcome to the gallery student leaders from high schools across New South Wales who are attending programs conducted by the Parliamentary Education and Engagement unit. I told you this morning when I welcomed you to the Parliament that this is likely to be a robust day; I hope it is surpassing expectations. I also welcome Mr Glen Crump, the co-chair of the Moree Reconciliation Group, alongside Danielle Dwyer, an intern in the Hon. Dr Sarah Kaine's office. You are all very welcome today.

#### *Questions Without Notice*

#### **STATE BUDGET AND GOODS AND SERVICES TAX**

**The Hon. DAMIEN TUDEHOPE (11:01):** My question is directed to the Treasurer. I note that, since April, he has repeated ad nauseam that \$11 billion has been stolen by the Commonwealth in relation to GST, but he has refused to show his calculations, despite being asked numerous times. John Kehoe from *The Australian Financial Review* has described the Treasurer's claim as "nonsense", while the editorial in *The Australian* says it has been "debunked". The Treasurer's own budget states, "GST revenue has been revised down by \$6.2 billion." Will the Treasurer now admit that he has been GST-washing the New South Wales budget?

**The Hon. DANIEL MOOKHEY (Treasurer) (11:02):** I thank the shadow Treasurer for his second budget question to me this week. That is a 200 per cent increase on last year, so I congratulate him. I have to say, as far as shadow Treasurer scrutiny goes, there is more to do but he is heading in the right direction. He says that I refuse to show him my calculations, so let me show him my calculations. They are on page 4-12 of *Budget Paper No. 01*. In respect to GST movements it says that the no worse off extension that this Government secured has yielded the people of New South Wales \$1.5 billion. Then there is a bit that the shadow Treasurer should look at very closely. It is really very simple if he reads it. It says, "Change in relativities (b)", and that is a decline of \$12,624,000,000 over the forward estimates. That is where the calculations are in the budget paper.

I know it is hard to read budget papers. It took me 90 seconds to explain it to the shadow Treasurer in question time. He has had three days to read it. That is why I say that if the shadow Treasurer spent more time reading the State's numbers rather than counting numbers in the Liberal Party, we would have a far more meaningful contribution from the shadow Treasurer. I hear that the shadow Treasurer takes great pride in the budget reply of the Leader of the Opposition in the other place. For what it is worth, I also take great pride in that reply. I make this observation about my good friend in the other place: His reply was what I would describe as the political equivalent of Schrödinger's cat. If you did not look for it, would you even know that it was there?

**The Hon. Chris Rath:** Point of order: The Treasurer is clearly straying from the question, which was about \$11.9 billion in GST revenue that has been condemned by John Kehoe at *The Australian Financial Review* and in the editorial in *The Australian*. It had nothing to do with the Leader of the Opposition's address in the other place.

**The PRESIDENT:** The Hon. Chris Rath is quite right. The Treasurer is welcome to answer a Dixier about that later in question time, but he will come back to the leave of the question on this occasion.

**The Hon. Mark Latham:** What about the no worse off guarantee?

**The Hon. DANIEL MOOKHEY:** I accept that interjection. The no worse off guarantee is part of the reason why there is \$1.5 billion in this budget secured by this Government. It was a problem left to me by the shadow Treasurer when he was the Minister for Finance but acted upon in our first 10 months in office, with an outcome secured last December. I am asked to respond to the fine comments of John Kehoe. I will say this about my good friend John Kehoe: He is a fine journalist, but he has also written that the biggest spending government or the biggest spending Treasurer is not me; it was Matt Kean. I am wondering, when am I going to get asked about that fascinating part of Mr Kehoe's column?

**The Hon. DAMIEN TUDEHOPE (11:05):** I ask a supplementary question. Will the Treasurer elucidate his continued defence of his \$11.9 billion figure by responding to the penetrating analysis of my friend Bernard Keane urging the public to do the following:

Ignore NSW Labor's bullshit about an unfair GST distribution—it's been hit in the arse by a revenue rainbow, but blown it all and much more on spending. That's why NSW is mired in deficit.

**The Hon. DANIEL MOOKHEY (Treasurer) (11:06):** I delight in the opportunity to respond to comments by Bernard Keane. The shadow Treasurer is citing *Crikey* as his economic source. You would think that he would pick up Judith Sloan. You would think that he would grab *The Australian*. Next, he is going to be quoting his *Green Left Weekly* to savage me. He is going to be subscribing to *Morningstar Australia* and I am going to have to fend off the attack from the communists. That is what he will be coming up with next after Bernard Keane. Oh, how far the Liberal Party has fallen when the best it can come up with is the rantings of *Crikey* which, let's be fair, even I do not subscribe to anymore. The last time I read a *Crikey* article was when Bernard Keane was laying into the Opposition for John Barilaro. I will take the abuse of—

**The Hon. Aileen MacDonald:** Point of order: The Treasurer is not answering the question. My point of order is on relevance.

**The PRESIDENT:** On this occasion, I do not uphold the point of order because the question was based on comments by Mr Bernard Keane, to whom the Treasurer is referring.

**The Hon. DANIEL MOOKHEY:** The next thing I am going to be asked to respond to is the Facebook posts of the New South Wales Liberal Party. My God! If the Leader of the Opposition would come up with a serious question from a serious commentator he would look a lot more serious himself.

### STATE BUDGET

**The Hon. GREG DONNELLY (11:08):** My question is addressed to the Treasurer. Will the Treasurer respond to community reactions to the budget?

**The Hon. DANIEL MOOKHEY (Treasurer) (11:08):** I very much thank my good friend the Hon. Greg Donnelly for his question. I am pleased with the constructive feedback that I have received from a bunch of people in New South Wales about the budget. The NRMA has welcomed our record roads investment in the State budget. According to the Master Builders Association—which, it is fair to say, is not necessarily an organisation that has much in common with the Labor movement—the budget provides a "much-needed boost to help alleviate supply barriers in new home building". Infrastructure Partnerships Australia made the point that we have delivered another infrastructure budget. It said it is a "no-surprises budget". I welcome its feedback. Homelessness NSW made the point that it welcomes our record \$500 million investment in homelessness services. That is additional money.

**The Hon. Rose Jackson:** Rob Stokes said, "Wow!"

**The Hon. DANIEL MOOKHEY:** He did say that. I note the comments of Shelter NSW. In response to my budget it made the point that it was "a bloody great day for New South Wales". I had the opportunity to listen very closely to the reply to the budget speech from the Leader of the Opposition in the other place—a fine member of the community who had to respond. It took me a while to understand what he was trying to say. To be fair, it has probably taken the Liberal Party even longer to figure out what he was trying to say. The Leader of the Opposition alleged that there was a revenue boom.

I asked my office to search for the revenue boom that he says we received so I could check who had the biggest revenue boom in New South Wales history. I went back to the 2021-22 budget, which was handed down by former Treasurer Matt Kean and now shadow Treasurer Damien Tudehope. Their revenue increase was not the 5 per cent that I had; it was 17.1 per cent! One would think that that would lead to fiscal nirvana for New South Wales, except for the 25 per cent in expenses growth that offset it. The highest debt and the highest taxes came under the New South Wales Liberal Party. The Government is getting on with the job of fixing that mess and building a better New South Wales.

### STATE BUDGET AND RURAL ASSISTANCE AUTHORITY

**The Hon. SARAH MITCHELL (11:12):** My question is directed to the Minister for Agriculture, and Minister for Regional New South Wales. Given that the budget outlines that grants and subsidies for the Rural Assistance Authority are down from an \$818 million spent in 2023-24 to a budgeted spend of just \$31 million in the coming financial year, what is her response to community concerns from people in regional New South Wales that she has significantly cut funding to an organisation that rolls out funding to communities in the event of natural disasters in the bush?

**The Hon. TARA MORIARTY (Minister for Agriculture, Minister for Regional New South Wales, and Minister for Western New South Wales) (11:12):** I thank the member for her question. I am very happy to outline and explain the situation that occurs with the Rural Assistance Authority and the way the budget for the Rural Assistance Authority works.

**The Hon. Damien Tudehope:** It has been reduced.

**The Hon. TARA MORIARTY:** No, that is not how it works, ex-finance Minister. First, the numbers are different between financial years because money was allocated following disasters that occurred last year, and that money has been drawn down, which is a good thing. It is unfortunate that natural disasters have happened and have caused damage to communities, but the fund is available for when that occurs and money goes out the door to support people, make repairs and manage the situation following those disasters. That is how it works. Secondly, how the funding for the Rural Assistance Authority works is that money does not just sit there. Money flows into that fund following disasters. If something unfortunate occurs over the course of the next 12 months, we will assess that situation or work—

**The Hon. Penny Sharpe:** Point of order—

**The PRESIDENT:** The Hon. Penny Sharpe does not need to take a point of order. I have made it clear on numerous occasions that peppering Ministers with questions after a question has been asked is inappropriate and unparliamentary. It must cease. The Minister has the call.

**The Hon. TARA MORIARTY:** We assess the situation following disasters so that we can have accurate information about the community that has been affected and the nature of the disaster. I hope that no disasters occur over the course of the coming year—we all hope for that—but we have provisions and systems in place for when they do occur. That is how the system works. Again, I am concerned that the former finance Minister does not understand how the budget works. Members should reflect on that. The system is topped up following disasters based on what is required. Again, it is then drawn down by people who need that support following application and assessment processes to ensure that the money is going where it is needed. That is how the Rural Assistance Authority works in relation to disaster funding and that is why the budget is allocated in that way.

**The Hon. SARAH MITCHELL (11:15):** I ask a supplementary question. I thank the Minister for her answer. Will the Minister elucidate the part of her answer where she said that money sits in the fund and is available to be drawn down? Will she elaborate on why the Government allocated \$182 million initially in last year's budget, which then became an \$800 million spend, and why there is only \$30 million in the fund to start this financial year instead of the \$182 million that was in the budget last year?

**The Hon. TARA MORIARTY (Minister for Agriculture, Minister for Regional New South Wales, and Minister for Western New South Wales) (11:16):** I thank the member for her supplementary question. I will refer to my previous answer. It is not that an allocation of funds simply sits there. When a natural disaster occurs, we work out what the cost of support for communities might be and what support might be needed not only for the community but also for individual people who seek support from the Government. When these disasters occur, funds are determined based on the circumstances at that time, and money is topped up into that account. It is drawn down over a different period. Funds will be allocated over time and people will put in invoices and claims. A percentage will be allocated to them as repairs are made to their properties. That is a normal way to deal with the Rural Assistance Authority. That is the way the former Government dealt with the Rural Assistance Authority; it had the same arrangements. I am concerned that Opposition members do not understand the arrangements that were in place and that we are continuing with. That is how disaster funding works.

#### SADLEIR COMMUNITY CAFE

**The Hon. MARK LATHAM (11:17):** My question is directed to the Minister for Housing. I draw her attention to the way in which many low-income families in this cost-of-living crisis in New South Wales are relying on donated food parcels and second-hand clothing to get by. One of the providers of those services is the Saddleir Community Cafe in the middle of the Green Valley public housing estate, which has 23,000 people on its books. It has received some support from the Cabra-Vale Diggers Club, but it is running out of money and may close in the next couple of days. What assistance can the Government provide to ensure this essential, valuable service in that public housing area can survive and continue to look after people who are desperately in need?

**The Hon. ROSE JACKSON (Minister for Water, Minister for Housing, Minister for Homelessness, Minister for Mental Health, Minister for Youth, and Minister for the North Coast) (11:18):** I thank the member for his question and for bringing the situation relating to that community cafe to my attention a couple of days ago. The organisation had not reached out prior to his intervention. Since he raised the matter with me, Homes NSW is connecting with that community cafe to see what support it might be looking for. The member is absolutely right: We have seen from the extensive engagement that I have had with frontline community service providers that more and more people are reaching out for food support.

**The Hon. Damien Tudehope:** What have you done?

**The Hon. ROSE JACKSON:** We have allocated over \$500 million in the budget over the next few years for homelessness. What has been made clear to me is that more people require that kind of assistance, particularly food relief. A lot of those people have jobs. A lot of those people have never reached out for support before, and that is the cumulative impact of the cost-of-living crisis over the past few years. The core part of that is the cost of housing. All of the service providers that I talk to are telling me stories about how the face of homelessness is changing. The types of people they see coming through their doors are people who have never reached out for support before and are needing that kind of food relief.

The Government has already allocated hundreds of millions of dollars in this budget, and that is direct intervention to provide support for homelessness services. But I am always pleased to hear about the circumstances of individual services. I imagine, and I understand from the preliminary investigations the Government has done, that this service is not a government-funded service, as the member indicated. The service has been receiving support from the community, and it is wonderful that members of that community rally around each other. But to the extent that these kinds of services are seeing increased demand and needing increased support because more and more people are coming through their doors as the cost of housing in particular rises, the Government is extremely happy to have conversations with each and every one of those organisations to see what support it can provide.

I thank the member for bringing the organisation to my attention. It is consistent with other reports that I have heard about organisations that were not previously government funded struggling as demand increases. The Government has already provided assistance to a range of those organisations when they have been brought to my attention. This one has been brought to my attention now, and the Government will continue those conversations to see what it can do to make sure that service is still providing support to people in that community.

**The Hon. MARK LATHAM (11:20):** I ask a supplementary question. With hundreds of millions of dollars allocated in the budget for this purpose, my understanding is the community cafe is after an amount of less than \$50,000. Will the Minister do everything she can to make this her priority? Servicing 23,000 people who rely on food parcels and second-hand clothing surely must be a priority for a Labor government.

**The Hon. ROSE JACKSON (Minister for Water, Minister for Housing, Minister for Homelessness, Minister for Mental Health, Minister for Youth, and Minister for the North Coast) (11:21):** As I have said, the member raised this with me a couple of days ago. The cafe had not reached out to our office; however, it was great to have the member bring it to my attention. That has happened with a range of different organisations that were not previously government funded. They are looking for support as the demands on them increase and are asking government to step in. As I am sure the member can understand, there are processes that the Government has to go through to spend taxpayer money. Unlike the previous Government, this Government does not just pick favourites and throw money at them. However, this Government has a record of going through processes to provide intervention where it is needed.

The member has put this on my radar. The Government has already reached out. I agree with him that this is a priority. I agree with him that if a small amount of money can be provided to keep an essential service going, that is a priority. There is no dispute about that. The Government is now connecting with that organisation to assess its needs and make sure that if a small intervention that has a big impact can be made, the Government will look to make it. The Government has to connect with the cafe and figure out what its needs are, what service it is providing, what other support it might be getting from the community and what the Government can best do to ensure that it keeps providing that essential service. As I said, I thank the member for bringing the issue to my attention. I am happy to take on notice the feedback about what connection the Government might be able to make. I will let him know when the Government is able to make a decision about what support might be available for that organisation.

#### AVIAN INFLUENZA

**The Hon. PETER PRIMROSE (11:23):** My question without notice is addressed to the Minister for Agriculture. Will the Minister please update the House on the recent detection of avian influenza in the Hawkesbury?

**The Hon. TARA MORIARTY (Minister for Agriculture, Minister for Regional New South Wales, and Minister for Western New South Wales) (11:23):** I thank the member for this very important question. It is important that I report to the House that avian influenza H7N8 has been detected in a mixed barnyard and free-range poultry farm in the Hawkesbury district. It is a highly contagious and deadly virus, and that is why the New South Wales Government has acted swiftly to work with this farm and enact the State's biosecurity rules to lock it down and contain the virus to that farm. The Government has been prepared for that and the industry has been prepared for that. Unfortunately, as we have seen over the past couple of weeks, cases of avian flu have



appeared in Victoria. The Government has been paying very close attention to that and it prepared for this exact scenario, which unfortunately was confirmed in the Hawkesbury yesterday.

Unfortunately, the latest numbers I have are that 8,000 chickens have died as a result of the flu over the past 48 hours, which gives an indication as to how serious it is and how quickly it impacts birds. The property has 55,000 birds. Due to the State's biosecurity arrangements, the Government is working with that farm and the industry to manage the rest of the birds on that property. That includes depopulating and dealing with the issue with the Environment Protection Authority and biosecurity experts to manage it. The State Government has also been working with the Federal Government. Once the issue was confirmed yesterday, New South Wales notified the Federal Government, which triggered a national response to the issue. The New South Wales Government and the Federal Government have been prepared for that national response. The response provides support for farms that have been affected like the one in the Hawkesbury.

The farm that has been affected is currently locked down. The Government has issued control orders for depopulating that farm. At the moment, a second set of control orders are being drafted to create a biosecurity zone within a few kilometres of that farm to make sure the rest of the area is protected. I will have more to say about that this afternoon in the public domain once that has been dealt with. The Government is working very closely with the industry, which has been very prepared for this exact scenario. I look forward to continuing to work with egg producers and chicken producers. It is very important to note that eggs and chicken are safe for consumers. This is not a problem for humans as long as people are preparing food in the usual way.

### HOUSING AFFORDABILITY

**The Hon. JEREMY BUCKINGHAM (11:26):** My question without notice is directed to the Hon. Scott Farlow. Noting the Hon. Scott Farlow's Environmental Planning and Assessment Amendment (Disallowance of Transport Oriented Development SEPP) Bill 2024 requires a disallowance of the Transport Oriented Development [TOD] State environmental planning policy [SEPP] to occur within 15 days of its commencement, indicating some apparent urgency to the issue as he sees it, why has he declined to further debate the bill this week? Is it because he has been smacked down by Stuart Ayres? Is it because he has been rolled by the Hon. Chris Rath and the Hon. Jacqui Munro and the yimbys? Is it because he has been smacked down by local governments that have signed up to the TOD SEPP? Is it because of feedback from millions of gen Zs and millennials that support the policy? Is it because he realised his party has a policy that supports and goes further than the TOD SEPP? Or is it all of the above?

**The PRESIDENT:** Before I call the Hon. Scott Farlow, I will take some advice from the Clerk.

**The Hon. Penny Sharpe:** Which standing order is he allowed to ask this question under, Mr President? Please tell us.

**The PRESIDENT:** Thank you for asking, Leader of the Government. Standing Order 64 (3) says:

Questions may be put to other members relating to any matter connected with the business on the *Notice Paper* of which the member has charge.

The Hon. Jeremy Buckingham's question falls into that category on this occasion. I remind the House that the last time the Hon. Jeremy Buckingham tried to do this, he tried to ask a question of himself but I determined that the term "other member" implied another member other than himself. On this occasion, he has asked a question of a member other than himself. The question is in order. The Hon. Scott Farlow has the call.

**The Hon. SCOTT FARLOW (11:29):** I thank the Hon. Jeremy Buckingham for his question. I am glad to hear that he has finally stopped talking to himself and started talking to other members. I welcome the question from the member because he is the Government's best backbencher. As was mentioned yesterday, there was a vacancy in the Government. Charishma Kaliyanda should not have taken the extra Parliamentary Secretary role; it should have gone to the Hon. Jeremy Buckingham.

**The Hon. Penny Sharpe:** Point of order: The Hon. Scott Farlow needs to be directly relevant to the question asked. I am afraid that he has strayed from the specific question asked by the Hon. Jeremy Buckingham. I ask that you bring him back to the question.

**The PRESIDENT:** I uphold the point of order. The shadow Minister will return to the question that was asked.

**The Hon. SCOTT FARLOW:** As, no doubt, the Hon. Jeremy Buckingham would be aware, there are 45 private members' bills on the *Notice Paper* which private members of this House have carriage of. All members know that when it comes to Wednesdays—as a former Government Whip, and as the current Opposition Whip, I have the great challenge of navigating the conduct of business meetings—there is only so much time allowed. As the Hon. Jeremy Buckingham would know, given he has four private member's bills on the *Notice Paper*, it is

difficult to find the time to bring those motions forward. In fact, the Hon. Jeremy Buckingham has a private member's bill from 23 May last year, the Hemp Industry Amendment (Deregulation) Bill, which has not even been read a second time.

**The Hon. Penny Sharpe:** Point of order: I know that the Hon. Scott Farlow is embarrassed that he cannot get priority for his bill.

**The PRESIDENT:** That is a debating point.

**The Hon. Penny Sharpe:** He needs to be directly relevant to the question asked, which is about his bill trying to get rid of the Transport Oriented Development Program.

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

**The Hon. SCOTT FARLOW:** My bill, unlike the Hon. Jeremy Buckingham's bill, has been read a second time. And, unlike the Hon. Jeremy Buckingham, I will bring it to the House for debate. The Opposition does not believe that getting out the compass and drawing 400 metres around places like Woy Woy, where two-thirds of it is in the water, is the way to deliver more homes in this State. We do not believe that getting out the compass and drawing 400 metres around places like Tuggerah, where it picks up five streets, is the way to deliver more homes in this State.

**The PRESIDENT:** Government members will cease interjecting.

**The Hon. SCOTT FARLOW:** We want to focus on the budget—a budget that is the worst in New South Wales history, and a budget that works against additional housing.

**The Hon. Penny Sharpe:** Point of order—

**The Hon. Natalie Ward:** Point of order—

**The PRESIDENT:** I will hear the point of order from the Leader of the Government first.

**The Hon. Penny Sharpe:** My point of order goes to direct relevance. It is a nice try. We know the shadow Minister is embarrassed, but he has to answer the question asked and be directly relevant about it.

**The PRESIDENT:** On this occasion the Hon. Scott Farlow was beginning to stray. I uphold the point of order. I will hear the point of order from the Hon. Natalie Ward.

**The Hon. Natalie Ward:** Government members were interjecting so noisily—which, as you rightly say, Mr President, is at all times disorderly—that we could not hear what the Hon. Scott Farlow was saying. I am interested in his answer. I note that the continual points of order taken by the Leader of the Government contain argument and are unparliamentary. If she wishes to quibble with the shadow Minister's conduct, she should do so by way of substantive motion. I ask her to resist—as tempting as it is—making personal sledges against the shadow Minister, who is valiantly attempting to answer the question.

**The Hon. Dr Sarah Kaine:** To the point of order: I draw attention to recent rulings made by you, Mr President, and the reasoning behind them that you have provided to the House. Some of the content of the Hon. Scott Farlow's answer was quite incendiary. There was a reasonable response from Government members. I believe you have taken that into consideration previously.

**The Hon. Damien Tudehope:** To the point of order: I am sure the member, when she rose to speak to the point of order, was careful to ensure that she did not get what she was asking for, because that is a point of order often taken against Opposition members in relation to the incendiary behaviour of those opposite, and they often complain. There is a more substantive point. It is one that you are well aware of, Mr President. The Hon. Jeremy Buckingham has asked the question. He might not like the answer and Government members might not like the answer, but the shadow Minister is entitled to answer it in the manner in which he sees fit. They may not like it, but, as you have already ruled, it is within the ambit of the question.

**The PRESIDENT:** I will rule on both points of order, starting with the second. I did make it clear that Government members were being too loud in their interjections. I again make that point. I uphold that point of order. They will stop interjecting. In terms of the more significant point of order, this is important because if this becomes a thing, we need to know what the ruling actually is. In 2015 former President Harwin made the following ruling:

Members other than Ministers may have questions asked of them relating to a matter connected with the business on the *Notice Paper* of which the member has charge.

He went on to say:

In answering a question, the member must not go to the substance of the item, and may only speak to the timeframe within which the item may be brought on.

I remind all members of that ruling. Therefore, the point of order of the Leader of the Government is upheld. The shadow Minister has the call for the remaining 46 seconds.

**The Hon. SCOTT FARLOW:** With that being said, I think I have explained to the House that my bill has been read a second time, that I will bring it on for debate and it will all come in the fullness of time.

**The Hon. JEREMY BUCKINGHAM (11:35):** I ask a supplementary question. I note the Hon. Scott Farlow's valiant but failed attempt to answer the question. When will he be bringing his bill on? Can we expect to see it this year?

**The PRESIDENT:** The shadow Minister will disregard the words "but failed" in the question.

**The Hon. SCOTT FARLOW (11:35):** In the fullness of time.

**The Hon. DANIEL MOOKHEY (Treasurer) (11:36):** I ask a second supplementary question. Will the Hon. Scott Farlow elucidate "the fullness of time"? Will the fullness of time be prior to the end of this Parliament? Will he actually bring the bill on before we go to the next election?

**The Hon. SCOTT FARLOW (11:36):** In due season.

**The PRESIDENT:** I take this opportunity to welcome to this very strange session of question time student leaders from all over New South Wales who are here attending programs conducted by the parliamentary education unit. They have seen something quite unusual today; rarely is a member of the Opposition asked a question in question time. Nonetheless, I welcome them here to observe history.

#### WORKING WITH CHILDREN AND NDIS WORKER CHECKS

**The Hon. NATASHA MACLAREN-JONES (11:37):** Going back to serious questions and holding the Government to account, my question is directed to the Leader of the Government. In the budget, where land tax indexation has been abolished, why is the Government raising the cost of Working with Children Checks and NDIS Worker Checks by over 30 per cent this year, with more increases every future year? Why is this Government penalising first-year graduate teachers, paediatric nurses and disability support workers in the middle of a cost-of-living crisis?

**The Hon. PENNY SHARPE (Minister for Climate Change, Minister for Energy, Minister for the Environment, and Minister for Heritage) (11:37):** It is good to get a question about the budget. It is very important. I note that this question is, I think, in relation to my role representing the Minister for Families and Communities, just to be clear. In this budget, the Government had to make some pretty tough choices in how it dealt with the record debt and deficit that it inherited from members opposite. We have had to work very carefully. I know that my colleague the Minister for Finance—and we have talked about this a lot in the House over the past two years—has gone through with a fine-tooth comb a whole range of issues that we have been left with, including a \$7 billion black hole of unfunded promises and commitments. We also have had to deal with a lot of funding cliffs in all of our departments where people were about to lose their jobs. As an example, 85 staff in my department who do all of the work in relation to threatened species were about to lose their jobs.

**The Hon. Sarah Mitchell:** Point of order: The question was not related to people working in the Minister's department who work with threatened species. It was a specific question relating to the increased cost of the Working with Children Check. I ask that the Minister be drawn back to the question.

**The PRESIDENT:** I do not uphold the point of order because of the introductory remarks in the question. The Minister is being relevant at this stage. However, I am conscious of the point that the Deputy Leader of the Opposition makes, and I am sure she will revert to it shortly. The Minister has the call.

**The Hon. PENNY SHARPE:** It is hard; there are hard choices to make. No one on this side of the House has pretended that delivering the budget in the situation we were left with in the past 15 months has been easy. We have worked through it and done a comprehensive expenditure review. We have worked through it with each of our Ministers and each of our departments to prioritise the commitments that we took to the election. We have had to do extremely difficult budget repair as a result of the record debt that was handed over.

**The Hon. Jeremy Buckingham:** Point of order: There are constant interjections from the Leader of the Opposition and the Deputy Leader of the Opposition. Like Statler and Waldorf in *The Muppet Show*, they sit here critiquing sotto voce the answers of the Minister. It is to the point where, every single question time, we cannot hear the answers because of their burbling, babbling and murmuring. I ask that you start throwing them out because they ignore your rulings constantly and have for a year. It is time they were binned for their constant interjections.

**The Hon. Mark Latham:** To the point of order: Yesterday there were just three crossbench questions in question time. There will be crossbenchers who do not get to ask a single question in budget week. You have to start dealing with these disruptors. I do not know why members engage in these tactics, because they do not produce any political gain whatsoever. Can you start throwing people out? They cannot be disruptive if they are sitting up in their office.

**The PRESIDENT:** I have had conversations with senior members of this place today that there are too many interjections and that they are inhibiting the workings of this Chamber. It needs to stop. I have regularly said that the odd interjection is fine, but members cannot continue to voice a stream of consciousness at Ministers while they are speaking. It is not parliamentary, it is not appropriate and it does not assist in the good workings of this place. Frankly, the Hon. Jeremy Buckingham and the Hon. Mark Latham are correct. I will start calling members to order and removing them from the Chamber, but I do not want to do that. I understand that question time needs to be robust, but there must be a limit. The Minister has the call.

**The Hon. PENNY SHARPE:** Tough choices have been made in this budget. To the part of the question relating to the Working with Children Check and the NDIS Worker Check fees, the way we manage, look after and care for children and vulnerable people under the NDIS in this State is really important. We have these working checks to deal with this. In terms of this budget, the increase in fee will be retained by the Office of the Children's Guardian. The fee has not increased since it was first introduced in 2013 by the Opposition, which we gave bipartisan support to. There is no bipartisanship here. We need to have the Working with Children Check and the NDIS Worker Check. The funds that will be raised through this change in the budget will be retained by the office so it can do its job. The Opposition starved the Office of the Children's Guardian of funding. We make no apologies for this. Tough budgets require tough choices on behalf of the people of New South Wales.

**The PRESIDENT:** Order! I call the Hon. Natalie Ward to order for the first time.

#### GLEN TURNER COMMEMORATION

**The Hon. ANTHONY D'ADAM (11:43):** My question without notice is addressed to the Minister for the Environment. This July marks the 10-year anniversary of the shocking death of Glen Turner, a compliance officer for the New South Wales environment department. Will the Minister update the House on what is being done to honour his memory?

**The Hon. PENNY SHARPE (Minister for Climate Change, Minister for Energy, Minister for the Environment, and Minister for Heritage) (11:43):** I thank the honourable member for his question. The date 29 July 2014 is a day that forever changed everyone who worked, or still works, in New South Wales environment agencies and across the public service. It changed all of them and it changed all of us. On what seemed like an ordinary day at work, Glen Turner, a compliance officer with the New South Wales environment department, was shot dead in northern New South Wales by Ian Turnbull. Glen and his colleague, Robert Strange, were investigating alleged illegal land clearing on Mr Turnbull's land in Croppa Creek, when he was murdered. Ian Turnbull was subsequently convicted of Glen's murder and died in custody in 2017.

I acknowledge the devastating effect this had on Glen's family, his partner, Alison, and their two children, Alexandra and Jack. Glen's murder also continues to impact his colleagues and the work of the department today. Ten years on, it is still being felt. He literally put his body on the line in defending the laws of New South Wales and in defending the environment. He did the work that the Government and this Parliament asked him to do. I take this opportunity to acknowledge and praise Robert Strange for his efforts, for what he did that day to try to de-escalate that situation and for providing as much assistance and first aid to his workmate as he could. This is not something that Rob should have had to go through or witness in a day at work. We thank Robert Strange for his service.

While Glen's murder was tragic and senseless, we are proud to be able to honour his life and his work through the Glen Turner Scholarship. In 2015 the New South Wales Government set up the scholarship in conjunction with the University of Newcastle. I thank the previous Minister for supporting this and ensuring that it could occur. This scholarship was put in place for 10 years to provide financial assistance for academic students from disadvantaged backgrounds, including those living in regional or remote areas, and to support them in a degree in environmental management. Since its inception, five outstanding students have benefited from the scholarship.

I announce today that we will be extending the scholarship for another 10 years. We are doubling its value to \$20,000 a year, and we have made a \$200,000 donation to the University of Newcastle to provide for the scholarship. The scholarship provides opportunities and support for students who might not otherwise get to go to university. It also helps to create our future environmental regulators and defenders—those who go out, work hard and protect our environment for future generations. It ensures that Glen's memory, his dedication to his work

and his efforts to protect the environment will be remembered. We have laws in place to protect our environment, and dedicated staff do their best to uphold the law to ensure that we can all enjoy the environment now and into the future. We pay respect to Glen Turner and his family on this important day. As Minister, I personally thank all those in my agency for the work they do every day to protect our environment.

**The PRESIDENT:** I welcome to the gallery students from St Luke's Catholic College who are participating in the Legal Studies and the Legislature program conducted by the Parliamentary Education and Engagement team.

### ILLAWARRA OFFSHORE WIND ZONE

**The Hon. TANIA MIHAILUK (11:46):** My question is directed to the Minister for Energy. Given that the State Government will have a role in assessing any developments in a two-mile radius off the coast concerning onshore and associated infrastructure for the Illawarra offshore wind farm, and that such work is expected to be large and costly, has her department undertaken any preliminary studies on the potential impact of such work on the pristine coastline of the Illawarra and the associated costs? Will she publicly release it?

**The Hon. PENNY SHARPE (Minister for Climate Change, Minister for Energy, Minister for the Environment, and Minister for Heritage) (11:47):** I thank the honourable member for her question. It probably was not that unexpected. Offshore wind is emerging as a potential future source of large-scale electricity generation around the world. It may be a useful part of the New South Wales energy generation mix in the longer term. These projects are many years away, but they could enable deep electrification, green hydrogen production and clean manufacturing in places like Newcastle and Wollongong. This is about ensuring the long-term prosperity and competitiveness of New South Wales and ensuring that we have enough energy to power the industries of the future and the local, secure jobs that come with them.

In New South Wales, we are not rushing ahead with this. The development of offshore renewable energy generation is being led by the Commonwealth Government. I am pleased to work closely with Minister Bowen on this. The Commonwealth has established a framework to assess the feasibility of offshore wind projects. This process will enable a range of issues to be considered, including the associated economic and environmental impacts.

**The Hon. Tania Mihailuk:** Point of order: I have listened to the Minister's answer, but I specifically asked whether her office or her department have undertaken any preliminary studies on the potential impact of the onshore works and the costs associated with them. The Minister has not gone anywhere near that in her answer.

**The PRESIDENT:** The Minister is making some directly relevant contextual remarks. However, I understand the point of order, and I agree with it. I am sure the Minister will come to the issue shortly. The Minister has the call.

**The Hon. PENNY SHARPE:** I was just getting to that, Mr President. Specifically in terms of studies, I will take that on notice because it depends on how one defines "study" as to whether it has been done. But yes, my department is looking at all of these issues, as we have to. We are undertaking the transition of our electricity system. We want to see manufacturing in this State go from strength to strength through the opportunities the transition brings, whether it is hydrogen, the ammonia work of Orica or getting more renewable energy into the grid. We are doing some of that work.

The zones identified by the Commonwealth enable project proponents to conduct feasibility studies and test the viability of those projects. That work is being undertaken. If we get to the point that there is a development application to build them, connections will be assessed under New South Wales planning laws, which of course include rigorous environmental assessment. The New South Wales Government has made submissions to the Commonwealth's consultations in relation to offshore wind and has looked at the issues involved. In short, there is work being undertaken in New South Wales about what offshore wind could mean for the State and what matters would need to be dealt with.

I am happy to take the question on notice. I do not believe there is anything to hide. If there is information, I am happy to provide it. It is totally fine if the member wishes to ask for a proactive disclosure around this. Recently we briefed a group of people in the Hunter—unions, businesses, the university and the manufacturing industry—who are keen to see what offshore wind could help them deal with, as we look at things like green steel and hydrogen into the future. There is nothing to see here. Offshore wind is something we are looking at, but I would say it is a fair way away. We are working closely with the Commonwealth on what it would mean for New South Wales. If it was to proceed, we would of course apply all of the rigour we apply to all projects.

**The Hon. TANIA MIHAILUK (11:51):** I ask a supplementary question. Will the Minister ensure that taxpayers are not burdened with the costs associated with any onshore and associated works that the New South Wales Government will approve down the track?

**The Hon. PENNY SHARPE (Minister for Climate Change, Minister for Energy, Minister for the Environment, and Minister for Heritage) (11:51):** I say two things in response to the member's supplementary question. First, the answer is no. The role of the public service and the Energy section of my department is to do exactly that work. That is their business as usual and what they are employed to do, so of course taxpayers will fund that. We have to assess all the projects coming into New South Wales. Secondly, in terms of the Government approving this, we do not have projects before us to be approved.

As I have said, those projects are quite a long way away. The Commonwealth Government is providing the feasibility studies, which will involve a lot of work. We will of course work cooperatively on the way through. If the projects get to a development application stage, issues will have to be dealt with, as we normally do in the planning system. I remind the member that we have an independent planning system in relation to these matters. Whether these things are approved or not is a different thing. To allege that we will simply tick off on it is wrong. That is not the way the planning system operates.

My point is clear: I have dedicated public servants, both in EnergyCo and my department. They are working carefully on every aspect of the transition. As we state in this House frequently, we are doing everything all at once and as quickly as we can because we do not have time to waste. Those staff members are very professional. They do hard, difficult work and absolutely provide their worth in terms of the taxpayer dollar spend. Taxpayers will have to fund the work those public servants do, just as they fund the work we are doing in the transition. We are a long way away from any guarantees of projects in the planning system. What I can promise is that anything put forward will be rigorously assessed and we will look at the opportunities provided.

#### **FIRE BRIGADE EMPLOYEES UNION WAGE CLAIM**

**The Hon. CHRIS RATH (11:53):** My question is directed to the Minister for Roads, representing the Minister for Emergency Services. Noting that the current log of claims by the Fire Brigade Employees Union totals more than 20.5 per cent over three years, what provision is there in the Emergency Services budget to meet this demand? What steps is the Government taking to avert industrial action, which the FBEU warned "won't be popular with the public, other emergency services, the department and, most certainly, with the Minns Government"?

**The Hon. JOHN GRAHAM (Special Minister of State, Minister for Roads, Minister for the Arts, Minister for Music and the Night-time Economy, and Minister for Jobs and Tourism) (11:53):** I thank the Hon. Chris Rath for the question. It is similar to questions relating to the budget asked by the Opposition at the start of the parliamentary week. In response to those questions, Government Ministers outlined the framework that is operating. It is clear what that framework is. The Government has set out its expectations about what will happen with wages in the public sector. The Government has also indicated it has a new bargaining framework, which holds out great hope of driving a better deal for public sector workers and the public. It will be no different in the area addressed by the member's question.

To ensure that goes well, the Government will be dealing respectfully with the workforce, through its representatives, in order to sort through these issues within that framework. That is the number one thing we can do. None of these issues are easy to resolve. Like every other citizen of New South Wales, public servants and essential workers under financial pressure deserve real consideration of their financial needs. Any government has to balance the public interest and public resources, which is exactly what this Government will do.

#### **LIVE MUSIC CENSUS**

**The Hon. EMILY SUVAAL (11:55):** My question is addressed to the Minister for Music and the Night-time Economy. Will the Minister update the House on outcomes of the State's first ever Live Music Census?

**The Hon. JOHN GRAHAM (Special Minister of State, Minister for Roads, Minister for the Arts, Minister for Music and the Night-time Economy, and Minister for Jobs and Tourism) (11:56):** I thank the Hon. Emily Suvaal for her question. It reminds me of those famous words:

Risin' up, back on the street  
Did my time, took my chances  
Went the distance, now I'm back on my feet  
Just a man and his will to survive

In a way, the words "will to survive" describe the live music scene in Sydney and New South Wales. Earlier this month the Government released our first *State of the Scene 2024* report, which revealed 55 dedicated live music venues, 453 regular and ongoing venues, 56 large-scale multipurpose venues, and 231 venues that offer live music

as an ancillary function. The report confirms that 795 venues are now playing music across New South Wales. Some 55 of them—venues like the Enmore Theatre, the Lansdowne Hotel, the Crow Bar, the Tamworth Hotel, Club 77 and the Oxford Art Factory—are the dedicated live music venues, the core of the sector. They are the absolute heroes keeping the sector alive.

The *State of the Scene* report found that live music provides 25,000 jobs and contributes an economic output of \$5.5 billion to the New South Wales economy. The report provides a baseline that the Government can now build upon. The data shows just how resilient the music ecosystem is. I acknowledge the coordinated efforts of members from all sides of the Chamber, who have made it possible for us to support the sector with the regulatory changes we have made together in this place. It has been a big week. I am not referring to the budget, although that was a big moment. As we approach the end of the week, it appears another big moment is that the boy band may be leaving the building. I can assure the House that we are left with the soothing tones of some of the classic crooners, such as the Hon. Damien Tudehope. But even without the boy band, the show must go on for New South Wales politics, or as *Survivor* might have put it in 1982:

It's the eye of the tiger, it's the thrill of the fight  
Risin' up to the challenge of our rival

### INDEPENDENT CONTRACTOR PAYROLL TAX

**The Hon. ROD ROBERTS (11:58):** My question without notice is directed to the Minister for Finance. In light of the moratorium granted to medical practitioners in New South Wales who were caught up in the new payroll tax interpretation, and I acknowledge the work the Minister did in that regard, will she provide the same arrangements—that is, a moratorium—to other industries that traditionally provide services via contractors and are now facing the same difficulties as those faced by medical practitioners? If so, when will she introduce the moratorium for those other industries?

**The Hon. COURTNEY HOUSSOS (Minister for Finance, Minister for Domestic Manufacturing and Government Procurement, and Minister for Natural Resources) (11:59):** I thank the member for the question, which is important because there is an key distinction to make. The decision relating to independent contractors had a specific impact on GPs because of the way they had structured their businesses. The original decision dates back five years and it has implications. The Government's focus this week has been talking about our solution for GPs. This morning I was with the Premier, the Treasurer and the health Minister in Punchbowl talking about this plan. I am aware of the impact the new payroll tax interpretation has on other groups, some of which I have met with. I know they are in touch with other members of the Government as well. At this point, the Government is not looking to make any further changes to the way the independent contractor rules apply.

The Government has made this specific intervention with GPs because 90 per cent of GPs are independent contractors and the uncertainty this was breeding within the industry meant that doctors told us directly that without intervention, GP clinics would close and patients would have to pay up to \$20 for every visit to the doctor. This is the first time a New South Wales government has supported an intervention relating to bulk-billing. As a Labor government, we are very proud to make this intervention. We do it with the acknowledgment that the title of the initiative is the Bulk-Billing Support Initiative. It is designed to support GPs under unprecedented pressure because of the decision of the previous Federal Government not to index the bulk-billing rebate at a Federal level for more than a decade, which has had a huge impact on GPs. We also acknowledge that for every 1 per cent reduction in the bulk-billing rate, NSW Health tells—

**The Hon. Rod Roberts:** Point of order: I appreciate the Minister's answer, but my question was not related to what the Government did for GPs. I was quite complimentary to the Government for that. I asked whether there would be a moratorium for other industries that have been swept up under the new payroll tax interpretation—not relieving them of it but a moratorium put in place to allow them to renegotiate contracts with people they are working for. I am aware that one company has already gone bust and been wound up. I ask you to direct the Minister back to the leave of the question.

**The PRESIDENT:** I uphold the point of order. The question was quite limited in its scope. The Minister has the call.

**The Hon. COURTNEY HOUSSOS:** My answer was going to the rationale of why the Government made this intervention with this specific group of independent contractors. I was going to make the point that for every 1 per cent reduction in bulk-billing, we see about—

**The Hon. Rod Roberts:** Point of order: I do not suggest that the Minister is deliberately flouting your ruling, but she has gone back to the GP bulk-billing situation. You ruled that the Minister should answer the question in relation to moratoriums for other industries. I will leave it to you.

**The Hon. COURTNEY HOUSSOS:** To the point of order: The question relates to why the Government has intervened in this specific case as a result of the court case. The question of independent contractors does apply more broadly, but my answer is seeking to explain why the Government has intervened in this particular instance and why it is not intervening in others.

**The PRESIDENT:** I do not uphold the point of order. The Minister's logic is sound. The Minister has the call.

**The Hon. COURTNEY HOUSSOS:** I was trying to explain that for every 1 per cent reduction in bulk-billing, NSW Health tells us we see an additional 3,000 presentations at our emergency departments. As a Labor government, we support bulk-billing and we make this intervention in a unique set of circumstances that is presented to us, but also because there is a direct financial implication for the Government. This is the best outcome for the community and patients receiving primary health care. The Government is aware that there are broader implications from this court case, but at this point, given the State's current fiscal situation, it is not in a position to provide that relief to other parts of New South Wales.

**The Hon. PENNY SHARPE:** The time for questions has expired. If members have further questions, I suggest they place them on notice and we can do it all again in August.

*Supplementary Questions for Written Answers*

**ILLAWARRA OFFSHORE WIND ZONE**

**The Hon. MARK LATHAM (12:04):** My supplementary question for written answer is directed to the Minister for Energy. Which companies have informed the Minister or her department of their willingness to invest and build in the new Illawarra offshore wind zone?

**HOUSING AFFORDABILITY**

**The Hon. COURTNEY HOUSSOS (Minister for Finance, Minister for Domestic Manufacturing and Government Procurement, and Minister for Natural Resources) (12:05):** My supplementary question for written answer is directed to the Hon. Scott Farlow.

**The Hon. Mark Latham:** Point of order: Mr President, you said that questions are for Ministers.

**The PRESIDENT:** I will look at the standing orders and consult with the Clerk. What a delightful day this has been! Standing Order 66 (1) states:

- (1) At the discretion of the President, at the conclusion of questions without notice, supplementary questions may be put by members to elucidate answers given earlier during questions.

Under the standing order, it would be appropriate for the Hon. Courtney Houssos to ask her question. However, under paragraphs (4), (8) and (9), the supplementary questions for written answer rules refer specifically to Ministers. Therefore, there is inconsistency in the standing order to this effect. On this occasion I will allow the question and suggest that paragraph (1) supersedes the other paragraphs. However, I put on the radar that if this becomes a regular practice, the Procedure Committee may want to consider this issue. The Minister has the call.

**The Hon. COURTNEY HOUSSOS:** Will the member elucidate his answer and explain whether he will bring his Environmental Planning and Assessment Amendment (Disallowance of Transport Oriented Development SEPP) Bill on for debate in the next sitting week?

**ILLAWARRA OFFSHORE WIND ZONE**

**The Hon. TANIA MIHAILUK (12:07):** My supplementary question for written answer is directed to the Minister for the Environment. Will the Minister provide the specific day and date on which she and/or her office were notified by Minister Bowen and/or his office of when the Illawarra coastline would be declared an offshore windfarm?

*Questions Without Notice: Take Note*

**TAKE NOTE OF ANSWERS TO QUESTIONS**

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

That the House take note of answers to questions.

**STATE BUDGET AND GOODS AND SERVICES TAX**

**The Hon. DAMIEN TUDEHOPE (12:08):** I take note of the Treasurer's answer about the GST-washing that he engaged in in his capacity as Treasurer and the misinformation campaign that he has embarked upon to dupe the people of New South Wales. I am enlivened in this response by the very insightful John Kehoe, who has



belled the cat about the misinformation that has been provided by the Treasurer. In fact, I remind the Treasurer of what John Kehoe had to say on 18 June after the delivery of the budget:

NSW Treasurer Daniel Mookhey insists the state budget has been "ripped off" \$12 billion in GST payments from the federal government, even though his budget papers show the overall shortfall is half that amount.

The treasurer was annoyed by a pre-budget report—  
not surprisingly—

noting that a big forecasting error by the NSW government was the reason behind the months-long GST shortfall claim.

Mookhey blamed the GST downgrade for indefinite budget deficits and says it's the reason the state's AAA credit rating is at risk.

But he argued on Tuesday that he would not slash spending to force families and businesses to "plug the hole" ...

Mookhey and Treasury officials scrambled to explain the GST calculation on Tuesday.

And he did the same thing in this place today. Kehoe goes on:

The budget paper shows the overall decline in forecast GST revenue over four years was \$6.2 billion. This is the net difference between the mid-year budget update in December and the budget on Tuesday.

The Treasurer in his answers today, and in his repeated assertions in the media about the rip-off of GST impacting the budget, was, quite frankly, fanciful. He has tried to underpin a budget that has gone into significant deficit and debt as a result of profligate spending by this Government on wages, deals and programs for union mates. There was a significant opportunity—which I will address this afternoon—to make an impact on debt, but that opportunity was not taken. The Treasurer has failed the people of this State. Our children will be paying for the Government's mistakes for many years to come. [*Time expired.*]

### INDEPENDENT CONTRACTOR PAYROLL TAX

**The Hon. ROD ROBERTS (12:11):** I take note of the answer given to me today by the Minister for Finance. It seems obvious that if a moratorium on payroll tax applies to one industry then surely it should apply to industries that are operationally similar. The Government should not be playing favourites. As we have seen, this new payroll tax enforcement has seemingly come out of nowhere, and it has already put some companies into administration. We also know that it threatens hundreds of other companies and industries, and the employment of hundreds if not thousands of workers in New South Wales. In these tough economic times, it would be madness to actively pursue a policy that puts industries out of business and people out of work. Furthermore, these interpretations are sweeping and ham-fisted. They now involve businesses that should not be involved and apply to industries that they should not apply to.

The changes are complex and hurried and come at a time when the legal precedent is still evolving. This is threatening people's livelihoods and is threatening to shutter businesses that have to date been major contributors to the State economy. As the Government has already done with other companies, a simple six- to 12-month moratorium on this tax will go a long way to saving jobs and companies. It will help companies get their affairs in order, let them renegotiate costs with their clients and enact internal changes to get ahead. I used to be in business. I know from experience that simple oversights and inactions like this from the State Government can ruin lives. It is obvious that, with one flick of the legislative pen, the Government can save jobs, businesses and entire industries. Times are tough. It is up to the Government to make it easier where it can. This is simple stuff.

### STATE BUDGET

**The Hon. Dr SARAH KAINE (12:13):** I take note of questions and answers given today about the budget. What struck me today—and, indeed, all week—was that question time brings into stark relief the difference between the Opposition and the Government. It has been revealed to me that there is a complete lack of understanding from the Opposition about what it means to structure and create a budget for the needs of those who rely on the State for support. The Opposition is unable to understand what it means to actually think about the State's essential workers. That is seen most clearly when we are asked loaded questions about union negotiations and the effect on the budget of our very reasonable and appropriate wage offers to workers in the State, and also in the hysteria from the Opposition whenever there is mention of—God forbid—two or three workers coming together to try to get better wages and conditions. We must make sure that we continue to appropriately recognise the work of our public servants.

By invoking a union bogeyman that we are somehow meant to placate, the Opposition negates the real experiences of the hundreds and thousands of public sector workers upon whom this State relies. I can think of one worker in particular who is very dear to me. My sister, a nurse at Liverpool Hospital, was responsible for and managed two COVID wards during the COVID crisis. She is a proud delegate for the Nurses and Midwives' Association and is exactly the kind of worker that we are supporting and fighting for so that they get an appropriate wage increase to deal with cost-of-living issues. Opposition members try to pretend there is something in this

budget or indeed in the Government's policy that supports union mates, but the mates that they are talking about are the teachers in our classrooms, the nurses in our hospitals and the police men and women on our streets keeping us safe. We need to remember that every time we consider the appropriate ways to remunerate workers in this State.

#### STATE BUDGET AND WORKING WITH CHILDREN CHECKS

**The Hon. AILEEN MacDONALD (12:16):** I take note of an answer about Working with Children Checks. The Office of the Children's Guardian annual report for 2022-23 states that 1.9 million people hold a Working with Children Check at the moment. The checks are completed online through a partnership with Service NSW and they are efficient. Typically a check could be completed within a week, which means that the employees can then work in the industry. The annual report highlighted that 424,000 applications were processed. Of those, 48 per cent were new applications and 52 per cent were renewals for people to continue in their employment. The number of Working with Children Checks is increasing and they probably do not cost as much as they did before to conduct. After processing and verifying, each application lasts for five years and is now connected to the National Reference System. In a cost-of-living crisis, when people need Working with Children Checks in order to be employed, this money grab in the budget is an extra burden from the Government to divert funds elsewhere in its union deals.

#### HOUSING AFFORDABILITY

**The Hon. JEREMY BUCKINGHAM (12:17):** I take note of the answer given today by the Hon. Scott Farlow. Talking about shooting fish in a barrel, people have said "have mercy" and "enough is enough". I saw Scott leave the Chamber as soon as I walked in. He has probably had enough. There are some important points to make.

**The Hon. Natasha Maclaren-Jones:** You're an absolute grub, Jeremy.

**The Hon. JEREMY BUCKINGHAM:** Point of order: The honourable member has just called me an "absolute grub". I ask you to ask her to withdraw that comment and apologise.

**The Hon. Natasha Maclaren-Jones:** To the point of order: The member knows that we do not reflect on when members come and go from the Chamber. His behaviour is unparliamentary.

**The Hon. JEREMY BUCKINGHAM:** Further to the point of order: There is no standing order about when members come and go from the Chamber. I was merely noting that I had entered and that the Hon. Scott Farlow had left. The member clearly imputed some improper motive of him leaving; I did not. There is no point of order.

**The ASSISTANT PRESIDENT (The Hon. Peter Primrose):** Over the years, the issue of the use of offensive expressions in the Chamber has always been amongst the most complicated for Chairs to pursue. In the best interests of this place to allow debate to continue, I ask both members to withdraw their comments such that no offence is given in relation to those matters.

**The Hon. JEREMY BUCKINGHAM:** I am happy to withdraw.

**The Hon. Natasha Maclaren-Jones:** I am happy to withdraw.

**The ASSISTANT PRESIDENT (The Hon. Peter Primrose):** I thank both members.

**The Hon. JEREMY BUCKINGHAM:** I conclude my last 20 seconds by saying that the Opposition needs to be held accountable— *[Time expired.]*

#### ILLAWARRA OFFSHORE WIND ZONE

**The Hon. TANIA MIHAILUK (12:21):** I take note of the answer given by the Minister for the Environment, the Hon. Penny Sharpe, to my question about the Illawarra offshore wind farm. Specifically, I asked what type of work or environment study has been undertaken by either her office or her department relating to the associated costs that essentially will be borne by the New South Wales Government and, from what we heard today, the taxpayer. The onshore and associated infrastructure works of connecting the wind farm to cables on shore and eventually onto the grid, which will be required to be supported by the New South Wales Government to ensure that this Illawarra offshore wind farm goes ahead—now that it has been declared, it is likely that it will go ahead once a development application [DA] is lodged—will be incredibly costly, and there will be further damage to the environment around the beautiful Illawarra coastline.

The answer that the Minister essentially gave was that she would take the question on notice. She thought that some sort of study had been undertaken, but she indicated that there was a long way to go. The problem is that it has already been moving very fast. An almost non-existent community consultation process occurred with

the Federal Government. BlueFloat Energy put forward its DA prior to the site even being declared. Talk about wires being crossed between Minister Bowen and that particular company, which was so eager that it put its DA in without realising that the site had not been declared. It clearly knew something in advance. The DA was withdrawn, but now that the declaration has happened, it will not take long for BlueFloat to reinstate its particular DA.

I can understand why the communities in the Illawarra and down the South Coast are upset. It is a large wind farm zone of over 1,000 square kilometres, from Stanwell Park to Kiama. There is undoubtedly a lot of concern amongst the community. I acknowledge Alex O'Brien, Grant Drinkwater and the many organisations that are working hard to ensure that the public are aware of the real story and what some of the negative impacts will be for the local community. It is time for the Illawarra and the South Coast to fight this and to put in every effort they can to protect their beautiful, pristine coastline. It is why generations of people have raised their families there. It is a beautiful coastline, which will be destroyed by this offshore wind farm. In particular, it has now been indicated that the taxpayer will bear the cost of the associated works of the New South Wales Government.

### ILLAWARRA OFFSHORE WIND ZONE

**The Hon. CAMERON MURPHY (12:24):** I take note of the excellent answer by the Leader of the Government relating to offshore wind farms. I was pleased when the Hon. Tania Mihailuk asked the question because it gives me an opportunity to talk about why this excellent form of renewable baseload power is exactly what we need. We need wind farms because they will provide the baseload energy that will help us transition through to a clean energy future. The more of that we have, the better we will be in getting to net zero faster and ensuring that we have cheap, reliable energy supply for the future.

I reflect on the fact that there has been a load of rubbish put about, particularly on social media and by right-wing commentators, on this issue. A fake study was published, saying that whales will run into offshore wind platforms. What a load of garbage! Sky News and the exact same people who are saying that we cannot have wind farms because of the safety of whales also said, "Offshore oil rigs and gas platforms are perfectly all right. The whales can make their way around them okay, but they will just run into offshore wind farms and be injured." It is absolutely ludicrous. It is rubbish, and nobody should believe it. I also contrast that with the position of the Opposition. It seems that the Opposition is all in favour of three-eyed fish. Given the debate that we had in this place yesterday, that is what members opposite want for New South Wales—nuclear all the way! They are on the verge of being left completely on their own.

I note that in the past 24 hours since that quite extraordinary announcement was made by Peter Dutton, they are being left on their lonesome. Their counterparts around the rest of the country are deserting them. Queensland's Liberal-Nationals Opposition leader, David Crisafulli, said that he was not keen on nuclear power. The Victorian Liberal leader, John Pesutto, said that he had no plans for it. In other States and jurisdictions around Australia, the Liberal Party is actually walking back from what Dutton had to say about nuclear, and they are saying, "No, no three-eyed fish. We do not want them in our State." We have not heard the same in New South Wales. The New South Wales Opposition supports the ridiculous policy and wants nuclear. It will be terrible for the State. Those opposite ought to join their State counterparts in opposing nuclear so that they are on the same page as this Labor Government.

### STATE BUDGET AND HOMELESSNESS

**The Hon. NATASHA MACLAREN-JONES (12:27):** I comment on a couple of the answers given today on homelessness services and this year's budget. I have spoken on a number of occasions in this Chamber about the need for increased funding. Yesterday I spoke about youth homelessness and the need to invest particularly in accommodation and services directly targeting young people between the ages of 12 and 18 years who are seeking assistance. The Minister has alluded to the over \$500 million that has been announced. But when we actually break that down, around half of that is going to temporary and crisis accommodation over a four-year period. That will not even address the current demand.

If we look at somewhere like the Northern Rivers, where crisis motel accommodation prices are around \$400 a night, this investment will not address the crisis accommodation needs not only across the metropolitan areas but also particularly in our regional areas. When we break down the next half of \$250 million, my understanding is that some of it will go towards an innovation fund—again, over a four-year period. There are no details in relation to that. Some of it will go towards supporting people who are leaving jail and hospital with mental health issues. Another part of those funds will go to services to address some salaries, which is more around indexation. It is not, in fact, new money. More importantly, it just covers what the current service demand is.

The Government is doing nothing to support homelessness. There is nothing to support people who are currently living pay cheque to pay cheque or paying rent week by week and are on the cusp of entering homelessness. There is nothing to support people into long-term accommodation. I have moved numerous motions relating to the Together Home program. Nothing has been mentioned in relation to that. That program will expire in the next 12 months. Jobs will be lost. There is no security being given to the sector. There has been no support given to families or individuals who are at risk of homelessness in this State.

To be frank, this Government cannot be proud of its record. It sent a message to the sector when it came into government that it would do something to address homelessness and support families and kids, and it has done absolutely nothing in this budget. It has frozen their contracts, leading them to believe that things would be addressed. There are service providers with no funds from this Government that are trying to get grants and are being told today by the Minister, "I will look at it but on an ad hoc basis." There is no security for those organisations or the community that is seeking assistance.

### COMMUNITY ORGANISATIONS AND COST OF LIVING

**The Hon. RACHEL MERTON (12:30):** I take note of answers from the Hon. Rose Jackson in relation to community cafes and support services in public housing estates. Community services organisations and volunteers are doing it very tough on the front line. I have visited and seen them firsthand. I acknowledge the Salvation Army at Menai, which I visited with the Leader of the Opposition to assist the volunteers. I note the demand from the community due to the cost of living. Families are coming forward for the first time asking for assistance. I also acknowledge Lifegate Church at Padstow, led by Nathan Green, which is doing the same. The volunteers there have enormous commitment and an enormous workload. They are never going to be able to meet community need.

We saw it again at the Salvation Army at Rouse Hill, led by Captain Matthew Pethybridge. It was trying to provide 400 food hampers at the time of my visit last month. It has never had such demand. I encourage the Minister to sit down and look at exactly how those services are operating and where the Government can support them. It is critical that the Government steps forward in a cost-of-living crisis, where there are reports of 3.3 million Australians living in poverty. That is 700,000 kids living in poverty. Over half of Australians say they will struggle to pay an essential bill over the next three months. The cost-of-living crisis, the current economic conditions, inflation and job insecurity make it all the more critical for the Government to take seriously its role, its partnerships, its support and its responsibility to keep the doors of charities open. I commend the volunteers for the work they doing on the front line to support the community and families during the cost-of-living crisis.

### STATE BUDGET AND GOODS AND SERVICES TAX

**The Hon. MARK BUTTIGIEG (12:33):** I take note of the answer by the Treasurer to the question asked by the Hon. Damien Tudehope, who tried to, again, create a false reality. When those opposite want to engage in creating false realities, there is one way for the public to ascertain the record. It is written in black and white by the department responsible for managing the State's finances: NSW Treasury. I remind members opposite that these are not contested facts. We inherited the single biggest deficit and debt in the State's history, whether it is measured by percentage of gross State product or in absolute dollar terms. Under very challenging circumstances and on top of inheriting that debt, there was a \$12 billion shortfall in GST revenue. There is little ambiguity. The budget papers state:

The downgrade to the NSW relativity following the CGC's recommendation initially resulted in an \$11.9 billion downward revision in forecast GST revenue over the four years to 2027-28, compared to the 2023-24 Half-Yearly Review.

The forward years is what you look at when you do a budget. You do not budget for just one year; you estimate what is going to happen over the forward years. A journalist said, "But it's not that bad this year." The point is that the State has been short-changed \$12 billion over the four-year period, which will affect our ability to budget. Under those challenging circumstances—as I said, the biggest single inherited debt in the history of the State, plus the \$12 billion shortfall—the Treasurer and Ministers have nevertheless managed to deliver what most credible journalists are saying is the most Labor budget they have seen in a long time.

There is \$5.1 billion for 8,400 social homes. The housing Minister is in the Chamber and was instrumental in delivering that and making sure Treasury did the right thing by the people who we represent, who need us to do that. There is \$1 billion to repair 33,500 existing social homes under the same Minister. There is \$655 million for key workers in rental housing and \$8.4 million for the Rental Commission to develop and enforce rental protections, and \$520 million for the Transport Oriented Development Program so we can increase housing supply on top of the \$188 million for the bulk-billing initiative. Those opposite want to lecture us about prudent fiscal management when we are delivering for the people that we represent.

**TAKE NOTE OF ANSWERS TO QUESTIONS**

**The Hon. ROSE JACKSON (Minister for Water, Minister for Housing, Minister for Homelessness, Minister for Mental Health, Minister for Youth, and Minister for the North Coast) (12:36):** Irony is dead when the former homelessness Minister, who presided over the creation of the very deep crisis that we are in and refused to even acknowledge that New South Wales was in a housing crisis, wants to suggest that contributing over half a billion dollars to homelessness services in addition to \$5 billion to build thousands of new homes is in fact an action that could be described as doing nothing. It could be described as doing more than has ever been done in the State's history.

However, I will keep my remarks short. Everyone wants to go to lunch. There is a lot of work for the Clerks to go over for this week's procedural debrief tomorrow. There will be some real highlights. I encourage all members to tune in. A lot of members are doing their best to be the most featured member in the procedural debrief this year. Good on them. The Hon. Jeremy Buckingham is going for gold but others are coming up behind him.

**The ASSISTANT PRESIDENT (The Hon. Peter Primrose):** The question is that the motion be agreed to.

**Motion agreed to.**

**The ASSISTANT PRESIDENT (The Hon. Peter Primrose):** I shall now leave the chair. The House will resume at 2.00 p.m.

*Bills***APPROPRIATION BILL 2024****APPROPRIATION (PARLIAMENT) BILL 2024****REVENUE LEGISLATION AMENDMENT BILL 2024****First Reading**

**Bills received from the Legislative Assembly, read a first time and ordered to be published on motion by the Hon. Tara Moriarty, on behalf of the Hon. Daniel Mookhey.**

**The Hon. TARA MORIARTY:** According to standing order, I table the statement of public interest for the Revenue Legislation Amendment Bill 2024.

**Statement of public interest tabled.**

**The Hon. TARA MORIARTY:** According to standing order, I declare the bills to be urgent bills.

**The DEPUTY PRESIDENT (Ms Abigail Boyd):** The question is that the bills be considered urgent bills.

**Declaration of urgency agreed to.**

**The Hon. TARA MORIARTY:** I move:

That the second reading of the bills stand as an order of the day for a later hour of the sitting.

**Motion agreed to.**

**COMMUNITY SERVICES SECTOR (PORTABLE LONG SERVICE LEAVE) BILL 2024****Second Reading Speech**

**The DEPUTY PRESIDENT (Ms Abigail Boyd):** I welcome and acknowledge in the gallery officials from the Australian Services Union NSW and ACT, including Secretary Angus McFarland and Helen Westwood, a former member of this place. They are most welcome.

**The Hon. TARA MORIARTY (Minister for Agriculture, Minister for Regional New South Wales, and Minister for Western New South Wales) (14:04):** On behalf of the Hon. Daniel Mookhey: I move:

That this bill be now read a second time.

I am proud to introduce the Community Services Sector (Portable Long Service Leave) Bill 2024. The purpose of the bill is to create portable long service leave for community sector workers. I acknowledge in the gallery the hardworking officials of the Australian Services Union [ASU] led by their secretary, Angus McFarland. The ASU represents thousands of community sector workers and has thousands of members, 75 per cent of whom are women. They will be covered by the proposed scheme. I acknowledge their representatives in the gallery, including Helen Westwood, a former member of this place. I thank all of those workers and the union for its

incredible work on the bill. I thank those who are watching online. I hope the Parliament listens. I acknowledge also the work of the Minister for Industrial Relations, whom I represent in this place today. She has done an incredible job bringing the bill together and representing people who work across the sector to hopefully—if the Parliament supports the bill—change the long service leave scheme so that it is portable for those workers.

Whether it is supporting people who are homeless, people with disability or people coming to neighbourhood centres, members of the ASU do incredible and important work. They are professionals. We need thousands more people in the sector over the next five to 10 years, and portable long service leave will make a difference both in recruitment and retention for the sector. It will also give our long-serving community sector workers who are predominantly women a well-earned break after years of giving to the community. There are two minor amendments to the original bill that were passed by the other House. The first amendment sought to clarify that "sexual assault services" are covered as an eligible service by the new portable long service leave entitlement scheme. The second amendment removed the ability of a Minister through regulation to omit a covered service from schedule 1 in the future, ensuring that Parliament determines what services are eligible under the scheme.

I seek leave to have the remainder of the Minister's second reading speech incorporated in *Hansard*.

### **Leave granted.**

The community services sector encompasses a wide range of services and employs around 250,000 workers across 7,300 service providers, contributing an estimated \$15.4 billion annually to the New South Wales economy.

The sector is set to double by 2049 to meet increasing community demand.

Some of the services that make up the important sector include community mental health support—that is number one, and those in the gallery see that and know that—accommodation support services, family and domestic violence services, foster care services, homelessness support services, multicultural services and disability support, all of which play a crucial role in our society.

It is also a highly feminised sector, with over 75 per cent of workers being women. I can say that it is about 90 per cent in the gallery today.

When the Labor Party first introduced the Long Service Leave Bill in this House in 1955, the Hon. Abram Landa said that one of the objectives of the bill was to "help the employee to regain his health and strength, which, in many cases, have become impaired after years of constant work in the one industry".

The word "burnout" may not have meant the same thing in 1955, and it is notable that the Parliament at the time framed an employee as a man only, but it is clear that the Parliament of the day was aware of its harmful effects and the remedy of extended leave.

It is no secret that community services workers struggle with overwhelming stress, burnout and fatigue due to the emotional and physically taxing nature of the work.

Short-term and insecure funding arrangements are common in the community services sector.

Many workers are employed on short-term arrangements because employers cannot guarantee their income.

That was another election commitment made by the Government. The Minister for Families and Communities was proud to make the announcement with the Premier about having five-year guaranteed service agreements. It provides strategic support and ensures security of employment.

Workers in the sector frequently change organisation and often work for more than one employer at a time, which means that workers do the same work for years or decades but do not meet the requirement to access their long service leave entitlement.

That was a recurring theme prior to the election. We have known about it for a long time. I can see that everyone in the gallery is nodding. It has been talked about for a long, long time.

In August the ASU invited the member for Penrith and me to Flintwood Disability Services.

We were there to make this announcement and to start the work and consultation.

We established a working group, made up of the government department, the ASU, the NSW Council of Social Service [NCOSS] and a number of other organisations, to consult and do the important, intensive work.

The work done by that working group, which has led to the wider public consultation, is here. It has been considered with an open mind and open heart, with consideration and with economic analysis. It is looking to the future.

It is great work. I commend everybody who was on the working party for their work. The public consultation opened a few months ago, and the survey response has been overwhelming.

I give an example of one community services worker, who is an ASU member by the name of Christine.

She has worked in the community services sector for over 35 years, yet she has never qualified for long service leave benefits. During this time Christine grappled with personal losses, caregiving duties and precarious contracts. While doing this, Christine told us she was also helping other women in refuges, health centres and in a domestic violence support service.

Another worker named Sarah shared that she spent 25 years in the community services sector across more than 20 organisations and was never able to access long service leave.

Christine and Sarah may not get the full benefit of portable long service leave, but the hope is that, by now being able to access this entitlement, it will help attract and retain the next generation of workers.

When I attended the Australian Services Union [ASU] conference last year, that was exactly what most of the members said to me. They said, "Sophie, we're not going to get it. We've been in the sector for 20 to 25 years, but this is about the next generation. This is about the other people who are working and coming through—the younger people. We want more people to come in the sector. That is why we're fighting. We've been here for 20 to 25 years and we're not going to get it, but it's for the next generation."

How noble, thoughtful and considerate of those workers, who have been advocating for such a long time, knowing that they may not be able to get it but that it is for the next generation. I thank those members for their strong advocacy. Although well intentioned, it is clear that existing long service leave entitlements are not fit for purpose.

We all know that, especially in the community services sector, because workers struggle to access these entitlements that are intended for them. The bill will bridge that gap to provide community service workers with the break they deserve.

As I mentioned earlier, the bill was developed through the working party, through our agency, but also through broad and extensive consultation. The key stakeholders consulted included sector peak organisations, employers, the ASU, as well as other government jurisdictions with established schemes, such as Queensland, Victoria and the Australian Capital Territory [ACT]. We know that South Australia is currently establishing its scheme.

The working group worked extensively, widely and together to get this legislation right. We need to make sure that we get it right.

There were 750 survey responses, 50 submissions, and 60 personal stories shared by workers from across this important sector. Of the 750 surveyed, 96 per cent said, "We have to get this done."

That statistic is critical. That figure astronomical. The time is now. The survey responses were overwhelmingly positive because the majority of workers and providers agreed that community service workers should be eligible for long service leave based on how long they have worked in the sector.

Many organisations highlighted that portability of entitlements will help workers to advance their careers and manage personal responsibilities, including caring and wellbeing.

We all know that it is a majority of women who work in this sector. We also know that they still have to do their own caring, their own domestic duties and their own running around.

They are not just working in an office; they have to provide a service.

That is where our modern work practices are at.

The demand for service from the public has changed. The demand for community services has changed and the way we provide those services has changed.

We need to make sure that the wellbeing and mental health of the amazing professionals in the community services sector are looked after.

We also want to see them develop professionally. Can we help them gain access to higher education and professional development, or some other type of training? We should be able to provide community services workers with that support as well.

The bill is also supported by the Department of Customer Service.

I acknowledge our terrific public servants who helped organise, analyse, and work with the working party through the consultations. There were a number of sector round tables that were well attended by the sector's peak organisations, individual workers, employers, and the ASU.

The bill was also designed by reviewing best practice in the existing comparable schemes in other States as well as by reviewing existing long service leave schemes in New South Wales.

As a result, I hope that community service workers in New South Wales will be able to enjoy access to the best portable long service leave scheme in the country. What we want to be the best in the country.

What we have had to do over the last year is bring New South Wales back to best practice so that it can lead the country and not be behind.

We want to be the leader in the portability of long service leave, and not be dragged, kicking and screaming. This is a really important day.

I turn now to the key details of the bill.

I show the people in the gallery the extensive work that has gone into formulating this fantastic bill, which will establish portable long service leave. The scheme will apply to eligible full-time, part-time and casual employees. Contractors will have the choice to opt into the scheme. The scheme will provide employees with 6.1 weeks of paid leave after 2,555 days of employment, which is the equivalent of seven years. The entitlement will apply irrespective of whether their service is accrued with one employer or more. Importantly, this will allow part-time and casual employees to reach the entitlement after seven years of employment, just as a full-time worker would, and be paid accordingly. Once an employee has reached their initial entitlement, they will have access to a pro rata amount of leave for each additional 365 days of employment. In practice, this will mean that workers can qualify for and access their leave earlier than under the Long Service Leave Act 1955.

A shorter vesting period will better address the challenges faced by workers in the community services sector. It will also ensure consistency with equivalent schemes for community services in Queensland and Victoria, which provide access after seven years. The amount of long service leave paid to employees will be based on their highest ordinary weekly wage in the most recent two, four, 20 or 28 quarters of employment. In practice, this aims to ensure that payment is at the most beneficial rate, whether that is across the full seven years or the latest five years, one year, or six months. The definition of "ordinary pay" will include shift penalties but not overtime payments. This is aligned with current industry practice. Contractors who opt in will have the same entitlement as employees, with calculations being based on how long they have worked in the sector.

The payment will be based on their contributions to the scheme and the interest earnings on those contributions. Workers will generally have to take at least two weeks of leave to access their entitlement under the scheme. Pro rata payments can be accessed in limited circumstances only, such as permanently leaving the sector after accruing five years of service. This ensures that workers take a much-needed break for their many years of service in the sector. I will clarify "much-needed break". I agree that taking a break is what long service leave should be about, but we all know that in a lot of cases it is not about a break. I hate to say that often it is about fulfilling caring responsibilities, helping out your kids or doing something in your community. We know the intention behind long service leave, but we also know that because of the way we live our lives, sometimes we need this time for other things.

The bill provides a one-off benefit in the form of a 365 day service credit for workers who register within the first six months of commencement. The same benefit was provided in the introduction of the portable long service leave scheme for cleaning in New South Wales. The precedent already has been set. Our work is based on the same precedent established by a former Labor Government when it introduced a portable long service leave scheme for contract cleaners. The scheme will not apply retrospectively, which means that previous service will not be recognised. Accordingly, the bill sets out how it will work alongside the Long Service Leave Act 1955.

Workers will be able to continue to accrue service under that Act to ensure that those who are close to reaching existing long service leave or who have already qualified do not miss out. That is intended to not harm or disadvantage anyone. As a practical example, a worker with nine years of service with a single employer when this new scheme begins would be able to apply for their long service leave through their employer in another year. The employer remains directly responsible for the initial nine years of service and the service is liable for the payment in relation to the service accrued after its commencement. The employer would pay the worker in the usual manner and then apply to the Long Service Corporation for a pro rata reimbursement for the leave based on the overlap. That approach was taken in the introduction of the cleaning scheme, and I understand that it has been successfully administered. The scheme will be funded through a levy in the same way as the existing contract cleaning scheme and the building and construction industry scheme, and is based on the ordinary wages of the employees. Contractors who opt in will pay the levy based on their personal income.

It should be noted that organisations are already required to provide for long service leave for their workers. That has to happen under the law now. The levy will, effectively, replace the requirement to provide for existing long service leave entitlements and could potentially be financially favourable for employers for that reason.

Based on actuarial analysis, the proposed starting levy rate for this scheme is 1.7 per cent of ordinary wages. That is similar to Victoria's starting rate of 1.67 per cent in 2019 and the Australian Capital Territory's 1.6 per cent in 2010. The New South Wales cleaning scheme also began with 1.7 per cent in 2011. Like the cleaning scheme, the bill provides for the levy rate to be set through ministerial order. That approach will provide for timely adjustments while maintaining appropriate public and parliamentary oversight as a disallowable statutory instrument. The levy payments and any other contributions to the scheme will be pooled into a statutory fund with investment earnings managed by the New South Wales Government State-owned provider, TCorp.

Levies will form part of a quarterly return required from employers. Employers will be required to provide information about their workers as part of this return for entitlements to be tracked. I understand that will be an additional administrative process for employers. To ease the burden, I have been reassured that the information required will largely be information that employers are already required to record and report to the Australian Taxation Office. I completely understand the administrative and bureaucratic burden. I know that doing the paperwork et cetera is tough for a lot of non-government organisations, so I have asked the Long Service Corporation to make it as seamless as possible to ensure that we are not overburdening organisations with the same paperwork as the Australian Taxation Office. We will do our part in making sure that we support non-government organisations to streamline. The Long Service Corporation has been directed by me. It is here to help and to ensure that it provides assistance to organisations and overtime to the workers.

The scheme will be administered by the Long Service Corporation, which currently administers the other two schemes that I mentioned. The Long Service Corporation will be responsible for all scheme administration and compliance—for example, fund management, maintaining worker and employer registration, and managing levy payments and claims processing, among other duties. The bill establishes a sector committee to hear appeals of administrative decisions made by the Long Service Corporation and to provide advice on the scheme, particularly around quality assurance and standards. The committee will consist of nine members: the Secretary of the Department of Customer Service or a delegate as chair and another eight members that I will appoint. Four of those members will be from bodies representing employee interests—from the union—and the other four will be from the employer or non-government organisation interests.

The scope and coverage of the scheme is intentionally broad to recognise the numerous and often overlapping services that make up the sector. Schedule 1 to the bill sets out the services that are captured by the scheme. At a minimum, the scheme will apply to any worker who directly provides a captured service. The services captured by schedule 1 are largely based on the coverage of the Federal social and community services award. This mirrors the approach taken in other jurisdictions. Where an employer's predominant purpose is to provide one or more captured services, the scheme will apply to all of their employees, including support and management staff. The reality of the sector is that there are employers who provide multiple types of services. It is also not uncommon for community service workers to wear multiple hats, often due to limited funding. For example, a worker in a neighbourhood community centre might provide frontline services while also doing the administration and payroll processing. I can see everybody in the gallery nodding. That is exactly what happens.

This approach will ensure that no workers slip through the cracks and miss out on the entitlements intended for them. That is why we have set up the committee to hear appeals. That is what currently happens with both the contract cleaning scheme and the building and construction scheme, where we have the union and employers from both sides who sit and listen to appeals. We are trying to streamline that and make sure it is fair as well. We are making sure that the systems are not being ripped off, that the scheme is well managed and healthy in terms of its funds, and that workers will get access to their entitlements. The bill intentionally does not define what "predominant purpose" means. Again, that acknowledges that there can be nuances involved in the services provided by employers which require additional discretion. The risk of being overly prescriptive here is unintentionally excluding workers and employers that should be covered. I am assured that the Department of Customer Service has committed to consulting with the sector further to develop and publish guidelines on how "predominant purpose" is to be determined. I acknowledge Victor and Hannah from the Department of Customer Service, two excellent public servants who have done an exceptional job in assisting the department, the union and the sector.



The legislation will commence on proclamation—the intention is that it will begin on 1 July 2025. That will allow time to develop the regulations and for employers, non-government organisations, workers and the corporation to prepare for rollout. It is a big deal, which is why it is going to take 12 months. The bill represents a significant step forward to support our community service workers. It is not just about recognition and thanks; it is about purposeful and meaningful entitlement and making sure that we finally get a portable long service leave scheme. It is important that New South Wales and our Government recognise the vital contribution these excellent professionals provide, not just in metropolitan Sydney and greater Western Sydney, but in rural and remote communities. Because government services have, over a very long period of time, moved away from some remote rural communities, non-government organisations have had to come in to provide those critical services in those very remote communities. Again, it is really important that service is recognised. Community service workers face overwhelming stress, burnout and work insecurity. The bill is another building block in the Government's framework to fix these issues for community service workers. The work is demanding and physically taxing. Our community service workers deserve a long service leave entitlement, just like every other worker.

The Government has heard firsthand how workers face the loss of their entitlements overnight when they change employers. We have also heard about the growing challenges faced by employers and providers in meeting our community needs. Through the bill, the Minns Government will ensure that thousands of community sector workers can now access portable long service leave for the first time. Better, more flexible entitlements will improve workers' wellbeing and ultimately benefit the sector through worker retention, improved skill development and greater continuity in care.

On behalf of the Government, I thank all those who contributed to the development of the bill. Public consultation for the bill was excellent. We had an overwhelming response. Over 200 people attended the workshops and information sessions, ranging from peak associations through to providers and workers. There was strong support for portable long service leave among community services sector workers in New South Wales. The contributions from the sector were thoughtful and constructive. Excellent, innovative ideas were put forward about the provision of community services.

Providers' contributions were predominantly centred on how to make the new scheme work as opposed to whether the sector should have a portable long service leave scheme at all. That is fantastic. Providers and unions are coming together, saying, "We're here to make this work. How can we help? How can we make this work? We're going to work together, we're going to be innovative, and we can do some really great things to provide services to the public." That is what we want in New South Wales. I thank the Australian Services Union, the NSW Council of Social Service, Life Without Barriers and Flintwood Disability Services for their contributions. I also thank the service providers who contributed.

Of course, I thank the mighty Australian Services Union and especially its secretary, Angus McFarland, assistant secretary Jan Primrose, the management committee, and all of the activists, members and delegates for their wonderful work over many years. This is a very proud moment for those stakeholders. All of their hard work, their campaigning, has led to today. It is finally happening. I thank them for everything that they do. I also acknowledge the support of Unions NSW and the greater union movement.

I acknowledge my Labor colleagues, and members of The Greens and crossbench who have joined in this campaign. We have briefed the Opposition and the crossbench in relation to the bill. We will continue to do so over the course of the next two weeks, after which we will return to debate the bill. Members of this Parliament can expect to receive an email or a knock on their office door. The Australian Services Union has produced a booklet titled *Portable Long Service Leave* that outlines how important portable long service leave is for community services sector workers in New South Wales. We advocate that all members of Parliament, regardless of political stripe, back this bill for the introduction of portable long service leave for these workers.

I commend the bill to the House.

### Second Reading Debate

**The Hon. AILEEN MacDONALD (14:06):** I contribute to debate on the Community Services Sector (Portable Long Service Leave) Bill 2024. Community service workers are disadvantaged in their ability to access long service leave due to the nature of the industry, especially given the prevalence of short-term employment contracts that are reflective of short-term service agreements, including with the New South Wales Government. Portable long service leave schemes facilitate access to long service for workers in industries where it is structurally difficult for an employee to work for the same employer for the requisite number of years. New South Wales already has portable long service schemes for the construction and cleaning industries, which have been operating successfully for some time.

The community services portable long service scheme is based on the payment by the employer of a long service levy for each employee to the Long Service Corporation. The scheme is designed to be self-funding from the levy itself, as well as from profits derived from the investment of the fund's money with TCorp. The levy is likely to start at 1.7 per cent but will decrease as the fund grows in size due to revenue from investments. Under the current law employers are obligated to set aside funds to pay potential long service leave liabilities for all their workers, so there is no new direct cost; it is just a redirection of those funds to the Long Service Corporation.

The NSW Council of Social Service has nonetheless expressed some concern about the impact of the levy on smaller not-for-profits, as well as the additional administrative burden. It has also raised concerns about the slow progress of the Government's plan to move toward the routine use of five-year service agreements for the delivery of community services. Many service providers and their employees are still waiting anxiously to learn whether their service agreements are being renewed from 1 July 2024. The scope of the community services that are covered is set out in schedule 1 to the bill. The list can be amended as needed by regulation. Child care and aged care are not currently included as there are additional complications with the sectors.

Clause 4 of the bill appropriately enables the addition of services covered in schedule 1, either by amending the description of the listed service or by adding a new service. The clause included a provision empowering the Minister to omit a listed service from schedule 1. That would have been inappropriate, as once the levy has started to be collected for the class of employees covered by that listed service, there will be funds in what, by definition, is a long-term scheme. The Opposition raised that matter with the Minister, who agreed to support an amendment to remove it. The issue has now been satisfactorily resolved.

The bill provides for contractors to voluntarily join the scheme as registered workers. Contractors will pay a levy at a rate to be set by the Minister after receiving advice from the Long Service Corporation. The Opposition supports that approach. As self-employed persons, contractors providing community services should have the freedom to manage their own financial affairs and be able to opt into or decide to remain out of the government-run long service leave scheme. I commend the bill to the House.

**The Hon. NATASHA MACLAREN-JONES (14:10):** As the shadow Minister for Families and Communities, Disability Inclusion, Homelessness and Youth, I contribute to the debate on the Government's Community Services Sector (Portable Long Service Leave) Bill 2024. The proposed legislation affects full-time, part-time and casual employees in a range of for-profit and not-for-profit sectors, with the flexibility for contractors to opt in. That includes but is not limited to disability supports and services, foster care services, homelessness support services, neighbourhood and local community services, out-of-home care services and youth support services. The details of the bill have been canvassed by the Hon. Aileen MacDonald and my colleague in the other place. My remarks reflect submissions made by stakeholders during the consultation process, including National Disability Services [NDS], Homelessness NSW and the NSW Council of Social Service [NCOSS].

Homelessness NSW indicated its support for the bill, noting additional resources are needed to cover the scheme's operational costs and mitigate its impact on already stretched services. Homelessness NSW supports the need for a portable long service leave [LSL] scheme tailored to the specific challenges of the community services sector, particularly in homelessness services. As the peak body representing over 200 organisations, Homelessness NSW highlights that the scheme could effectively recognise and incentivise long-term service amidst increasing demands and workforce complexities.

However, NDS, which represents over 1,000 service providers, has expressed significant reservations about the proposed scheme. While it acknowledges the existence of portable leave schemes in other States, NDS points to the findings of the National Disability Insurance Scheme review, which indicate insufficient evidence supporting the effectiveness of such schemes in the disability sector. The concerns of NDS are focused on the potential negative impact on workforce retention and the integrity of person-centred support relationships, which are crucial in community services. NDS advocates for a national approach to portable long service leave schemes, emphasising the need for consistency and portability across jurisdictions. It highlights the necessity for clearer eligibility criteria, minimal administrative burden and a thorough cost-benefit analysis to protect disability service providers from undue financial strain.

NCOSS supports the scheme and also noted additional concerns that must be considered, particularly the potential financial strain the levy could place on smaller not-for-profits and the extra administrative burden it could create. All stakeholders stress the importance of increased funding to support the implementation of the scheme, concerns of additional administrative burden placed on the NGO sector, particularly for smaller and cross-border providers, and the potential impact on workforce retention. I ask that the Minister address those concerns in her reply.

Homelessness NSW points out the financial pressures the sector faces, exacerbated by rising costs and inadequate funding arrangements. It calls for additional resources to cover the scheme's operational costs and mitigate its impact on already stretched homelessness services. Administrative complexities are another major concern highlighted in the feedback received. NDS points to the challenges of managing multiple LSL schemes alongside existing entitlements and determining entitlements for workers across State borders. Homelessness NSW shares those concerns and advocates for streamlined reporting processes and tailored support for smaller organisations to navigate regulatory requirements effectively.

Providing comprehensive education and clear communication is essential to ensure the successful implementation of the scheme that will benefit all. It is imperative that the scheme does not introduce overwhelming and unnecessary financial and administrative burdens and remains easy to understand and follow. The Government must ensure that the scheme not only recognises and rewards long-term dedication but also sustains and strengthens our vital community services sector.

**Ms ABIGAIL BOYD (14:14):** I contribute to the debate on the Community Services Sector (Portable Long Service Leave) Bill 2024 and indicate The Greens' support for the bill. The reform has been a long time

coming. Unions in the sector and workers on the ground have long advocated for it, and The Greens have championed it for over a decade. I thank my colleague in the other place Ms Jenny Leong, The Greens spokesperson for industrial relations, for her excellent work. I also thank the union members, many of whom are in the gallery today, who have been at the forefront of this fight, advocating tirelessly on behalf of their communities to make this reform happen, namely the Australian Services Union [ASU] and its secretary Angus McFarland. The ASU has been diligently campaigning and organising around this issue on behalf of the sector for years, and I commend the union for the efforts that resulted in the bill.

The bill introduces a portable long service leave scheme for workers in the community services sector who are out on the front lines of our community every day, carrying out critical work. That includes support and service workers in areas including disability, domestic and family violence, neighbourhood centres, child safety and support, First Nations community services, welfare, financial, legal, homelessness, out-of-home care and youth support services and more. The bill's specification of community services workers in schedule 1 is broad, which The Greens welcome. We want to make sure we are not leaving anyone behind with these changes so that the entire sector is captured under the exact same scheme.

I thank the Minister's office for working with The Greens to include an amendment, which has been agreed to in the other place, to ensure that sexual assault services are not left out of this bill. That omission appears to have been a drafting error and was picked up by my incredibly diligent staff member Therese Camus. Sexual assault and sexual violence services are a part of the sector that is often overlooked and forgotten when we speak about community service jobs. Importantly, sexual assault services are not the same as domestic and family violence services. They provide specific, dedicated frontline trauma-informed support and services to victims of sexual assault through professional trauma specialist counsellors, crisis telephone and online support, referrals and more.

Ensuring the portability of long service leave will benefit tens of thousands of workers in this sector who are currently unable to accrue long service leave, which is a vital industrial right for working people in Australia. A recent survey conducted by the ASU of its members found that 57 per cent of workers who have worked in the sector for 10 years or more have never had access to long service leave. The bill will provide workers with 6.1 weeks of paid leave after 2,555 days of employment, which is the equivalent of seven years, consistent with existing schemes in Queensland, the Australian Capital Territory and Victoria. I also note that the Northern Territory is also in the process of introducing a similar portable long service leave scheme for community services workers.

The Greens support this shorter vesting period compared to the 10 years currently applied across other sectors as it takes into account the additional challenges and workforce nuances faced by community services workers. Jobs in the community services sector are highly feminised and have been undervalued for too long under patriarchal capitalism. But their value cannot be overstated. Governments should be doing everything within their power to entice people into these fulfilling and vital roles. But our current funding structures result in highly precarious work, with little to no continuity of contracts. Workers in these sectors are also highly responsive to the changing needs of their community and so may find themselves working across different sections of the community sector, or more often be forced to follow ad hoc funding streams and grants just to pay the bills.

The sector is experiencing rapid growth and at the same time becoming increasingly precarious, with the vast majority of frontline workers employed on a casual, part-time or contract basis. Much of the workforce operates under short-term funding arrangements and tenders, which they spend a significant amount of time, energy and resources negotiating in order to keep their doors open, constantly applying for grants and taking extreme measures to service their community. That funding uncertainty, along with often inadequate funding levels resulting in workers sacrificing their unpaid time, contributes to job insecurity and limits career pathways and resources available to support workers who wish to upskill. Additionally, many of these workers frequently change job roles or contracts within an organisation, or change organisation entirely, often working across several areas at once or over their career, like domestic violence, disability, First Nations services and more.

Considering the realities of the funding environment in which they work, the provision of a portable long service leave scheme for community sector workers is welcome and necessary. But we cannot now wash our hands of the issue or rest on our laurels. When we talk about improving rights and conditions in the community sector, the work is just beginning. Community service providers need greater certainty and continuity of funding, with rates that keep pace with or surpass hard fought for improvements to award pay rates as well as the rising cost of living and inflation. Government bears most of the responsibility to get this right, and I look forward to an improved funding model being developed.

This is particularly prevalent in disability care and support work, which has the highest levels of casualisation in the care economy. The disability care sector is also unique in its consumer-centred models of service provision, through the NDIS as well as privately and individually funded services, which allow consumers

to have greater control over their levels of care, the services they access and the delivery of these services, including who delivers them, when and where. This approach has changed the face of care work in recent decades and has largely influenced the precarious style of the casual and contract-based workforce that works flexible hours, often across multiple providers at once.

Workforce studies have found that the disability sector workforce is becoming increasingly precarious, with a continued undersupply and a high annual turnover between 15 and 25 per cent. All levels of government must work together on a long-term strategy to strengthen the disability workforce in relation to worker protections as well as retention, which will also serve to maximise the quality of care that people with disability receive. It is also particularly common for disability workers to work across industries in both disability and aged care, and vice versa.

I understand that the Government has not included aged-care workers in this bill because there are existing forces at play at a Federal level, and the industry has specific regulations and oversight mechanisms. I look forward to seeing reforms to the aged-care sector in the coming years to bring the sector in line with this bill and ensure that aged-care workers are also afforded the opportunity to accrue portable long service leave. The bill also does not mandate the portability of long service leave for individual contractors. It instead has the function of opting in.

The Greens support the industrial rights of gig workers, who are themselves key workers that carry out vital frontline work in the community services sector. I note that Labor made several pre-election commitments directly addressing the needs and rights of gig workers, and I look forward to working with Labor members on these reforms in due time. It is critical that we leave no worker behind, and that includes gig workers. Ensuring and strengthening worker rights and protections is core Greens business. We have long championed the right for all precarious and contract-based workers across all sectors to accrue portable long service leave.

I look forward to working with the Labor Government to extend this scheme across other sectors, including catering and hospitality, security and other industries in which workers are frequently engaged for short periods. Right now in New South Wales, construction workers, contract cleaners, teachers and nurses all have access to portable long service leave schemes. It is time we brought the community services sector in line with these sectors. The Greens support the bill.

**The Hon. Dr SARAH KAINÉ (14:22):** I, too, support the Community Services Sector (Portable Long Service Leave) Bill 2024. I acknowledge the work of the Australian Services Union, particularly the secretary, Angus McFarland. I know firsthand that, on behalf of the wonderful members of the Australian Services Union, Angus has been grappling with how to best contend with precarious work. This is just one of the many things the union has done and is doing on behalf of its membership.

I have much that I could say about gig work; it has been an area of research and interest for me for a long time. But I will take a different tack. I am lucky enough to have Danielle Dwyer as an intern in my office. She is also a support worker. She has kindly written me a speech to contribute from that point of view, so I thank her. Danielle is a full-time university student and began working in the disability support sector in 2022. She was first employed through an agency where she supported a number of individual clients and worked with organisations like the St Vincent de Paul Society NSW Ozanam Learning Centre. Danielle is now a sole contractor.

Initially, being employed through an agency that connected her to a wide range of clients worked best for Danielle. It allowed her to work in various areas, pick up extra shifts and explore where her skills would be best utilised. Over time, as her university load increased, she worked with fewer clients. It made sense for her to change her employment circumstances. Those in the sector know all too well that the environment is ever-changing. There are many stories like Danielle's and a multitude of reasons workers change employers. Funding allocation means that clients change providers, so a support worker may find it best to also make the switch to continue working with them.

Alternatively, there simply may not be a wide enough net of potential clients for a support worker through their current agency or place of work and they may make the choice to switch to another. Moreover, the nature of the care sector is expanding. Every year, more service providers are established, especially organisations that have particular focuses such as sports, physical activities et cetera. As more tailored services emerge, people find the opportunity to work in a place that better aligns with their individual interests.

Long service leave is meant to recognise the long-term dedication and commitment of a worker to their role. For community service workers, their dedication and commitment are to the sector and the individuals within that sector that they support, not necessarily to their individual employers. Portable long service leave recognises the true nature of the community service and care sector. It ensures proper acknowledgement of the essential role that community and disability workers play in supporting some of the most vulnerable people in our community.

Our laws should be reflective of how the sector operates and the genuine experience of workers. Community and disability workers around the country already have portable long service leave in some jurisdictions. We know that construction workers and cleaners already have access to it in New South Wales. The dedicated, inspiring community of disability workers in New South Wales cannot be left behind. They should be supported in making working choices that are right for them without being denied this entitlement.

I thank Danielle for her contribution. I add that I very much support this bill as, during my time in the public sector, a part of my responsibilities was overseeing compliance with the Long Service Act 1955. I probably have more of a nerdy appreciation of all things long service leave than most—more than most would want, to be honest. I note that this bill is very important not just because it covers a group of workers that are more likely to move between employers but also because its entitlements kick in at seven years.

A member spoke about national consistency, which I know is a desire of employers, but interjurisdictional negotiation on long service leave might be another 55 years in the making. In saying that, the seven years is quite an important and big step forward for these workers. I am glad that an industry that has a large contingent of women workers has access to that particular entitlement. I support the bill, but I also look forward to updating the rather aged New South Wales Long Service Leave Act, which could learn a lot from its much younger legislative sibling. I commend the bill to the House.

**Dr AMANDA COHN (14:27):** From my perspective as The Greens spokesperson for health, including mental health, I briefly add to the excellent contribution of my colleague Ms Abigail Boyd. The Greens welcome the introduction of a long service scheme through the Community Services Sector (Portable Long Service Leave) Bill 2024. This reform goes towards the much-needed sustainability for which those working in the community services sector have called for years. I acknowledge some of those advocates are present in the public gallery today. This bill brings us into line with the Australian Capital Territory, Queensland and Victoria. The \$9.7 million to establish the portable long service leave scheme is listed in the Gender Equality Budget Statement, which seeks to address the sexist undervaluation of essential work. The statement says that care and education are priority areas and that the Government is designing work "at a whole-of-government level, to better understand the long-term trends" and "the experiences of workers, including looking at the experiences in New South Wales and other jurisdictions".

To put it simply, New South Wales is realising it cannot lag behind the conditions offered in neighbouring States and expect to retain its workers during a shortage. As the largest employer of women in Australia, the New South Wales Government must next improve pay in feminised industries such as nursing, midwifery and early childhood education. I acknowledge the Minister's comments that this is only the first tranche of the scheme, and the Government is aware of the need to include other entitlements such as portable sick leave. All workers, especially workers in the community services sector who engage directly with vulnerable people, should be provided with adequate access to sick leave. This should include gig and casual workers. During both a cost-of-living crisis and a surge in the transmission of airborne infections, it is cruel and unethical for workers to have to choose between their health, the health of others and making ends meet. No-one should have to choose between keeping their community safe and putting food on the table.

I recently chaired the inquiry into outpatient and community mental health services. The committee heard clearly the conditions for workers in the community services sector as well as in the health sector are exacerbating workforce shortages that mean people cannot get the mental health care or the psychosocial support they need. The bill is an important improvement. To improve the job security of workers in the sector the Government must also increase funding cycles to a minimum of five years; this was a key recommendation of the mental health inquiry. The current under-utilisation of various professions, including peer workers, social workers and others in community health multidisciplinary teams, must be addressed.

Since the Minns Government introduced paid placement for police recruits, applications have increased by 40 per cent, and there is strong demand for this to expand to students in health professions. The recent gap analysis of community mental health services in New South Wales was released five months after its production. Days after, I drafted the final report for the New South Wales mental health inquiry, which would have benefited significantly from the inclusion of its data. It revealed a gaping workforce shortage and lack of accessible services. This shortage and lack of accessibility was particularly true for First Nations people. In New South Wales, community mental health full-time equivalent staff per 100,000 population has declined from over 54 per cent to 48.9 per cent in the past decade. We had the second lowest number of community mental health staff amongst all States and Territories in 2020-21.

The bill also benefits workers in many neighbourhood centres. As The Greens spokesperson for emergency services, I have been encouraging the Minister to fund neighbourhood centres to play a greater role in disaster resilience and recovery. Looking after that workforce is critical to enable that work to be done effectively. While we discuss the value of portable long service leave today, I must again raise the need for portable entitlements for

general practice registrars. It is getting harder and harder to see a GP in New South Wales, with escalating out-of-pocket costs and long wait times. This is in part because not enough doctors are choosing to specialise in general practice.

Currently when a junior doctor chooses to specialise in general practice, they take an enormous pay cut and lose entitlements, including parental and study leave, as well as facing thousands of dollars in exam fees. The Single Employer Model for rural generalist trainees is an excellent initiative, but similar provisions should be available to all GP registrars. The Greens support the bill and are keen to work with the Government to progress the further reform that is needed for essential workers, including in the community services sector, to thrive and to provide the best care and support for the communities that we represent.

**The Hon. MARK BUTTIGIEG (14:31):** I am pleased and proud to support this important Labor reform in a long line of Labor reforms over a short period of time. I acknowledge the presence of the Australian Services Union [ASU] secretary Angus McFarland and officials. I do not think Jan Primrose is here, but I see former member Helen Westwood is. I welcome and thank them for their advocacy. I also acknowledge Minister Sophie Cotsis and her efforts in bringing this to fruition. Today the Minns Labor Government is delivering yet another key election promise. The Community Services Sector (Portable Long Service Leave) Bill 2024 allows community sector workers to accrue long service leave based on their time in the industry instead of their time with an individual employer. This already exists in New South Wales for the building and construction industry and contract cleaners.

As someone who was brought up in the electricity industry when it was fully owned, I had the benefit of automatic eligibility for long service leave on a pro-rata basis based on service. We took those sorts of things for granted. In a sector like the community sector, it is so critical that people who do not have the ability to have long-term tenure with one employer nevertheless have the same benefits and rights as those people who have that privilege, particularly given the value-add that they contribute to our community in the frontline jobs of disability, youth, domestic violence and homeless services.

Expanding portable long service leave will benefit the community sector greatly. For example, despite working in domestic violence services for two decades, Christine Smith has not been able to gain long service leave as she has worked for six different organisations. This is not uncommon in the community sector. Disability work is known to be a precarious profession with irregular hours and high levels of casualisation. Sadly, Christine could not take adequate leave to support her parents' end-of-life care personally. This may not have been the case if portable long service leave had been available to her.

Employers support expanding long service leave. Russell Gould from Flintwood Disability Services said, "This is a really great initiative because it means you can give employees a reason to stay within the disability services industry." That is what this is all about: rewarding people's loyalty to the industry, not necessarily a transient employer, and making sure that people have an incentive to stay in that industry. The high casualisation of the community sector has contributed to a high turnover rate and a shortage of workers. There has also been a growth of the gig economy platforms and apps in the community sector, with some platforms not providing opportunities for leave and reports of delayed pay. This has contributed to issues with attracting and retaining community sector workers. By expanding portable long service leave, around a quarter of a million community sector workers will be better off.

According to Angus McFarland, the New South Wales and Australian Capital Territory branch secretary of the Australian Services Union, the expansion of the portable long service leave scheme will give community service workers "the recognition and reward that they deserve and help create a more attractive, sustainable sector". Portable long service leave for the building and construction industry and contract cleaning industry are all the work of former Labor governments in 1955, 1986 and 2010 respectively. Importantly, the drafting of the bill has involved considerable consultation with unions, peak bodies, government agencies in New South Wales and around Australia, as well as the public through an online "have your say" page. I am incredibly proud that this Labor Government is continuing the party's tradition of making real change for workers. The Minns Labor Government is just getting started rebuilding these services for the long-term benefit of the people of New South Wales.

In a society which tends to disproportionately reward those who are in the corporate sector—I am not trying to demean the value-add of those people who run big companies or who are in privileged managerial positions, but comment in terms of the proportionate contribution to society's wellbeing—for people in our community services sector, the idea that they cannot have a basic and fundamental right to carry over leave entitlements from one employer to the other beggars belief. Thank God for the union movement and unions like the ASU being the transmission mechanism, campaigning on the ground to make sure that when we get Labor governments, they act on these things to make sure society rewards and recognises the value-add that those workers contribute to our community. I am proud to be part of a Labor government that is doing that. Again,

I thank the ASU for all of its advocacy and campaigning. I especially thank Minister Sophie Cotsis, who has championed this from day one, doing what Labor government Ministers should do.

**The Hon. EMILY SUVAAL (14:37):** I make a brief contribution and speak in support of the Community Services Sector (Portable Long Service Leave) Bill 2024. I acknowledge the work of the Australian Services Union [ASU] and its secretary, Angus McFarland, along with Helen Westwood and Jan Primrose, who members know very well. I also acknowledge their delegates and officials who join us in the gallery today and thank them for all of their ongoing work, part of which has led us to debating this legislation today. I also acknowledge Minister Sophie Cotsis from the other place, who has been a huge part of making this happen today. I acknowledge her ongoing advocacy for the workers of New South Wales.

I will talk briefly about what the bill means to community services workers. In doing so, I can think of no better way than to quote ASU member Jarrah, who says, "The long service leave change would mean that if my clients that I have been working with for a long time change their service provider, or if they move, I can go with them. I can go with them without having to worry about losing my benefits and my entitlements." To me, that quote says everything that we need to know about the sorts of workers that this change will benefit. Their first thought is for the people that they are looking after, and it says so much about the sorts of workers that this bill aims to support.

It is important for the Government to do all that it can to support workers, like Jarrah, whose first thought about a change like this was its impact on the continuity of care for her client. That says so much. As a Government member, I am very proud to support the bill. I also thank the other voices of the ASU that came through, including Effie, Joana, Catherine, Anita, Victoria, Melissa, Christine, Silvana, Michelle, Vila and Leanne. I thank them so much for their ongoing work, advocacy and for all that they do.

**The Hon. CAMERON MURPHY (14:40):** I associate myself with the Community Services Sector (Portable Long Service Leave) Bill 2024. I acknowledge the vital and important work of the Australian Services Union in running this most important of campaigns. I thank the secretary, Angus McFarland, and Helen Westwood and Jan Primrose. Most importantly, I thank all of the rank-and-file members and delegates of the union on the ground that have fought for this change. The bill brings these workers in line with what most workers in this State have: access to long service leave. It is based on a similar scheme in the construction industry that has been around for many years.

The change will act for the benefit not only of employees but also of employers. It will help retain people in such an important sector where they can continue to do their wonderful work looking after the people who need their services the most. I thank the Minister for bringing the bill promptly to this House. I associate myself with what is an absolutely important and significant change that is core Labor Party policy. I commend the bill to the House.

**The Hon. TARA MORIARTY (Minister for Agriculture, Minister for Regional New South Wales, and Minister for Western New South Wales) (14:41):** On behalf of the Hon. Daniel Mookhey: In reply: I thank all members for their contributions to the debate on the Community Services Sector (Portable Long Service Leave) Bill 2024. In particular, I thank the Hon. Aileen Macdonald, the Hon. Natasha Maclaren-Jones, Ms Abigail Boyd, the Hon. Dr Sarah Kaine, Dr Amanda Cohn, the Hon. Mark Buttigieg, the Hon. Emily Suvaal and the Hon. Cameron Murphy. I turn now to the issues that were raised.

The Hon. Natasha Maclaren-Jones expressed her hope that the new scheme would not place a further administrative burden on providers. In response, the Government hopes the scheme will instead alleviate the administrative burden that providers currently face when administering their long service leave obligations. The payment of long service leave entitlements to workers will now be managed by the Long Service Corporation, not the provider itself. The corporation will also be responsible for recording each eligible worker's service. I acknowledge the comments of the Hon. Natasha Maclaren-Jones about how the scheme will operate across State borders. That affects all long service leave regimes in Australia and needs a national approach.

Ms Abigail Boyd raised the lack of leave entitlements for gig workers, including long service leave. In response, I note that the Federal Government has introduced a number of reforms to the Fair Work Act in recent months, including a new definition of an employee. The new definition aims, in part, to define when a gig worker is an independent contractor or an employee. The bill allows independent contractors working in the sector to opt in, but it is not compulsory like it is for employees in the sector. When the new definition of an employee in the Fair Work Act commences, it could very well lead to many gig workers receiving leave entitlements, including long service leave, for the first time.

Today is a good day for our community sector workers. I again thank the Australian Services Union New South Wales branch and its secretary, Angus McFarland. Angus and his predecessor, Natalie Lang, have

campaigned for several years for this scheme to provide this benefit to the community sector workforce. I also thank the NSW Council of Social Service, Life Without Barriers and Flintwood Disability Services for their engagement on the bill. I also thank all of the service providers who have contributed.

On behalf of the Government, I thank those who contributed to the development of the bill. Public consultation was extensive and had an overwhelming response. Over 200 people, ranging from peak associations through to providers and workers, attended the workshops and information sessions. There was strong support for portable long service leave among community services sector workers and providers across New South Wales. I thank the dedicated public servants in the Department of Customer Service who helped to develop the bill. I thank the Long Service Corporation for its considered input. We are indebted to all of them. Without contributors' sterling efforts, this bill would never have come to be.

Finally, I thank the Minister for Industrial Relations, Sophie Cotsis, who does incredible work inside the Labor Government to drive reforms like this one. We are grateful for the incredible work and effort that she puts into delivering for workers across New South Wales. I say to all community sector workers that today is their day. I am sure that I can speak on behalf of the entire Parliament to thank them for the incredible work that they do day in and day out. I commend the bill to the House.

**The DEPUTY PRESIDENT (Ms Abigail Boyd):** The question is that this bill be now read a second time.

**Motion agreed to.**

### **Third Reading**

**The Hon. TARA MORIARTY:** On behalf of the Hon. Daniel Mookhey: I move:

That this bill be now read a third time.

**Motion agreed to.**

### *Committees*

#### **COMMITTEE ON CHILDREN AND YOUNG PEOPLE**

##### **Membership**

**The DEPUTY PRESIDENT (Ms Abigail Boyd):** I report receipt of a message from the Legislative Assembly advising of the following change to the membership of the committee:

Ms Lynda Voltz in place of Ms Charishma Kaliyanda.

#### **COMMITTEE ON THE HEALTH CARE COMPLAINTS COMMISSION**

##### **Membership**

**The DEPUTY PRESIDENT (Ms Abigail Boyd):** I report receipt of a message from the Legislative Assembly advising of the following change to the membership of the committee:

Mr Tim Crakanthorpe in place of Ms Charishma Kaliyanda.

### *Business of the House*

#### **POSTPONEMENT OF BUSINESS**

**The Hon. TARA MORIARTY:** On behalf of the Hon. Penny Sharpe: I postpone Government business order of the day No. 3 until a later hour of the sitting.

### *Bills*

#### **WORK HEALTH AND SAFETY AMENDMENT (INDUSTRIAL MANSLAUGHTER) BILL 2024**

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

**The DEPUTY PRESIDENT (Ms Abigail Boyd):** Before I call the Hon. Tara Moriarty, I welcome to the gallery Mark Morey, the secretary of Unions NSW; Todd Pinkerton, a campaigns organiser at Unions NSW; Natasha Flores, a legal officer at Unions NSW; Sherri Hayward, a legal officer at CFMEU; and David White from the Family and Injured Workers Support and Advisory Group. You are most welcome here, and we acknowledge the work that you have done.

**The Hon. TARA MORIARTY (Minister for Agriculture, Minister for Regional New South Wales, and Minister for Western New South Wales) (14:48):** On behalf of the Hon. Daniel Mookhey: I move:



That this bill be now read a second time.

On behalf of the Labor Party and the Government, I am incredibly proud to introduce the Work Health and Safety (Industrial Manslaughter) Bill 2024 into this place. The primary objective of the bill is to introduce an industrial manslaughter offence into the New South Wales work health and safety framework. The Government believes that every worker in this State should come home safely at the end of the day. That is a fundamental right. Despite 20 years of campaigning by families, friends, campaigners and unions whose members have been killed at work, New South Wales is the last mainland State without an industrial manslaughter offence.

I acknowledge the presence of Mr David White in the gallery. Mr White is here today to represent the Family and Injured Workers Support and Advisory Group. His presence underscores the importance of this bill. The Family and Injured Workers Support and Advisory Group represents workers who have lost their lives or been seriously injured at work. I also acknowledge members of the group who are watching online today, particularly the fearless Patrizia Cassaniti, who is watching from Gunnedah. I also acknowledge the members of the union movement who are here today, who have campaigned on this issue for over 20 years.

Every workplace death represents a preventable death, a tragedy that could have been avoided. Each death represents a family that has been given a life sentence. Today I hope this Parliament corrects this. This bill continues the Labor Party's legacy of supporting the right of working people to a safe workplace. Since 2019 there have been 300 fatal workplace incidents in New South Wales. Some 300 families have been given a life sentence. The establishment of an industrial manslaughter offence in New South Wales demonstrates that the Minns Labor Government will do everything it can to create safer workplaces in New South Wales.

I note that the bill before the House has been subject to three technical amendments in the other place. The reasons for those amendments were well explained by the Minister in the other place—suffice it to say that the amendments were technical in nature and made to ensure the offence is entirely consistent with other provisions in the Work Health and Safety Act 2011.

Today this House has the opportunity to make history. I hope and believe that this House will today stand up for working people and their right to a safe workplace. I acknowledge those people who have campaigned on this issue for a very long time. I again acknowledge the work of the Minister for Industrial Relations, whom I represent in this place today to present this bill, for her incredible and tireless work pursuing this issue and getting the bill to this point.

I seek leave to incorporate the remainder of the second reading speech in *Hansard*.

### **Leave granted.**

Today Labor delivers on a key commitment to protect working people, and this represents the culmination of a 20-year campaign by families, friends and unions to effectively deter and prevent workplace deaths and injuries in New South Wales by discouraging unsafe work practices and holding those individuals responsible to account.

It also reflects the contributions received during the extensive public consultation that has occurred with this bill. This includes feedback, comments, submissions, meetings, phone conversations and emails from family members of deceased workers, as well as the long campaign by the union movement, legal associations, the legal fraternity, the Government and by businesses. A few months ago I was at a roundtable meeting in Griffith, where I heard robust discussion about this issue.

The bill will see the establishment of part 2A within the Work Health and Safety Act, which will establish an industrial manslaughter offence. In certain circumstances, workplace deaths in New South Wales may be prosecuted as an offence of common-law manslaughter under the Crimes Act 1900, but this has rarely happened and has plainly been insufficient in dealing with workplace deaths, both for individuals and where there is a duty owed by a person who is conducting a business or undertaking and who is a larger corporation.

Under existing provisions of the criminal law, the prosecution of large corporations for manslaughter is difficult. This is because it requires proof of criminal negligence on the part of a particular individual who can be identified as the directing mind and will of the company. This can be hard to establish and in part explains why so few prosecutions have been made in workplace settings in New South Wales.

Similarly, the highest tier offence under the Act, being a category 1 offence, can include circumstances where a workplace death has occurred, but it is not designed to specifically address this. As a result, there is a gap in the existing legal framework, and no alternative policies to effectively address it exist. The bill addresses this deficiency and as a result will make our workplaces safer by acting as a deterrent. I turn now to the substance of the bill. The bill will amend the Work Health and Safety Act 2011 to introduce an industrial manslaughter offence into the New South Wales work health and safety framework, including a minor consequential amendment to the Industrial Relations Amendment Act 2023, and additionally implements a model Work Health and Safety Act amendment to clarify the application of gross negligence to offences.

Firstly, new section 340 outlines the application of the offence and the elements required to establish the offence of industrial manslaughter. This is a new section under section 34. To commit industrial manslaughter, a person must firstly have a health and safety duty and either be the relevant person conducting the business or undertaking [PCBU] or an officer of a business or undertaking.

Under work health and safety laws, PCBUs are subject to a number of health and safety duties, including a primary duty of care to ensure, so far as is reasonably practicable, the health and safety of workers while they are at work. Officers of PCBUs are also required to comply with duties including exercising due diligence to ensure that PCBUs comply with their duties and obligations under the Work Health and Safety Act.

It is important to note that this new offence will not create any new work health and safety obligations or duties but rather reinforces the importance of complying with these duties by introducing a significant new offence into the work health and safety framework. This will send a clear message that unsafe practices will not be tolerated and that due diligence must be carried out in the fulfillment of all existing health and safety duties.

Secondly, although everyone has a responsibility to ensure workplace safety, under this bill an industrial manslaughter offence will cover those whose behaviour or decisions have the power to strongly influence the activities and culture of a workplace. That is why new section 340 (b) states that a person who can commit the offence is limited to a PCBU or an officer of a PCBU.

This is in direct accordance with the recommendation in Marie Boland's report published in December 2018 entitled *Review of the model Work Health and Safety laws: Final report*, and consistent with how other jurisdictions in Australia have constructed their own industrial manslaughter offences.

Those persons have greater responsibility within the workplace safety context because they influence the safety environment and govern specific activities and behaviours that determine the success or failure of health and safety initiatives. A PCBU can include a corporation, partnership, unincorporated association, a self-employed person or a sole trader. By utilising existing definitions and concepts within the work, health and safety legislation—that is, PCBU and officer—the bill avoids the complexities and uncertainties that may arise from introducing new definitions.

Using the existing definitions from the Work Health and Safety Act for industrial manslaughter also ensures clarity and consistency. Through proposed new section 34D, the bill makes it abundantly clear that the industrial manslaughter offence is not intended to apply to volunteers.

That is consistent with the current exception for volunteers who are acting as PCBUs or officers under the Work Health and Safety Act and the approach taken in other jurisdictions. To be clear, volunteers can still be liable under criminal law. The bill inserts a note to clarify that volunteers may still be subject to an offence of manslaughter under the Crimes Act. The insertion of the note makes it clear that volunteers may still be liable for a workplace death caused by their own dangerous or unsafe actions.

The bill outlines that a PCBU or officer of a PCBU that has a health and safety duty will commit the offence if they have engaged in conduct that constitutes a failure to comply with their health and safety duty, and the conduct causes the death of a worker or another individual to whom that health and safety duty is owed. The definition of worker in the Work Health and Safety Act is broad and includes an employee, a contractor or subcontractor, an employee of a contractor or subcontractor, an employee of a labour hire company that has been assigned to work in the person's business or undertaking, an outworker, an apprentice or trainee, a student gaining work experience, a volunteer, or a person of a prescribed class.

The offence could therefore apply in circumstances where not only a direct employee is killed but also a subcontractor at a construction site or a gig worker such as a food delivery rider. The offence of industrial manslaughter will apply where there has been a death of a person to whom a duty is held.

I acknowledge that each workplace death has everlasting mental, emotional, physical and financial impacts for the families, friends, colleagues and the community of the worker. Immense pain, grief, anger and trauma follow workplace deaths, which happen far too often in New South Wales.

A number of people in the gallery are families of those who have lost loved ones in the workplace. They can tell us that living that life sentence of grief, sorrow and trauma—and helping each other to get through—is just devastating for both family and community. The offence will be the most serious in the Work Health and Safety Act. The penalties prescribed reflect the intrinsic impact and justice that should be afforded to the loved ones of someone who went to work and never came home.

The final element that must be established for manslaughter to have been committed is detailed in new section 340 (d)—that is, a person is required to have engaged in the conduct with gross negligence. The concept of gross negligence, or criminal negligence, has been thoroughly explored in the common law that applies in New South Wales.

It denotes such a great falling short of the standard of care that a reasonable person would exercise, and must involve such a risk that death or grievous bodily harm would follow, that it merits criminal punishment. Gross negligence is the appropriate legal benchmark for an industrial manslaughter offence because it is in line with the treatment of manslaughter under the Crimes Act 1900.

The elements of industrial manslaughter ensure the effectiveness and appropriateness of the offence and its application to breaches of work health and safety duties and will hold responsible those whose behaviour or decisions govern workplace safety, and have failed in that paramount duty.

This Government is committed to creating the strongest possible deterrent for organisations and PCBUs who would breach their work health and safety duties. The bill details that the offence will carry a maximum penalty of 25 years imprisonment for an individual and a penalty of \$20 million for a body corporate.

The proposed maximum period of 25 years imprisonment is consistent with the existing maximum penalty for manslaughter under the Crimes Act 1900, which reflects the seriousness of the offence. Grossly negligent conduct that results in the death of a person should not be treated less seriously just because it happens in a workplace. Holding individuals to account is critical in not only ensuring an effective deterrent but also bringing justice to families, friends, colleagues and the community of those who have been so sadly lost.

I recognise that the penalty is above the model work health and safety law of 20 years; however, it is my belief that no life should be held above another, and consistency with the general offence of manslaughter is appropriate and justified. They will be held accountable for their crime.

The penalties represent a fair and just punishment, which will also serve to create a strong deterrent for organisations and individual officers against breaching their duties, to prevent further harm and to set the standard for making workplaces safe in New South Wales.

The maximum penalties also acknowledge the significant pain and suffering of families and loved ones of workers who have died in preventable workplace incidents. Proposed new section 34E provides that proceedings for an industrial manslaughter offence may be commenced at any time after the commission of the offence and will not be subject to a limitation period. That is consistent with criminal manslaughter offences under the Crimes Act 1900 and all other serious criminal offences in every other jurisdiction in Australia. Again, action that results in the death of a person should not be treated less seriously just because it happens in a workplace.

New section 34F clarifies that category 1 offences will be available as a statutory alternative in circumstances where the court or jury is not satisfied that a defendant has committed the offence of industrial manslaughter but is satisfied the person is guilty of meeting the threshold of a category 1 offence instead. By allowing category 1 offences to be available as an alternative verdict, judges and juries will be empowered to convict with the most appropriate offence in all the circumstances.

That provides flexibility and efficiencies in the prosecutions of the most serious of work health and safety breaches. All the elements of the category 1 offence will still need to have been proved for that to occur. As with the industrial manslaughter offence, there will be no limitation period applicable when a category 1 offence is an alternative charge to industrial manslaughter. That is to ensure that an alternative verdict can be returned in conjunction with an industrial manslaughter ruling without limiting the time that can be taken to investigate those matters.

The bill amends section 216 (2) of the Act to clarify that a work health and safety undertaking, also known as an enforceable undertaking, cannot be accepted by the regulator for contravention of an alleged industrial manslaughter offence.

That is consistent with the current approach taken to a category 1 offence, because an undertaking cannot be accepted for a contravention of a category 1 offence. By ensuring that this alternative is not available for a contravention of an alleged industrial manslaughter offence, this reinforces the bill's objective to effectively deter and bring justice to those engaging in the most egregious unsafe work practices. This will drive a change in approach to embed a culture of workplace safety across industries and workplaces.

Under amended section 229B (2) of the Work Health and Safety Act, proceedings commenced against an individual for industrial manslaughter must proceed on indictment and may be heard before the District Court or the Supreme Court.

This reflects the significant penalties attached to the offence and would entitle an individual defendant to trial by jury. This is consistent with the treatment of other serious offences under the Criminal Procedure Act 1986, the offence of manslaughter under the Crimes Act and the existing category 1 offence in the Work Health and Safety Act.

In contrast, under new section 229B (3A), industrial manslaughter offence and category 1 offence proceedings against a body corporate will be dealt with summarily in the newly re-established Industrial Court, which is appropriate, given this court's specialty and jurisdiction. This does not mean that the penalties available against a body corporate will be limited in any way. In this context, the reference to the offence being dealt with summarily simply has the effect of confirming that these offences will be heard by the Industrial Court.

This is unless the prosecutor elects to have proceedings against a corporation dealt with on indictment, and this gives a prosecutor flexibility to choose the approach that best promotes the interests of justice. For instance, where the offence against the individual and the body corporate arise from the same set of circumstances, it may be appropriate to have both offences heard in the same court. This is a commonsense approach.

SafeWork NSW and the NSW Resources Regulator, as work health and safety regulatory authorities, will have carriage of summary prosecutions, being those prosecutions against a PCBU only. The Office of the Director of Public Prosecutions will have carriage of indictable prosecutions, as is the situation now. The DPP will be resourced to run the prosecutions through the establishment of a specialist unit within the DPP to conduct the prosecution. I acknowledge our Attorney General, Michael Daley, his office and the Department of Communities and Justice for their assistance with the bill.

It is also the expectation of the Government that both the regulators and the DPP will thoroughly investigate workplace deaths as quickly as possible, with no delay. This must be done to ensure that charges, if necessary, are laid in an expedient manner. Families should not be waiting years for a prosecution to be brought; it must be done as soon as possible.

The bill meets the clear community expectations that individuals and corporations be held accountable for a workplace fatality. Further, it allows the regulatory authorities and prosecutors to effectively undertake proceedings in accordance with established procedures, providing rigour and consistency in approach.

For clarity, all existing defences for the offence of manslaughter that apply under the Crimes Act and under common law will be available for industrial manslaughter where applicable.

The Government is committed to ensuring that these laws remain fit for purpose and effective, and continue to meet their policy objectives. That is why the amended section 276B establishes a statutory requirement to review the provisions related to industrial manslaughter within the bill.

The bill outlines that the review is to be undertaken 18 months from the commencement of the provisions. This timeframe strikes a balance of allowing the provisions to be implemented without taking too long to identify any inefficiencies. The review will consider whether the policy objectives remain valid and the terms of the provisions remain appropriate for achieving those objectives.

A report on the outcome of the review must be tabled in each House of Parliament within three months after the completion of the review. The most serious offence within the work health and safety framework should continue to work effectively, and this review will ensure that. It also provides transparency of government policymaking.

The bill inserts new section 244BA, which clarifies how the fault element of gross negligence is attributed to a body corporate. New section 244BA will apply if gross negligence is an element in the commission of an offence.

Under new section 244BA (2), gross negligence may exist on the part of a body corporate despite no individual of the body corporate having engaged in the conduct with gross negligence, if the conduct of the body corporate is grossly negligent when viewed as a whole, as determined by aggregating the conduct of more than one authorised person. New section 244BA (3) provides:

... gross negligence may be evidenced by the fact the conduct was substantially attributable to—

- (a) inadequate corporate management, control or supervision of the conduct of 1 or more authorised persons, or
- (b) failure to provide adequate systems for conveying relevant information to relevant persons in the body corporate

This amendment establishes clearer parameters for the attribution of gross negligence to a body corporate for offences under the Work Health and Safety Act, which will include the industrial manslaughter provisions of new part 2A of the Act. Importantly, this will provide a stronger basis to prosecute a body corporate on the basis of the aggregated conduct of its authorised persons.

This amendment will align New South Wales with the provisions of the model work health and safety laws, promoting greater consistency and meeting New South Wales's obligations under the intergovernmental agreement.

The bill inserts new section 244B (1A) to clarify that the state-of-mind provisions in section 244B do not apply when establishing gross negligence, as new section 244BA provides for that. This will enable a stronger basis to prosecute a corporation on the basis of the aggregated conduct of its authorised persons.

The bill will make a minor consequential amendment to the Industrial Relations Amendment Act 2023 to ensure consistency in prosecuting alternative charges. The Industrial Relations Amendment Act was passed in November 2023 and is due to commence in full on 1 July 2024. It made consequential amendments to the Work Health and Safety Act as a part of the re-establishment of the Industrial Court. Specifically, an amendment to section 229B of the Work Health and Safety Act was made to clarify when proceedings for an offence against the Work Health and Safety Act would be dealt with summarily or on indictment.

An amendment made to section 229B (3) of the Work Health and Safety Act applied to District Court proceedings for backup or related offences to an indictable category 1 offence, allowing the court to deal with these as though it were sitting as the Industrial Court. However, it is not appropriate for the District Court to deal with backups as though it is sitting as the Industrial Court, as the Industrial Court is a higher jurisdiction.

Removing this subsection will allow the existing process provided by section 168 of the Criminal Procedure Act 1986 to apply, so that, when a court deals with backup charges following proceedings for an indictable offence, it will be subject to the same restrictions and procedures as the Local Court. This consequential amendment is not intended to result in any change to the existing procedures related to the prosecution of indictable offences.

The provisions of the bill related to industrial manslaughter will commence via proclamation. This is to ensure that all procedures and processes can be thoroughly considered and well established prior to the commencement of the offence. It will allow for all affected government agencies, including those that are responsible for the prosecution of industrial manslaughter offences, to consult and engage with each other to ensure the optimal outcomes.

All other provisions—that is, the model provisions related to gross negligence, consequential amendments and the statutory review provision—will commence on assent of the bill. I give my condolences to the families, friends and colleagues of all those people who have lost someone in a workplace. It is our hope that these very strong laws never have to be used.

This bill is the culmination of years of campaigning by the families of those who have lost loved ones, as well as the unions and workers who have lost workmates.

I pay special tribute to the Family and Injured Workers Support and Advisory Group and its considered engagement with the process leading to the creation of this bill. I say to the families and all those who have lost a loved one that this bill is for them and their loved ones. Just yesterday I was speaking to Mrs Pringle, who has lost her son Connor, who was 20 years old. It is very sad to have lost that young man. Since 2019, 300 workers have been killed. People have been waiting a long time for this bill.

I pay tribute to Patrizia Cassaniti and her husband, Rob Cassaniti, who are both here today. They have been campaigning for many years for this offence to be put on our statute book. I urge everyone to listen to the interview Mrs Cassaniti gave this morning on 2GB. She talks about the fact that, after five years, she still has not grieved for her beautiful Christopher. I am very sorry for that. I hope that she can grieve now.

I hope that she and other mothers, fathers, grandmothers, grandfathers and family members can now grieve properly.

Hundreds of tireless advocates have advocated for many years—not just over the past few years, but for over 20 years—for an industrial manslaughter offence. The enacting of this offence in New South Wales is part of the legacy of that campaign. I thank the great union movement of New South Wales. Over the past 20 years, the unions have fought for the introduction of this offence. Many unionists have been involved in this campaign.

There are so many, and I do not want to miss anyone, but I extend my thanks in particular to the Secretary of Unions NSW, Mark Morey, for his very hard work. I thank all the union secretaries and members. They have been running a campaign for a very long time. I extend my thanks to someone who has been working very diligently—there are many people to thank, but I give a shout-out to Sherri Hayward from the CFMEU.

Many unionists are sitting in the gallery today, along with former MPs and others. I ask anyone I have not mentioned to please forgive me. This bill is very important for the families, who are at their most vulnerable and had not been able to see justice. I have talked to many of the mums recently—I am not singling out the mums, but it is just heartbreaking. I have an 18-year-old son. In the past six months, I have received notifications about apprentices aged 18, or young workers crushed at 20, 21, or 22—the breadwinners that lose their lives. It is devastating for their families. This has got to stop. Enough is enough.

The bill is a deterrent. It says to those workplaces that they have to change the way that they work. This is 2024. No worker should be killed at work. It is simple as that: No worker should be killed at work in 2024.

I acknowledge that the bill would not be possible without the effort and attention of all the persons that participated during the extensive public consultation. I thank each and every person who took that time. I thank the 420 people who responded to the Government's survey and took the time out to express their views. We have read the responses and taken them onboard.

The respondents included members of the public and groups representing all areas of the workforce, including work health and safety professionals. Businesses support this legislation; they want to keep their workers safe. They tell me that all the time, because their workers are like family to them. They do not want to lose their family members. That is why the bill is so important. It sends a very strong message to those who are doing the wrong thing.

The Attorney General and I have met with the legal fraternity from all sides to make sure that we get this right. We met with legal associations, farmers and miners. I acknowledge the Attorney General for his work. I also acknowledge my agencies and, very importantly, my staff, who have done a brilliant job.

I acknowledge an amazing member of my staff, Tom Craven, who has been working solidly on this legislation. All my staff, led by my chief of staff, Ayshe Lewis, have done important work. All of us have worked together. I know that a number of crossbench members have been advocating for this bill for a very long time.

I am very proud to be standing here. It is very hard. It is very difficult, because we wish that we were not in this position. We wish that we were not losing young workers. We wish that it was not necessary to introduce this legislation.

But we are taking a very important step today. We are fulfilling the Minns Government's commitment to introduce an industrial manslaughter offence in New South Wales to ensure that the most serious work health and safety breaches carry a severe penalty. These new laws are intended to profoundly alter the safety culture in New South Wales by raising the bar higher.

I commend the bill to the House.

### Second Reading Debate

**The Hon. AILEEN MacDONALD (14:52):** On behalf of the Opposition, I speak on the Work Health and Safety Amendment (Industrial Manslaughter) Bill 2024. The Liberals and The Nationals support the proposed amendments to introduce industrial manslaughter to the Work Health and Safety Act 2011. The Coalition is committed to harmonising work health and safety laws across our country, having implemented the model in 2011 as well as being among the first to adopt many of the Boland review recommendations in 2020. Under the leadership of then Minister Victor Dominello, the previous Coalition Government entered into an agreement in February 2023 with other States and Territories to amend the model work health and safety laws to allow for the introduction of an industrial manslaughter offence.

The Liberals and Nationals have been, and will remain, committed to ensuring the health, safety and lives of every individual who works in this great State. Every person who heads to work each morning should have the assurance that they will be safe from any potential threat to their life at their workplace. Unfortunately, this has not always been the reality. Too many families have had to endure the nightmare of either receiving a phone call or having a visit informing them that a loved one has been involved in a workplace incident and has tragically lost their life. To the families who have suffered through this torment, I extend my deepest condolences on behalf of myself and the Opposition.

All States and Territories agreed to introduce industrial manslaughter to work health and safety laws, except New South Wales and Tasmania. They are the only jurisdictions to not do so. New South Wales remains the State with the highest number of workplace fatalities. With the introduction of an industrial manslaughter offence, an offence will be committed when a person or an officer of a person conducting a business or undertaking [PCBU] with a health and safety duty engages in gross negligence that causes the death of a worker or another individual to whom they owe a duty of care. The maximum penalty for such an offence is 25 years imprisonment for an individual, or \$20 million for a body corporate. This will make New South Wales the toughest amongst all jurisdictions that have an industrial manslaughter offence. Volunteers will be exempt, as they should be, from the offence of industrial manslaughter.

NSW Farmers highlighted an important issue regarding the distinction between a place of work and a residence. Of course, many farm workers live on the same property where they work. NSW Farmers seeks clarification and certainty that no offence will apply where death results from engaging in personal, recreational or domestic activities on the property. The Opposition moved an amendment in the Legislative Assembly to clarify this issue. While that amendment was defeated, it was put on the record by the Minister for Work Health and Safety that the bill does not create any new duties in regard to work health and safety on a farm, and the offence of industrial manslaughter can only be based on gross negligence in relation to a work health and safety duty. Furthermore, the bill states that a statutory review of the amendments must be held 18 months after the commencement of the provisions and a report tabled to each House of Parliament three months after the review is completed. This welcome step is important to ensure that any unintended consequences or unforeseen issues are addressed in a timely fashion. I commend the bill to the House.

**Ms ABIGAIL BOYD (14:56):** On behalf of The Greens, I indicate our strongest support and endorsement for the Work Health and Safety Amendment (Industrial Manslaughter) Bill 2024. The Greens have long supported the criminalisation of industrial manslaughter. The fundamental principle is that there should be no distinction between killing somebody at work and killing somebody in a non-work-related place. This is core work for The Greens. I am very pleased to stand in this Chamber today as The Greens spokesperson for work health and safety as the Parliament finally passes this long-awaited legislation.

This legislation has been campaigned on for many years by many people. In particular, I acknowledge the long and strong work and advocacy of the Construction and General Division of the CFMEU. I also acknowledge my colleague Senator David Shoebridge, who remains a fierce advocate for workers. He worked diligently while he was a member of this House to bring us closer to the moment we are on the cusp of now. The history of industrial manslaughter legislation in this State has been filled with fits and starts. We almost got over the line in 2021, when this House passed a version of an industrial manslaughter bill brought on by the Hon. Adam Searle, only for it to get trapped and prevented from being brought on in the other place by a recalcitrant Liberal-Nationals Coalition. That is a shameful stain on the former Government.

But we can go back further. Some 20 years ago in this Chamber another former Greens member—and, frankly, icon—Lee Rhiannon, introduced the Crimes Amendment (Industrial Manslaughter) Bill 2004. This followed the terrible death of 16-year-old apprentice roof plumber Joel Exner, who died on his third day on the job as a roof plumber at a construction site in Western Sydney after falling 12 metres to his death. The safety mesh that should have prevented his fall was not properly secured. His employer was fined just \$20,000. That is shameful. This terrible incident is widely recognised as having kicked off the public campaign to reduce deaths in the workplace and to hold employers accountable. To reiterate the point that this is core Greens work, the mantle of Lee's tireless advocacy in this space was then picked up by David Shoebridge. I am so thrilled to see New South Wales finally—belatedly, limpingly but also proudly—deliver this important piece of legislation.

Of course, in 2004 Lee was tragically unsuccessful in having her bill passed—and it was tragic. We have to wonder how many lives might not have been lost if employers had to take genuine accountability and responsibility for worker safety. In her second reading speech in the other place the Minister for Industrial Relations, and Minister for Work Health and Safety, mentioned that over the past five years there have been 300 fatal workplace incidents in New South Wales.

How many lives have been lost due to this gap in our laws that has allowed bosses to get away with gross negligence when it comes to the lives and safety of workers in this State? How many costs and corners have been cut in the pursuit of profit and at the tragic expense of lives? How many families have been torn apart by that terrible phone call informing them that their partner, their husband or wife, their son or daughter, their grandchildren, or their niece or nephew will never come home from work again? How many colleagues and comrades have been traumatised for the rest of their lives after seeing their friend and co-worker die in a tragic and often avoidable accident before their very eyes? Enough is enough. It is time that somebody is held accountable.

I acknowledge and applaud the particularly strong and continuing work and advocacy of the CFMEU, which has been a key driving force behind this long-overdue reform. It has taken longer than it should to overcome the political obstacles. Throughout this time, union leaders and politicians, including me, have continued to meet with and hear from grieving families about the death of a loved one at work. Throughout this time, the question has kept being put, demanding an answer and justice and vindication for their lost loved ones. They have asked, "Why is there a different test for the death of my son at work? Why is there a different test for the death of my daughter, husband, wife or partner at work? Why is their employer, which had a responsibility to keep them safe, when it has so terribly failed in that most basic duty, held to a different and lesser standard? Why do bosses get a 'get out of jail free' card for a death in the workplace?"

The bill, and the campaign for an industrial manslaughter offence, is an answer to those questions. When the bill passes into law, the answer will no longer be that a life is worth less when it is a worker's. The answer will be, "Kill a worker, go to jail." These reforms will bring New South Wales into alignment with the seven other mainland jurisdictions in Australia—all but Tasmania—which have already introduced industrial manslaughter offences. In August 2023, the federally agreed work health and safety model laws were also amended to include a jurisdictional note, and recommended maximum penalties in dealing with industrial manslaughter. The bill amends the Work Health and Safety Act 2011 to insert a new industrial manslaughter offence that will apply to a person, including a body corporate, who has a health and safety duty under the Act and is a person conducting a business or undertaking or is an officer of a person conducting a business or undertaking.

The offence will apply where the person engages in conduct that constitutes a grossly negligent failure to comply with their work health and safety duty, causing the death of a worker or another individual to whom the person's work health and safety duty is owed. There is discussion about what the correct threshold should be in determining the conduct and state of mind of the person accused of the offence. The bill determines that the standard of gross negligence is most appropriate, mirroring the threshold for other manslaughter offences. It may be worth monitoring whether that threshold remains appropriate or if it represents an impermissible barrier to the successful prosecution of this offence. The maximum penalty for the offence will be a fine of \$20 million for a body corporate and 25 years imprisonment for an individual. These penalties will make New South Wales the harshest penalty jurisdiction in the country for this offence, as it should be.

New South Wales was once a nation leader in worker rights and safety, and it is long overdue for us to reclaim this mantle and become a leader again rather than laggard. There will be no limitation period for an industrial manslaughter offence, which is consistent with the manslaughter offence under the Crimes Act 1900, and a person may be found guilty of a category 1 offence in the alternative. Where a category 1 offence is relied on as an alternative to the industrial manslaughter offence, there will be no limitation period for that offence. It is right and fair that there should be no limitation period imposed on this offence, as it will continue to be a complex offence to make out, particularly in the earliest years of its implementation.

We must make it clear that there is no escape from this penalty and that justice will be served for workers who tragically die on a worksite. Proceedings against an individual will be dealt with on indictment. For a body corporate, these proceedings will be dealt with summarily, unless a prosecutor elects otherwise. The bill also requires that a statutory review of the offence provision be undertaken 18 months after the commencement of the provisions. This is a very important provision, as it will give experts the opportunity to improve and sharpen the offence to make sure it is serving its intended purpose. New South Wales will have the opportunity to learn the lessons of other jurisdictions that are a little more advanced in the implementation and enforcement of the offence so we can make sure that workers are best protected.

I will address a critical element that goes to the effectiveness of this legislation that exists outside of the language provisions of the bill: the resourcing within both SafeWork and, importantly, within the Office of the Director of Public Prosecutions to effectively and expeditiously pursue these prosecutions. I note the announcements in the media that the Government will create a special unit within the Director of Public Prosecutions that will be responsible for prosecuting industrial manslaughter cases. This is a really important element, and I strongly welcome it. I take this opportunity to ask the Minister to provide assurances in her speech in reply that this special unit will receive as much resourcing, training and prioritisation as is required to be the crack unit of specialist industrial prosecutors that this State deserves.

Additionally, I reflect on an important element that is implied through this legislation. Over the years, the nature of work has changed. Of course, the countless physically dangerous jobs are the rightful focus of attention in this legislation. But I also reflect on the important developments that have occurred in recent years since the last time Labor tried to legislate for an industrial manslaughter offence in 2021. In this time, we have come to recognise the particularly harmful psychological effects that can arise due to workplace conditions. Our work health and safety laws now reflect this reality and impose a positive duty on employers to provide a psychologically safe workplace that is safe from harassment and discrimination.

I raise that duty on employers in the context of the bill to flag my hope and understanding that it will extend to the industrial manslaughter offence in the terrible event that a worker's mental wellness is so impacted by the psychologically unsafe conditions of their workplace that they end up dying by suicide. This is a terrible prospect to contemplate, and no doubt would require a lot of evidence to prove. But just as we hope to never have to use this industrial manslaughter offence for a physical injury that results in death, we hope that employers will take their duty to protect the psychological safety of their workers equally seriously.

I conclude by sincerely thanking every person who has worked so diligently and passionately on this piece of legislation. I particularly thank Sherri Hayward from the CFMEU for her role in shepherding this legislation forward, and for her sage advice and deep knowledge. I also thank and acknowledge the work of the team at Unions NSW, in particular Secretary Mark Morey, and the wonderful Injured Workers Support Network. Of course, I particularly thank and note my appreciation of the Minister for Industrial Relations, and Minister for Work Health and Safety, Sophie Cotsis, and her office, in particular Tom Craven, who have both made themselves so available to me and my office. I appreciate their trust and their open and collaborative approach to all of the work we do together. I cannot say the same for every office, but it is nice to feel that we are pulling in the same direction on these issues and fighting for a better deal for workers.

Finally, and most importantly, I acknowledge the families and friends of the workers who have already been tragically lost to a workplace death. This legislation will not bring their loved ones back, but it will certainly serve as their legacy. I hope that can bring them some small comfort. The Greens wholeheartedly support the bill.

**The Hon. ROD ROBERTS (15:08):** I indicate my support for the Work Health and Safety Amendment (Industrial Manslaughter) Bill 2024. I commend Minister Cotsis for introducing the bill in the Legislative Assembly. It is good to see her present in the Chamber. She is one of the only Ministers who consistently turns up to see her bills progress through this House. I congratulate the Minister on the bill and thank her for showing us the courtesy of being in the Chamber and being dedicated enough to ensure that her work is completed.

**The Hon. John Graham:** As a former member, she loves the upper House.

**The Hon. ROD ROBERTS:** She clearly knows the importance of this House. The bill is an important and necessary step forward. A death in the workplace as a result of negligence or recklessness must unambiguously be considered manslaughter. It is important that the family members and relatives of the victim get a sense of closure and that justice is served. A death at work was previously perceived as merely part of the job, and that is completely unacceptable. Danger at work was a given, but that is wrong. A death that comes as a result of recklessness in the workplace should be treated just as seriously as a death that comes as a result of recklessness and negligence anywhere. We are no longer in the industrial revolution. We are a smarter, forward-thinking society. Workers deserve the right to be looked after and they should feel safe in the workplace.

How could a rational person not want to see a safe workplace? People go to work every day with the reasonable expectation that they will come home at the end of their shifts and see their families again. That is not a big ask. When people break the law and, as a result, other people in their employ die, there should be serious consequences. Whether that is due to an act or an omission is irrelevant. I understand that the existing legislation takes a prevention- and risk-based approach to dealing with health and safety in the workplace, with the intent of reducing significant workplace fatalities as well as serious injuries and illnesses. What better preventative measure is there than the possibility of a manslaughter conviction and imprisonment to ensure that employers provide safe and secure workplaces?

The question is: Rod, are you going to support the bill? Wouldn't Rod support the bill? This is the Rod Roberts bill. I will explain to members why. The Minister acknowledged it in my office when she met with me, along with Tom, who is also in the Chamber. I congratulate Tom on his hard work. But the Minister failed to mention me in her second reading speech. Members who have been in this House for some time will remember that, in November 2021, the Hon. Adam Searle brought before the House the first attempt at an industrial manslaughter bill. The Hon. Adam Searle's effort was valiant and brought with good intentions, but his original bill was deficient in that negligence was the only level of culpability.

The bill was debated and I moved a number of amendments that were all passed by the House. The most pertinent of those amendments was a definition change to "gross negligence". I have seen that the Minister and her staff have adopted that definition from the Rod Roberts amendments from 2021. On that night, I said:

That low level of culpability—

and that was in the original Searle bill—

would expose business operators to prosecution and imprisonment for up to 25 years for what one could describe as minor infractions—minor, low levels of negligence. For the record, I clarify that no level of negligence should be acceptable or tolerated in the workplace. However, if one was to be charged with this offence and exposed to its possible penalty, it should be incumbent upon the prosecution to show that the level of negligence was so extreme as to warrant the penalty.

The difference between negligence and gross negligence, known as criminal negligence, is one of degree only. Both negligence and gross negligence require negligent behaviour, but it is the degree of seriousness of that behaviour that determines where the action lies. It would be on the extreme end of the scale. It must be more than a mere mistake; it must be a deliberate action or omission that is gross and shocking in its departure from standards of reasonable behaviour—a great falling short of the standards of care that involves the foreseeability and the potential for fatal or dangerous outcomes. Gross negligence encompasses more than mere negligence, but it would at least include a deliberate decision to undertake or not to undertake a certain act.

It is my assertion that gross negligence is something obvious and unacceptable and it is an act or omission undertaken with an actual appreciation of the risks involved but also a serious disregard or indifference to the obvious risk. The High Court's decision in *The Queen v Lavender* [2005] 222 CLR 67 affirmed that, for an accused to be convicted of manslaughter on the basis of criminal negligence, the prosecution must prove that the intentional act of the accused causing death merited criminal punishment because it fell so short of the standard of care that a reasonable person would have exercised in circumstances where the reasonable person would have appreciated a high risk that death or grievous bodily harm would result. In closing, I have moved these amendments to indicate that this proposed offence must be a grave, serious or significant departure from the standard of care which a reasonable person would have undertaken. It must be so grave in error and carry with it such a high risk that it deserves to be punished as such a serious offence.

This legislation proposes a possible penalty of 25 years. Therefore, it requires a serious degree of culpability. That is not in question. When I moved these amendments in 2021, I did so based on my experience of investigating normal deaths—not necessarily workplace deaths but other criminal offences—within my role as a senior detective. I advocated for the degree of culpability required in a normal criminal case that could happen on the street to apply to a manslaughter case, and I mirrored that level of culpability in that proposed legislation. I am pleased to see that the Minister and her team adopted that.

The Roberts amendment of 2021 is the basis for the Cotsis bill of 2024. I see the Minister shaking her head, but she brought the change forward. No other member brought it forward. I moved those amendments in 2021. No other member from the then Government brought it forward. When it got to the lower House, I think, the then Coalition Government used its numbers to ensure that it was not even debated. In this game, not many people acknowledge good work. But I acknowledge the Minister's work and applaud her for it. She will have my support for the bill.



**The Hon. MARK BUTTIGIEG (15:16):** I contribute to debate on the Work Health and Safety (Industrial Manslaughter) Bill 2024. This extremely important bill is another bedrock Labor reform brought before the House by our Minister for Industrial Relations, Ms Sophie Cotsis. I recognise the presence of Unions NSW in the gallery, including Secretary Mark Morey and Tod Pinkerton, as well as several officials, including Natasha Flores and Sherri Hayward. I specially acknowledge a friend of mine in the gallery who did an apprenticeship with me at Sydney County Council back in 1982, David White. That has some relevance because he is in the Chamber representing the injured workers network. David's son was 24 years old when he died of electrocution on a roof. Had these laws been in operation at that time, perhaps David would not have lost his son. He has been instrumental in representing the injured workers network and bringing this important bill before the House.

I relay a personal experience of mine that I have spoken about in the House during previous debates. By the grace of God, I am still alive. I was a third-year apprentice, I think, at Sydney County Council. Dave will understand the circumstances. It was about this time of year. I would have been all of 17 or 18 years old. We were sent out to a pole transformer to do what are called full load readings, which is when someone climbs up a pole transformer to measure the current going through the overhead wires coming out of the transformer. Fortunately, because it was so cold that day at Kurnell, I was wearing several layers of clothing.

In those days, had it been summertime, we would have been wearing shorts and short-sleeved shirts and, as a young teenager, probably sweating profusely. I proceeded to climb up the pole and I could not reach out to the furthest phase on the distributor. I was wearing pants, boots, socks, a singlet, a shirt and a jumper. I said to the fellow who was down on the ground at the time, "What do you want me to do? I can't reach up." He said, "Just jump up on top of the pole transformer." It was a live, in-service 11,000-volt to 415-volt transformer. I proceeded to sit on top of the earth transformer and felt tingling down my back—the 11,000-volt wires looked like they were insulated, because they had black plastic over them, but they were not; I had assumed they were.

I felt all this tingling in my back. I got down, and Billy was at the bottom of the pole transformer. He had been seconded from another area which was not familiar with working on the high-voltage network. They installed meters, so they were not used to working on the high-voltage network, but they were qualified electricians. I said, "Bill, are those 11,000-volt mains insulated? Because I had tingling down my back." He said, "I don't know." When I went back to the depot and proceeded to tell the foreman, the blood drained from his face. He said to me, "You idiot! You're lucky to be here. That's exposed 11,000 volts." I say again, had it not been for the cold weather and the several layers of clothing, I guarantee members that I would not be here today.

Had I died that day, my parents would not have been able to prosecute the then Sydney County Council for gross negligence because there were no laws to do it. Under the laws that the Minister is introducing to the House, which will hopefully shortly get passed, we will be able to bring a case for a situation like that and the situation that Dave's son found himself in and is no longer with us as a result of. We will be able to prosecute an officer of a company for being grossly negligent in dereliction of duty, in not protecting a worker and not taking adequate steps. In my particular case, the adequate step would have been to say, "I am not going to send this young kid out with someone who does not understand the high-voltage network and is not capable of carrying out safe work practices." These are important laws.

The emblematic case, if you like, that brought so much centre of gravity and attention to this issue is the case of young Christopher Cassaniti, who passed away several years ago and whose parents, Patrizia and Rob Cassaniti, have been relentless in being the face of the campaign to bring these laws in. The idea that anyone can go to work and someone can be negligent in their duty and not take the adequate care—whether it be in the erection of scaffolding, sending out someone who is not qualified to supervise an apprentice, sending someone out to work on a roof and not undertaking adequate processes and procedures in insulating the overhead mains, or not training workers properly—should not be allowed. People should go to jail if they kill someone at work as a result of that negligence, and that is exactly what these extremely important laws will do.

I place on the record the seminal work of our former colleague Adam Searle, who introduced a similar bill in this House in 2021, which passed this House but was mothballed in the lower House. Again, without wanting to sound too opportunistic in terms of the politics of this—I do not think that it is appropriate for us to get too political—once again I acknowledge the union movement and injured workers advocating for that transmission mechanism, straight through to the party of Labor in government, to change laws for the benefit of working people. I also acknowledge the work of Minister Sophie Cotsis in bringing this important bill to Parliament. It is tragic that we have had to lose so many lives to get to this point. I am proud to be part of a government that will institute a law that will hopefully prevent that happening in the future. I commend the bill to the House.

**The Hon. JEREMY BUCKINGHAM (15:23):** On behalf of the Legalise Cannabis Party, I associate myself with and speak in full support of the Work Health and Safety Amendment (Industrial Manslaughter) Bill 2024. This incredibly important bill will strengthen legislation on industrial manslaughter, and it is entirely overdue. The bill is a crucial step forward in protecting the lives of hardworking men and women who are the

backbone of our nation. It is not just a policy enhancement; it is a moral imperative that addresses the very heart of justice and safety in our workplaces and society. First and foremost, industrial manslaughter represents the gravest consequence of corporate negligence. It is more than a term; it is a reality that affects families and communities across the country, as we have heard spoken of so eloquently. When an employer's gross negligence leads to the death of a worker, it is a preventable tragedy that shatters lives and leaves lasting scars. The bill seeks to ensure that such negligence is met with appropriate and stringent consequences, and reinforces our commitment to the value of every single human life.

Our current laws have laid a foundation for accountability, but they fall short in several critical areas. The penalties for industrial manslaughter must be severe enough to serve as a true deterrent. Corporations should not be able to absorb fines as a mere cost of doing business, while failing to implement essential safety measures. The bill proposes penalties that are proportionate to the severity of the offence, ensuring that no company or individual can evade responsibility through financial means. The complexity of modern workplaces demands an evolved legislative framework. With the rapid advancements in technology and the continuous evolution of industrial practices, new hazards emerge that our laws must address. The bill ensures that our legislation keeps pace with those changes, providing comprehensive protection for workers in all sectors, from traditional industries to emerging fields like technology and renewable energy.

Any honourable member who has the opportunity to visit Broken Hill and see the Line of Lode Miner's Memorial would be moved by that memorial, which records over 800 deaths in mining in Broken Hill since 1883. The moving memorial records the name of the individual and how they died, some of them in horrendous deaths. What is remarkable is the correlation between the emergence of organised labour and a reduction in deaths. The two things are synonymous. The enforcement of these laws is another critical aspect that the bill seeks to enhance. Robust legislation is ineffective without proper enforcement mechanisms. By allocating adequate resources to regulatory bodies and ensuring thorough inspections and investigations, we can maintain high safety standards. This includes training inspectors to recognise and address new and evolving risks, thereby preventing potential tragedies before they occur.

In conclusion, the proposed bill to strengthen industrial manslaughter legislation is a clear and urgent necessity. By supporting the bill, we honour the memories of those who have tragically lost their lives to industrial accidents and reaffirm our commitment to preventing future tragedies. It is our responsibility to ensure that our laws are robust, our enforcement mechanisms are effective and our workplaces are safe. Every worker deserves to return home safely at the end of each day, and the bill is a significant step towards making that a reality. I acknowledge the work of former member Adam Searle, who did so much to advance this cause in this place. I also acknowledge the work of Unions NSW. I particularly acknowledge the CFMEU. I also acknowledge the work of Minister Cotsis and all those families who have struggled with the death of a loved one and lobbied for change in this place. I urge my colleagues to join me in supporting this vital piece of legislation. Let us work together to uphold justice, enhance safety and protect the lives of our nation's workforce. Kill a worker, go to jail.

**The Hon. EMILY SUVAAL (15:29):** I too support the Work Health and Safety Amendment (Industrial Manslaughter) Bill 2024. The bill has been a long time coming, as we have heard. I commend, obviously, my colleague the wonderful Minister Sophie Cotsis for her work in introducing it to Parliament, but I also commend the work of the union movement and Unions NSW. I acknowledge its secretary, Mark Morey, is in the public gallery today. He has been championing this cause for some time. I also note my experience with the northern branch of the Mining and Energy Union, which every year puts on a very moving memorial in Cessnock for miners who have tragically lost their lives. I note that the Hon. Jeremy Buckingham also mentioned the memorial at Broken Hill. Most importantly, I acknowledge the survivors, some of whom are in the gallery today. I also acknowledge the presence of Dave White in the gallery, father of young Joel White, who was killed at work in 2019.

I acknowledge the Cassanitis. I recently had the privilege of meeting Patrizia and Rob Cassaniti. They took some time to share their story with me, something I was very grateful for. Anyone who hears their story cannot possibly not be moved by the impact that it has had on their lives. As a parent, I can think of no more unimaginable, tragic and senseless thing to have happened. This bill, I hope, will go some small way in providing a sliver of hope, although it is cold comfort for those families, as it is mainly symbolic in nature for those who have gone before us. But I hope that it provides some solace and comfort in what will no doubt be an ongoing journey of unimaginable grief in the loss that those families have endured, and I hope it brings them some comfort that their loss is not entirely in vain. I commend the bill to the House.

**The Hon. ANTHONY D'ADAM (15:31):** It is days like these when you realise the difference that a change of government actually makes. The Work Health and Safety Amendment (Industrial Manslaughter) Bill 2024 is an excellent piece of legislation. It is the fruition of decades of campaigning by unions and by the families of those who have lost loved ones to industrial deaths. I thank the Minister for Industrial Relations, and Minister

for Work Health and Safety for introducing the bill. She has long been an advocate for this measure and it is fantastic to see it finally come to be a reality. I acknowledge the work of Unions NSW and my own union, the Construction, Forestry and Maritime Employees Union [CFMEU], which for decades has been campaigning for this. I remember this issue being debated at a Labor Party conference more than 20 years ago.

For too long, New South Wales has been the only mainland State without industrial manslaughter laws. Those laws hold employers and decision-makers within a business responsible if their reckless conduct results in the death of a worker. Labor has long supported the introduction of an industrial manslaughter offence in New South Wales. In opposition we introduced a bill to create such a law but, as we heard earlier, that was blocked by the previous Liberal Government. Now it is time to fix it. On average more than one worker in New South Wales loses their life per week. Since 2022 there have been more than 687 workplace fatalities. Yet over the same period there have been only four successful prosecutions for the highest current offence.

Avoidable workplace incidents are a tragedy. Neglecting to hold to account the employers and businesses that did not prevent those deaths is a failure of government. Thanks to the tireless campaigning by affected families, an industrial manslaughter offence will be introduced within the New South Wales Work Health and Safety Act 2011. I have met many campaigners like Patrizia Cassaniti and Rob, her husband, whose 18-year-old son Christopher died in 2019 after a perimeter facade—18 tonnes over its maximum capacity—caved in, trapping him and his colleague, Khaled Wehbe, at a Macquarie Park construction site.

The existing laws are inadequate for discouraging and punishing grossly negligent safety breaches resulting in a workplace death. Currently New South Wales employers who expose their workers to the risk of death may face a maximum of five years in jail and fines of up to \$3.7 million. The system has never provided proper justice, with courts meting out measly fines while those left behind suffer. In the case of Patrizia's son, New South Wales District Court Judge Andrew Scotting found that Synergy Scaffolding Services knew the scaffolding was "grossly overloaded" and that there had been a history of the unauthorised removal of building ties and alteration to the scaffolding. He said it was also constructed without vertical bracing in breach of its own design and the Australian standard. The scaffolding company was eventually fined only \$2 million and the construction company only \$900,000. No-one has served jail time for that tragedy.

More than two-thirds of respondents to a Unions NSW survey supported the introduction of the industrial manslaughter offence. More than 2,000 voters were polled and the results found strong support for the new laws and increased penalties. Most survey respondents were surprised industrial manslaughter was not already outlawed. The Parliament has to listen to community concerns. The people of New South Wales want corporations and CEOs held accountable for workplace deaths. The new laws will introduce a \$20 million fine as the maximum penalty for a body corporate and 25 years imprisonment for an individual.

Although no amount of money or time in prison can compensate for the loss of a loved one, we need to send a strong message to reckless employers. There is no excuse for not complying with work health and safety obligations in the workplace. In order for the industrial manslaughter offence to have a deterrent effect, employers need to know that the New South Wales Government is committed to commencing prosecutions and has allocated sufficient resources to ensure that those prosecutions are a success. The CFMEU Construction and General Division NSW has recommended that a specialist prosecutor independent of SafeWork is required to show employers the Government is taking the new prosecutions seriously.

Until a specialist prosecutor can be established, industrial manslaughter prosecutions must be allocated to a separately identifiable team within the office of the Director of Public Prosecutions. Without a specialist team and separate funding, the CFMEU is concerned that industrial manslaughter prosecutions will be pushed aside while the DPP focuses on more violent offences. The new industrial manslaughter offence ensures that serious health and safety breaches carry a heavy penalty, holds those who place workers' lives at risk liable and guarantees that justice is served for workers and their families. Implementing this reform will put New South Wales in line with every other mainland State and Territory. Importantly, this legislation was created in consultation with families who have lost loved ones, unions, industry and legal stakeholders.

Industrial manslaughter laws underscore the moral imperative of protecting workers' lives. Everyone has the right to a safe and secure workplace. Every worker deserves to come home to their loved ones. Stopping workplace deaths must be a priority for the New South Wales Government. Kill a worker, go to jail—with this bill, it is hoped that those are now more than just words. I also say to Patrizia and Rob, if there is a heaven, Christopher is up there looking down on the work that they have been doing. Maybe things happen for a reason. Patrizia has been an amazing advocate. There are workers wandering around oblivious that they are alive because of the advocacy of Patrizia Cassaniti. She should be very proud of this legislation. It is very much a legacy of her work and I commend her for her advocacy.

**The Hon. BOB NANVA (15:38):** I support the Work Health and Safety Amendment (Industrial Manslaughter) Bill 2024. At the outset I acknowledge the hard, methodical work of Unions NSW, the CFMEU, the Injured Workers Support Network and particularly Minister Cotsis for getting us to this point. In the limited time available, I will not go into the substantive aspects of the bill and its critical policy underpinnings. That was ably done by the Minister in the other place. But I will make a number of remarks about the significance of these reforms to working people and their families. It is universally accepted that workers should be able to go to work at the beginning of the day, secure in the knowledge that they will return to their family unharmed—a worthy sentiment not always matched by deeds in the workplace or supported through laws in this place.

For many of us on the Government's side of the Chamber, this reform is not just a matter of policy or politics; it is intensely personal and it is an article of faith. As a former union official I have sat in the homes of grieving families who had a loved one leave for work, never to return—families who lost husbands and fathers, parents who lost their children, communities who lost their neighbours or friends. I have done so far more often than is acceptable. Some people paint an unflattering, overworked and unimaginative caricature of union leaders, but unless or until one has had to confront scenes like that in the lounge rooms, garages or backyards of those families, one will never know how deeply personal this is to us and how deeply it cuts.

One often feels helpless in the moment, but one dedicates oneself to the trade union movement's cause to resist moves to weaken workplace health and safety standards and to use whatever means available to lift them up. That is why I am honoured to be in this place, at this time, to pass a law like this. Some employers let standards slip; some cut corners to save time or money. It is workers who always pay the highest price. Laws like this could help save their lives, which is the least this Parliament can and should do.

**The Hon. CAMERON MURPHY (15:41):** I support this most important of bills, the Work Health and Safety Amendment (Industrial Manslaughter) Bill 2024. I start by acknowledging the presence in the gallery of Unions NSW, including its secretary Mark Morey and other union officials, as well as representatives of the many families who have been campaigning for so long on this most important of issues. I commend also Minister Cotsis not only for developing this bill but also for shepherding it through the Parliament and bringing it on as a matter of urgency in the first part of the important work that this Labor Government is doing. It is such an important issue. I saw firsthand the devastating effect that a death causes in my time working as a barrister. I dealt with cases of work health and safety where somebody had been killed. The trauma ricochets through not just the family but through workers, colleagues and entire communities. It is devastating and it has to end.

The bill will ensure that New South Wales finally joins the rest of mainland Australia in having industrial manslaughter offences. The importance of these laws is that they ensure workplace health and safety is the number one priority in every workplace across the State. Every worker has the right to return home safely at the end of each and every working day. I hope that these laws never have to be used, and that no-one is ever prosecuted, because what we want is exactly that: every worker to return home safely at the end of each day. If no-one is prosecuted, then the objective of the bill will have been fulfilled. But when employers fail, it is vitally important that they are held accountable for actions or failures that lead to the deaths of workers, and this bill will do that.

I thank all the unions in New South Wales that have campaigned for decades to achieve the outcome contained in the bill. I particularly thank the CFMEU Construction and General Division in New South Wales for its tireless advocacy on this issue over many years. Divisional president Rita Mallia, secretary Darren Greenfield and legal officer Sherri Haywood—who is in the gallery today—have worked tirelessly with the families of so many people affected by the tragic circumstances of industrial deaths. It is their work and their campaigns that have been so critical to this important change.

I thank also the honourable families, including Rob White and parents Patrizia and Rob Cassaniti, who have been the face of this change and have fought tirelessly to make sure that their loss is not in vain and that something positive comes out of that loss. That is what the bill does: It changes the law to make sure that nobody else has to face the loss of a child, relative or loved one in the way that they have. I thank them for their work. The message of the bill is "Kill a worker, go to jail." I commend the bill to the House.

**The Hon. PETER PRIMROSE (15:46):** Briefly, I add my support for the Work Health and Safety Amendment (Industrial Manslaughter) Bill 2024. I do not include all or even most employers when I say that I have met some employers who are real scum. They really do not care about their employees. On a number of occasions I have raised that during adjournment and other debates in this place. I sincerely hope that, if nothing else, this legislation puts the fear of God into those people. I never want to have to talk to workers who work in those facilities and workplaces because they fear for their lives or their children's lives. I want safe work that actually provides safe work, I want workplace health and safety legislation that actually provides workplace health and safety legislation, and I want industrial manslaughter laws that actually jail people who deserve to be jailed. I want the scum of the earth employers to know that that is what this legislation will do, so they never, ever cause their workers to have to experience what many people have experienced.

**The Hon. TARA MORIARTY (Minister for Agriculture, Minister for Regional New South Wales, and Minister for Western New South Wales) (15:47):** In reply: There is no bill more important than the one that we are debating today, the Work Health and Safety Amendment (Industrial Manslaughter) Bill 2024. As the Minister in the other place said, "This is what it means to have a Labor government." We have made it very clear that we never want to see this law used, because it would mean another worker had died at work. Since 2019, 300 workers in this State have died at work. That is 300 sons, daughters, brothers, sisters, fathers and mothers who went to work and never came home. Today the Parliament has listened to their families and to those who represent those who have passed away.

The Government hopes that the bill will act as the strongest possible deterrent, create safer workplaces and ensure that when a worker dies due to the action of their employer, an appropriate remedy is available. I thank members for their consideration and contributions to the debate: the Hon. Aileen MacDonald, Ms Abigail Boyd, the Hon. Rod Roberts, the Hon. Mark Buttigieg, the Hon. Jeremy Buckingham, the Hon. Emily Suvaal, the Hon. Anthony D'Adam, the Hon. Bob Nanva, the Hon. Cameron Murphy and the Hon. Peter Primrose.

The Minister has asked me to pass on particular thanks to the Hon. Rod Roberts for his assistance with the development of the bill. He outlined some of the ways he did that in his contribution to the second reading debate. The Government acknowledges his incredible work and thanks him for that. The Government also acknowledges the Hon. Jeremy Buckingham and Ms Abigail Boyd for their campaigning on the issue for a long time. I thank all Government members who contributed to the debate.

This type of bill is core business for a Labor government; it is why we are in this place. Hopefully the bill will be passed by this House today. All of the contributions made by members show how important the issue is. I also thank and acknowledge a leader of the union movement, Mark Morey, who is in the gallery, and his colleagues and other representatives from the union movement. As secretary of Unions NSW, Mark Morey has been campaigning on this issue alongside the Labor Government. Well before the conception of this bill he was campaigning on behalf of workers who had died and on behalf of their families to ensure that does not happen to anyone else again.

With respect to the issues raised in the second reading debate, I note that the Minister in the other place delivered an extensive reply that addressed similar issues to those raised in this place. No-one can put it better than the Minister, so I refer members to her remarks. I again acknowledge the Family and Injured Workers Support and Advisory Group and Mr David White, who is in the gallery, for their engagement with the bill. I note that the members of that group are watching online today. I again acknowledge the Cassaniti family who, as members of this House know, lost their 18-year-old son Christopher at work after overloaded scaffolding collapsed on him. The Cassanitis have led a tireless campaign to see this law pass today. Chris died at work and the Cassaniti family received a life sentence while the employer received a fine. That is simply not good enough. I thank the Cassanitis, who have done absolutely everything they can for Chris. I hope they can finally grieve.

Again, I thank the union movement. The bill is so important. The laws will hopefully, as I have said, never need to be used, but it is essential that the strongest possible protections are in place for workers across New South Wales. I thank the Minister for Industrial Relations who does incredible work driving this type of Government reform and advocating for it in the public domain. She is an incredible and tireless advocate for working people across the State and has done a terrific job in bringing this bill to fruition on behalf of workers in New South Wales. I commend the bill to the House.

**The DEPUTY PRESIDENT (The Hon. Dr Sarah Kaine):** The question is that this bill be now read a second time.

**Motion agreed to.**

### **Third Reading**

**The Hon. TARA MORIARTY:** On behalf of the Hon. Daniel Mookhey: I move:

That this bill be now read a third time.

**Motion agreed to.**

## **ENERGY LEGISLATION AMENDMENT (CLEAN ENERGY FUTURE) BILL 2024**

### **Second Reading Debate**

**Debate resumed from an earlier hour.**

**Ms ABIGAIL BOYD (15:54):** Before the debate on the Energy Legislation Amendment (Clean Energy Future) Bill 2024 was interrupted earlier, I believe I was talking about the importance of well-designed and structured community benefits schemes to ensure that we bring the community on board with us in a really tangible

and visible way. The Greens have real concerns about the particular strategic benefits scheme that is being brought in. We know other States are also implementing this payment to landholders in addition to the amount that they are getting under the Land Acquisition (Just Terms Compensation) Act. I understand the reason for it: it smooths opposition to projects. But unlike most community benefits schemes, the payment is being socialised out to the rest of the community through notionally higher energy bills. That is where the problem is.

The Greens will move an amendment to ensure that the payments made to landholders, which are then borne by the operators of the transmission projects, are not passed onto the consumer by the transmission operator. The Greens raised that with the Minister's office, and I understand that it is the intention that it be passed onto consumers through their energy bills. That is fundamentally problematic. However, it is unfortunately a product of our mostly privatised energy network. That may well require the Government to step in and compensate that amount indirectly through higher and greater bill relief. That is not an ideal system. It is certainly not how Parliament would do things if they were done from scratch. I understand that is where we are and that it is in line with other States and Territories, but it really needs to be reconsidered. I leave my remarks on the amendment there until the Committee of the Whole.

**The Hon. JOHN GRAHAM (Special Minister of State, Minister for Roads, Minister for the Arts, Minister for Music and the Night-time Economy, and Minister for Jobs and Tourism) (15:57):** On behalf of the Hon. Penny Sharpe: In reply: I thank members for their contributions to debate on the Energy Legislation Amendment (Clean Energy Future) Bill. I particularly thank and acknowledge the contributions of the shadow Minister in the other place for his support of the bill, the Hon. Natalie Ward and Ms Abigail Boyd. I appreciate the comments Ms Abigail Boyd made before the debate was interrupted. The Government is aware of The Greens amendments. While the Government appreciates the member's sentiment, at this point the Government does not support the proposed amendments.

The Government is obviously very keen to pursue the energy transition seriously. It regards this bill as another step along the way—although I take the member's point that, as with many issues in this debate, this is not necessarily where policymakers would start from. I thank the many staff at the Department of Climate Change, Energy, the Environment and Water who worked on this bill. It was a genuine team effort, with many staff involved. In the view of the Government, the bill is necessary to keep pace with the energy transition. I commend the bill to the House.

**The DEPUTY PRESIDENT (The Hon. Dr Sarah Kaine):** The question is that this bill be now read a second time.

**Motion agreed to.**

### In Committee

**The CHAIR (The Hon. Rod Roberts):** There being no objection, the Committee will deal with the bill as a whole. We have one sheet of amendments: The Greens amendments Nos 1 and 2 on sheet c2024-096B.

**Ms ABIGAIL BOYD (16:01):** By leave: I move The Greens amendments Nos 1 and 2 on sheet c2024-096B in globo:

**No. 1 Mixed green hydrogen exemptions sunset**

Page 5, Schedule 2. Insert after line 3—

**[3A] Section 197**

Insert after section 196—

**197 Green hydrogen exemptions not valid from 1 January 2030 if mixed with fossil fuel gas**

An exemption under this Act or the *Energy and Utilities Administration Act 1987* that provides a benefit to a person in relation to the production or use of green hydrogen, however defined, does not have effect on and from 1 January 2030 if the green hydrogen is, or is to be, mixed with a fossil fuel gas for use.

**No. 2 Cost of strategic benefit payments**

Page 16, Schedule 5.1[4]. Insert after line 36—

**(6A)** The strategic benefit payment guidelines must provide that the holder of a transmission operator's licence must not seek to recoup the cost of a strategic benefit payment by increasing a charge payable by a consumer.

During the second reading debate I talked about amendment No. 2 in relation to the cost of strategic benefit payments; I will not seek to explain that again. Amendment No. 1 establishes an exemption under the Act to provide that a benefit to a person in relation to the production or use of green hydrogen does not have effect on or after 1 January 2030 if the green hydrogen is, or is to be, mixed with a fossil fuel gas for use. The Greens

understand that in the short term a small proportion of green hydrogen may end up being mixed with an existing gas supply and piped to develop the market. That, of course, cannot be more than 10 per cent using existing technology. But there may be a small opportunity for that in the very short term to encourage green hydrogen development. Therefore, it is possible there are potential financial incentives to produce that green hydrogen in that way.

We need a radical reduction in greenhouse gas emissions by 2030. We should be looking at that target. The Greens do not want a subsidy on green hydrogen to be a crutch for the ongoing supply of fossil fuels after 2030. There has to be an end to that kind of transitional arrangement for green hydrogen. We would like it to be on or before 1 January 2030, which is when we need to have made an extremely large reduction in our greenhouse gas emissions. We are of the strong belief that there should be no role for fossil fuel gas after 1 January 2030. This amendment is in the same form as that moved by my former colleague—now senator—David Shoebridge, when the energy legislation was passed on that memorable all-nighter, which I am sure all members have fond memories of.

**The Hon. John Graham:** All-nighters. You have to use the plural.

**Ms ABIGAIL BOYD:** All-nighters. At that time the now Minister—Minister Sharpe—commented that although she agreed with the intent, she was not convinced that this was the way to go about achieving that intent. Now that she is the Minister, I hope that she has the resources at her disposal to work out what is the best way if it is not, in fact, what we have drafted here. I commend the amendments to the House.

**The Hon. MARK LATHAM (16:04):** There was mention of that all-nighter. It was similar to Woodstock: If you remember too much about it, you weren't really there; it went on for so long. For most of us, years later, it has become a blur. I do not remember the Shoebridge amendment at all. Like you, Mr Chair, I am struggling to remember half of our amendments. I do oppose this amendment, whether it was moved by the Shoe back then or has been resurrected now. I oppose amendment No. 1, but amendment No. 2 is worthy of support to ensure that these additional transmission costs are not passed onto consumers. These companies are able to absorb those costs rather than adding to the escalation in energy prices that add to the cost-of-living crisis in New South Wales and beyond. On the first point, we need to knock this down because it is trying to perpetuate a few myths. One is that politicians can predict technological developments six years from now. If we were that good, we would be out in the private sector making a fortune. We would all be millionaires.

**The Hon. Scott Farlow:** We would have a promising share portfolio.

**The Hon. MARK LATHAM:** We would. Politicians are the worst predictors of technological trends and developments. That is pretty clear from the historical record. It is essentially why we are here in the public sector and not out there making money in the private sector. How The Greens know that we will have capability for 100 per cent green hydrogen on 1 January 2030 beggars belief. It is a wild punt, a speculation, out there in the medium term. But the prospects, looking at the evidence today, are dismal. There is no 100 per cent green hydrogen gas peaking plant anywhere in the world. Here in Australia, we have run into severe problems at Tallawarra. Matt Kean gave them about \$80 million on the promise of a 5 per cent or 10 per cent green hydrogen mix. The plant itself was completed, but it has not produced a gigawatt of electricity. They have built it, but they are struggling to make it functional.

What they have said about the green hydrogen mix is that they cannot find any. None has been produced or made available in New South Wales. Kean gave them money with a token effort of environmental sustainability on green hydrogen; they cannot find any, so it will be 0 per cent. When they get that Tallawarra B up and running, it will be 0 per cent green hydrogen in the mix just out of necessity. The product does not exist. At the Kurri gas peaking plant, which is under the control of SMEC and the Federal Government, Chris Bowen said he wanted a 20 or 30 per cent green hydrogen mix and they said the plant is not built that way. It takes a major and expensive design alteration to the plan to accommodate any amount of green hydrogen.

For those who have, in long or short debates, funded rent-seeking billionaires like Twiggy Forrest to produce green hydrogen, thinking this saves the planet, all they have done is lined his pockets and fallen for a massive con job. This stuff is very hard to develop. We know this because the record today shows us that. You would be incredibly optimistic—blindly optimistic, as The Greens sometimes are—to think that any of that will change over the next six years. So amendment No. 1 is a fallacy and a myth. It must be rejected, whereas amendment No. 2 is worthy of support.

**The Hon. JOHN GRAHAM (Special Minister of State, Minister for Roads, Minister for the Arts, Minister for Music and the Night-time Economy, and Minister for Jobs and Tourism) (16:07):** I thank Ms Abigail Boyd for moving these amendments in globo. In relation to amendment No. 1, the Government's position is as follows. The amendment deviates from the Government's policy objective for the concession in the

first place, which is to incentivise the production of green hydrogen in New South Wales. The Government believes, to the member's point, that it is the right time for this concession and this incentive at this moment. Therefore, the Government does not support amendment No. 1.

Amendment No. 2 seeks to prevent a transmission operator from recovering the costs of the strategic benefit payments from electricity consumers, as members have indicated. In the Government's view, these payments are necessary for the successful rollout of the renewable energy transition and will be far outweighed by lower bills driven by affordable renewables. The advice before the Government is that, over time, that will be the case. I can inform the House that I am advised the modelled costs for the strategic benefit payments for Transgrid's committed and actionable projects, along with the projects EnergyCo is delivering, are estimated to be an increase of around a dollar a year for the average New South Wales household between 2024 and 2040.

**The Hon. SCOTT FARLOW (16:08):** On behalf of the shadow Minister, and for the reasons outlined by the Minister, I indicate that the Opposition will also oppose the amendments put forward by Ms Abigail Boyd.

**The CHAIR (The Hon. Rod Roberts):** Ms Abigail Boyd has moved The Greens amendments Nos 1 and 2 on sheet c2024-096B. The question is that the amendments be agreed to.

**Amendments negatived.**

**The CHAIR (The Hon. Rod Roberts):** The question is that the bill as read be agreed to.

**Motion agreed to.**

**The Hon. JOHN GRAHAM:** I move:

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

**Motion agreed to.**

### Adoption of Report

**The Hon. JOHN GRAHAM:** On behalf of the Hon. Penny Sharpe: I move:

That the report be adopted.

**Motion agreed to.**

### Third Reading

**The Hon. JOHN GRAHAM:** On behalf of the Hon. Penny Sharpe: I move:

That this bill be now read a third time.

**Motion agreed to.**

## ENERGY SECURITY CORPORATION BILL 2024

### Second Reading Speech

**The Hon. JOHN GRAHAM (Special Minister of State, Minister for Roads, Minister for the Arts, Minister for Music and the Night-time Economy, and Minister for Jobs and Tourism) (16:12):** On behalf of the Hon. Penny Sharpe: I move:

That this bill be now read a second time.

I am pleased to introduce the Energy Security Corporation Bill 2024 to the Legislative Council. This Government made an election commitment to establish a corporation that will accelerate investment in renewable energy assets and ensure the dispatchable supply of clean energy. Today this bill delivers on our commitment through the establishment of the Energy Security Corporation [ESC]. This Government is committed to effective action on climate change to ensure a sustainable and fair future for the people, economy and environment of New South Wales. The ESC will accelerate private sector investment to ensure that the benefits of the renewable energy transition are enjoyed by all New South Wales consumers. We are pleased to be progressing the bill in this House.

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

**Leave granted.**

We are in the middle of a global electricity market transition.

It is therefore imperative that our State's electricity sector not only decarbonises quickly but also unlocks economic opportunities of clean energy for the State.

The ESC will allow the New South Wales Government to contribute to the decarbonisation movement and take advantage of any financial benefits in the renewable energy transition.



Climate change is a systematic challenge that impacts all parts of our life here in New South Wales, our communities, our economy, our environment and our wellbeing.

The New South Wales Parliament has committed to effective action on climate change to ensure a sustainable and fair future for the people, economy and environment of New South Wales.

The Climate Change (Net Zero Future) Act 2023 sets minimum greenhouse gas emissions reduction targets for the entire State, including the achievement of net zero emissions by 2050.

Though our electricity system in New South Wales has provided us with reliable power, it is also the highest emitting sector in the State.

This means rapid decarbonisation of the electricity sector is essential to ensure New South Wales can take urgent action on climate change and safeguard our environment for future generations.

But while the grid is decarbonising, we need to make sure the system can provide enough power to keep the lights on. Electricity needs to remain secure and reliable.

The Australian Energy Market Operator has indicated in its latest update to the National Energy Market Electricity Statement of Opportunities Report that without critical generation and storage investments, New South Wales faces higher reliability risks.

Indeed, the Australian Energy Market Operator has projected an increased risk of power outages in New South Wales for the next four summers in its latest report, highlighting the urgency of the task at hand.

This Government is committed to ensuring a reliable, safe and secure electricity grid during the transition to net zero by supporting necessary investments in the sector.

New South Wales has built a strong economy on a base of reliable, coal-fired energy. Climate change means that can't continue indefinitely.

Global markets recognise this and we are seeing a concerted move to decarbonise economies around the world.

New South Wales needs a new base of economic prosperity for the twenty-first century.

Low-cost, abundant renewable energy can be that economic base and support a more diversified economy for New South Wales.

We are fortunate to have bipartisanship when it comes to this objective—both sides of this House supported the establishment of the Electricity Infrastructure Roadmap.

The road map is already decarbonising our energy system and paving the transition away from coal-fired generation.

It is delivering clean generation, storage and firming infrastructure, as well as the new network infrastructure required to connect generation to customers.

We have made the successful delivery of the roadmap a whole-of-government priority.

But after a decade of privatisation under the previous Government, we need to do more.

The purpose of this bill is to accelerate the transition to a zero emissions grid, and help meet our ambitious State decarbonisation targets, by creating the Energy Security Corporation, or ESC. The ESC will inject funding into needed clean energy projects, including storage and firming assets.

This bill delivers on the Government's election commitment to establish a new corporation, seeded with \$1 billion, to accelerate investment in clean energy assets and ensure New South Wales has a dispatchable supply of renewable energy when the sun doesn't shine, or the wind doesn't blow.

We have heard from the energy industry that medium-to-long duration storage and distribution connected storage are necessary for the transition but are not attracting enough investment.

We also know capital for these sorts of clean energy technologies is available but for a variety of reasons, these projects are not able to attract the required investment from the private sector.

These reasons include policy uncertainty on the timing of coal power station closures, a lack of market price signals for system benefits created by essential system services such as inertia, and construction cost uncertainty.

The Government has a key role to play in supporting or de-risking clean energy assets. It can also benefit from the economic opportunity the renewable energy transition presents, by ensuring capital is deployed to receive positive returns.

It is imperative we take action now to accelerate investments in clean energy. This will help to ensure that New South Wales consumers benefit from an electricity system that is sustainable, secure and reliable.

The ESC will help fill the gap and drive investment to ensure the benefits of the renewable energy transition are enjoyed by all New South Wales consumers.

The ESC's goal is to co-finance and crowd in additional private investment in clean technology projects with funding gaps.

We have modelled the design of the ESC on similar effective bodies in Australian jurisdictions such as the Clean Energy Finance Corporation, or CEFC.

The ESC will also be able to collaborate with the CEFC and other existing entities to unlock further private and public sector investment into infrastructure to support the energy transition in New South Wales.

The bill is designed to create an Energy Security Corporation and set it up for success.

It establishes the ESC as a statutory corporation representing the Crown.

I note that the Electricity Security and Reliability Check-up recommended that consideration be given to establishing the ESC as a subsidiary of the CEFC with a New South Wales appointed board.

The Government investigated this option, but it was not legally feasible for the CEFC to have a New South Wales controlled subsidiary. The New South Wales Government would not have been able to issue specific investment mandates tailored to the needs of our State or control board appointments.

So, because the check up's recommendation that the ESC be a subsidiary of the CEFC was not feasible, the ESC will be a statutory corporation. This will ensure the New South Wales Government owns the entity and can appoint an independent board of governance.

The bill sets the ESC up with the appropriate structure, funding and functions to effectively identify and address gaps in the market as we transition to renewables.

The bill ensures that the entity has the right balance between independence and government oversight. The Minister for Energy and the Treasurer direct the ESC through an investment mandate but cannot direct the ESC to make or not make a specific investment. The ESC board must comply with parameters set in the mandate but will make its own investment decisions within those parameters.

The bill requires the Government to issue at least one investment mandate to cover matters of investment, such as the portfolio target rate of return, focus areas for investment and risk.

Clauses [11 to 13] provide for an independent ESC board of between five and seven members to approve investment decisions on clean energy technologies in accordance with the investment mandate issued by Government.

The bill also defines eligible technologies and scope of instruments for investments.

The ESC will invest in clean energy technologies. It will not invest in nuclear. It will not invest in carbon capture and storage.

Rather, the ESC is intended to support the transformation of New South Wales's electricity system to one based on renewable energy.

It will do that through a variety of ways. The ESC can provide concessional debt financing, make equity investments and use a range of financial instruments to fill investment gaps and crowd in private funding.

The ESC may invest both directly in projects and indirectly through other investment vehicles.

The bill steps out the financial arrangements to enable \$1 billion in seed funding to be transferred out of the Restart NSW Fund into an ESC Special Deposits Account.

It also creates a fund for the ESC to access as the ESC's money.

I will now turn to the provisions of the bill.

#### Contents of the bill

The bill sets four objectives for the ESC.

Firstly: to accelerate private sector investments in clean energy projects in New South Wales that improve the reliability, security and sustainability of electricity supply.

Secondly: to support New South Wales to achieve the targets for reducing net greenhouse gas emissions under the Climate Change (Net Zero Future) Act 2023.

Thirdly: to complement other Government initiatives relating to clean energy technologies and partner with the private sector to finance clean energy technologies.

And finally: the ESC will have an objective to achieve a government-mandated rate of return through a portfolio approach.

The objectives balance the ESC's role as a financier with a commercial filter and its public policy objectives. They allow the ESC to value positive externalities arising from projects, which is imperative to fully capture the benefits of the clean energy transition.

I now turn to part [3] of the bill which establishes the board.

The ESC board will be an independent governing board. It is responsible for providing the overall strategic direction of the ESC, appointing the CEO and approving individual investment decisions.

The board can include up to one government employee, but that employee cannot be appointed as the chair. This will allow for collaborative interaction between government and the ESC board but still ensure the board is making investment decisions at arm's length from Government.

The ESC's role is to encourage and catalyse private sector funding in needed clean assets by co-investing and de-risking project investments.

To crowd in this funding, it is crucial that the governance structure balance Government oversight with enabling the ESC to operate independently and on commercial terms.

This bill therefore enables the ESC board to make independent investment decisions within parameters set by Government through ministerial direction.

It is intended that the Minister for Energy and the Treasurer may issue directions for two key purposes.

The first purpose is to set parameters on the scope of investments through an investment mandate. The second purpose is to allow ministers to issue directions if there are concerns about the ESC's performance or operation.

It is imperative for private investor certainty that the board is independent and is not subject to the political whims of government--we do not want any whiff of pork-barrelling when it comes to ESC investments.

For this reason, clause [8] provides that the Government cannot direct the board to make, or not make, a specific individual investment.

Because the ESC is a Government Sector Finance Agency under the Government Sector Finance Act 2018, it will enter financial arrangements under this Act in a way that ensures Government cannot directly influence the board's decision to invest or not invest in a particular project. The intent is for investment decisions to be exclusively made by the board.

The Treasurer and the Minister for Finance will appoint, terminate, and determine remuneration of board members.

The Treasurer and the Minister for Finance must be satisfied that a person has substantial experience or expertise, professional credibility and significant standing in relevant fields before appointing them to the board.

This will ensure the board can make informed and educated decisions, and that it has the credibility needed to attract private sector investment to successfully achieve the ESC's objectives.

The board will prepare and submit a Statement of Business Intent to the Treasurer and the Minister for Finance to ensure clarity between the Government as owner and the board as investment decision-makers.

There are three broad requirements for a technology to be eligible for investment —

1. They must meet the bill's definition of 'clean energy technologies',
2. They must be solely or mainly within New South Wales to ensure that benefits of investment are received by New South Wales citizens, and
3. They must not be a 'prohibited technology'.

Clause [35] defines 'clean energy technologies' as 'technologies (including energy storage and enabling technologies) that contribute to the reliability, security, or sustainability of electricity supply.'

This definition is intentionally broad to enable investment in a range of technologies needed for the energy transition.

The board must develop guidelines that set out the issues it will consider in satisfying itself that a technology is a clean energy technology.

The bill also enables the ESC to invest through a range of financial instruments so that instruments can be targeted to the market need and investment gap. This will allow the ESC to tailor its investment decisions to suit the markets needs of the time.

To crowd in funding, the bill enables the ESC to be flexible and agile in how it makes its investments. This is important because innovative financial instruments and structuring is needed to effectively address market gaps.

The ESC will be required to screen and assess projects to determine if a project will meet the ESC's objectives and achieve the target rate of return with an agreed acceptable level of risk. The board will govern this process and make the investment decisions in accordance with the investment mandate.

I will now turn to part [5] of the bill which enables issuance of an investment mandate to the ESC board.

As I mentioned earlier, the investment mandate will set parameters for the ESC to comply with. This may include matters of risk and return, guidance on technology, areas of investment focus, and other investment parameters and limits for the ESC's investments.

The intent is for the Minister for Energy and the Treasurer to issue the ESC's first investment mandate prior to the board being appointed. Afterwards, the Minister will consult with the board prior to issuing all investment mandates.

A public investment mandate will provide clarity and scope to the ESC. It will also signal to the private sector where in the market the ESC is likely to operate.

The board must take all reasonable steps to ensure that the investment mandate has been complied with.

The investment mandate can be updated periodically by Government.

Finally at part [6], the bill establishes two funds: the ESC Fund and the ESC Operational Fund.

Clause [39] provides that \$1 billion in seed capital will be transferred to the ESC Fund from the Restart NSW Fund by gazetted order of the Treasurer.

The ESC Fund will be administered by Government. This account will hold the seed capital and any other government appropriations provided to the ESC.

The ESC Operational Fund will be administered by the board. The ESC will request the Minister and Treasurer make payments from the ESC Fund to the ESC Operational Fund periodically for an aggregated amount to cover forecast and committed investments, and operational costs.

The ESC board will be able to invest and manage the money in the ESC operational account.

This structure ensures seed funding is reserved but is kept separately to the pool of money that the ESC board can spend.

The intent is to ensure that the ESC can only spend money that has been authorised by Government, both legally and practically, ensuring adequate Government oversight of public funds.

The ESC will be restricted from borrowing money from outside Government except to cover the short-term settlement of a transaction when the borrowing was not required at the time the investment decision was made.

Returns on the ESC's investments will be deposited in the ESC Operational Fund and then used for purposes mandated by legislation such as new investments or paying for operating expenses.

I will now turn to the reporting and administrative requirements of the ESC as stated in the bill.

The ESC will be required to provide an annual Statement of Business Intent to the Minister and Treasurer. The statement will cover matters such as how the board intends to carry out the Investment Mandate and the board's business plan for the following financial year.

As a Government Sector Finance Agency, the corporation will produce an annual report under the Government Sector Finance Act 2018 and provide it to the Minister and the Treasurer.

The ESC will also be required to publish annual investment reports that describe the investments made in that period, or if requested by the Minister or Treasurer, at other times.

The ESC may share information with specified agencies, bodies or persons to facilitate the performance of the ESC's investment functions, or enable or assist the agency, body or person to perform its functions.

This arrangement is imperative to enable the ESC to work collaboratively and innovatively with similar entities and parts of Government to crowd in and accelerate investment in the clean energy market.

The bill also provides delegation powers to ensure smooth governance and operations.

The ESC will focus on investing alongside and mobilising private investment in clean energy projects and technologies in our State to support our transition.

Having a public policy purpose, this bill sets out the optimal governance structure, roles and responsibilities and functions of the ESC to appropriately balance the entity's autonomy and independent decision-making with Government oversight.

Passing the bill this sitting will enable the ESC to undertake the necessary preparations to commence investment operations by financial year 2025-26.

The transformation of our energy system is a once-in-a-generation opportunity for New South Wales. Renewable energy will provide households and businesses with the reliable, low-cost power they need.

Through the ESC, this Labor Government is investing in the critical clean energy projects that will power New South Wales for years and decades to come.

This will deliver: Returns for taxpayers. Low-cost power for our homes. And a reliable energy system to power our economy.

Government has always played a crucial role in providing support to our electricity sector. The ESC continues that tradition - giving the people of New South Wales a real stake in the energy transition.

I commend the bill to the House.

### Second Reading Debate

**The Hon. MARK LATHAM (16:13):** The Energy Security Corporation Bill 2024 is a very interesting piece of legislation. At one level, it shows that Government members, for all of the rhetoric and bluster, are not all that opposed to electricity privatisation. They are taking \$1 billion from the Restart NSW Fund to fund their so-called transition. They found an electricity use for electricity privatisation proceeds. If you are pure in these things you would not do that, would you?

**The Hon. John Graham:** It's no time to be pure.

**The Hon. MARK LATHAM:** The Minister likes to have his hands on the money from electricity privatisation to redirect it into the funding of community batteries, which is another curious aspect of this legislation. We need to recognise at the outset that, in looking after the energy transition in New South Wales, it is five minutes to midnight. There is a looming crisis and looming problems on every front. For example, last month *ABC News* reported this:

The head of one of Australia's biggest power retailers has warned that Australia's energy transition is veering out of control, pointing to a major market disruption that hit New South Wales as evidence of the turmoil.

During a week in which NSW agreed to extend the life of the state's biggest coal plant, Alinta boss Jeff Dimery cited dramatic events in the market earlier in the month to argue the system was in distress.

It was overlooked in the Parliament, but it was certainly a landmark ruling of the Australian Energy Market Operator [AEMO] to, as the article states, "step into the New South Wales market and cap wholesale prices between 8 May and 15 May after a series of shocks sent costs into orbit". This is a problem with a rushed transition to 100 per cent renewables. The article continues:

It's believed to be only the second time the market operator has had to make such an intervention in New South Wales.

The first was during Matt Kean's energy crisis in 2022 when he said that we could not use our dishwashers. The article states:

Paul McArdle from market analysis firm Global Roam said the coal outages coincided with relatively calm conditions, which meant output from wind farms was lower than normal.

Essentially, there was a wind drought which, when combined with night-time conditions of no solar, points to the obvious problem of shortages. Some of the coal-fired power plants had turbines out of service, and there were

problems with the interconnectors from New South Wales to Queensland and also to South Australia. These are serious issues that we confront in the rushed transition to 100 per cent renewables.

The energy system is getting more fragile as the addition of renewable energy comes into the system to replace coal-fired generation. Mr Dimery said:

We're not at the extreme levels with pricing we were at 18 months ago when AEMO had to step in and coordinate the market ... However, we got a glimpse just two weeks ago in NSW, where the interconnector was out for maintenance.

...

The turmoil in NSW also preceded a report by AEMO on Tuesday, when it warned Australia's most populous state and Victoria were at increased risk of blackouts from this summer, extending to South Australia from 2026.

Members must recognise that we have had relatively mild, wet summers for the past three years. If we get a normal Australian hot one, combined with these transitional problems, there will most definitely be blackouts. One issue that arises is a lack of gas peaking plant capacity to back up the renewables and a lack of firming and storage overall. On that front, the system is in looming crisis.

The flagship pumped hydro scheme, Snowy 2.0, is a complete disaster, and the House has gone through the details of that. It is an embarrassment to those who ever advocated for it, most notably former Prime Minister Malcolm Turnbull. Gas peaking, as I mentioned, has its difficulties at Tallawarra B and at Kurri Kurri, where it is yet to be commissioned. In this legislation, the Government is ruling out use of the \$1 billion in Restart money for gas peaking. I think that is a dreadful mistake that I will seek to correct in an amendment to the legislation. Facing the reality that there is no other pumped hydro in New South Wales other than the disastrous white elephant Snowy 2.0, the way in which the legislation has been framed means the \$1 billion is going to be used for community batteries.

If we are relying on community batteries to keep the lights on when the sun is not shining and the wind is not blowing, we will be in a dire state indeed. Would one not think that there would be an attempt to bring in other forms of clean energy, like nuclear, or that there would be an attempt to recognise the benefits of the essential transition fuel of gas? Gas peaking plants could be funded by this \$1 billion Restart NSW Fund and re-used for these purposes. We have to broaden the firming and storage capacity beyond community batteries so that the lights can stay on. That is what this legislation should be trying to do instead of taking the narrow approach of saying it can either be for pumped hydro—and none of that is happening in New South Wales—or it can be for community batteries. I believe we have just five batteries in place in the State. There would seemingly need to be one on every street corner under this legislation and in the absence of nuclear backup, pumped hydro or gas peaking to keep the lights on.

**The Hon. Jeremy Buckingham:** Not quite.

**The Hon. MARK LATHAM:** The interjector should acknowledge, because he is still too much on the green-energy toboggan, that the essential backup for renewables in New South Wales is Eraring Power Station. That is the reality. The Government is keeping Eraring going as the backup supply baseload power because of the fragility of the rush to 100 per cent renewables. That is what is going on in New South Wales. If those who believe in climate change think coal-fired power needs to be the back-up, they are actually maximising carbon emissions instead of going down the path of the gas peaking plants, which obviously are much more environmentally friendly, and embracing nuclear power, which is free of carbon emissions. Those are mistakes resulting from the narrowness of this legislation. Just this week *The Australian* reported:

NSW has quietly proposed to alter which energy storage projects it will underwrite as it seeks to hit its emission reduction targets and lower taxpayer liability, a drastic policy shift the industry says will sideline much-needed pumped hydro projects in the next decade.

Well, none are on the drawing board now. There are no projects subject to development applications and no projects have been built in pumped hydro. Perhaps this is a recognition by the Government and the energy Minister, who I note has joined us in the Chamber, that pumped hydro on mainland Australia—the flattest, driest continent on earth—is not a goer. Those opposite are seemingly moving almost entirely to these community batteries. The article goes on:

Previously, NSW considered projects that could offer energy storage of up to eight hours - a threshold that would have included batteries and longer-duration pumped hydro. But NSW officials briefed the industry earlier this month that it was now considering changing the threshold to less than four hours.

Should the changes be adopted, NSW would effectively be signalling its intention to only underwrite batteries as part of its so-called flexible storage targets.

If this transition is relying on community batteries that are running storage for a couple of hours only—they cannot even get you through half the night—it is in dire straits. This transition is in deep trouble. No wonder the

Government is keeping Eraring going; it is the only viable option given the narrowness of this particular legislation. Experts and industry players across the board are recognising that the transition is in deep trouble, that going to batteries almost exclusively is not a solution. On top of that, today we had the news that the Australian Energy Market Operator [AEMO] is convening a meeting of gas suppliers, recognising that the storage capacity will run out this winter. AEMO has called an emergency meeting of gas suppliers in Australia to see if they have enough capacity to get us through winter.

**The Hon. Jeremy Buckingham:** I told you that months ago!

**The Hon. MARK LATHAM:** Nostradamus over here predicted the gas shortfall.

**The Hon. Jeremy Buckingham:** "Nostril-damus".

**The Hon. MARK LATHAM:** "Nostril-damus"—going to some of the member's features and the things he inhales—predicted the gas shortfall. Well, do something about it—otherwise the lights go out. Chris Minns is on this pathway, but at least he recognises that the greatest damage to the climate change cause in New South Wales would be the lights going out and people thinking, "This is completely unacceptable, on top of all the price increases we had when the lights were on." *The Australian* also reports:

Major energy players have warned that not enough gas projects are being built to avoid supply shortages, with Energy Minister Chris Bowen ruling out subsidies for the sector ...

Chris Bowen is not going to subsidise them, but he said the States might do that. This State is not doing it in this particular legislation. It is a curious development in the Labor Party, both Federal and State. Regarding gas, Chris Bowen has told *The Australian*:

I don't have an ideological objection. On one hand the Greens say no new gas, no gas, no gas. On the other hand, the Liberals say a gas-led recovery. I say both those views are wrong and both are equally unhelpful. Gas is an essential insurance policy.

He is saying that gas is the transition fuel that gives us insurance against blackouts. He goes on:

The role of gas is peaking up and its great benefit is that it is flexible. You can turn a gas-fired peaker off or on at two minutes' notice.

During my inspection at Tallawarra I saw the promise of what these plants can do. He continues:

You can't do that with coal. People argue whether gas is low or high emissions ... it's zero emissions when it's turned off.

Gas does not run around the clock 24/7; these peaking plants are turned on and off as the essential fuel to back up renewables when the wind is not blowing and the sun is not shining. Chris Bowen has said that gas peaking is needed in a piece of legislation like the one before the House to back up the system in the rushed transition to renewables. He is not funding it himself, federally, but he has left open the option for the States. Why is New South Wales not doing this? Why will we narrow down this legislation to community batteries, which are inadequate for the task? Eraring has become the back-up. Those who believe in climate change would obviously find that completely unacceptable. Better alternatives could be found in emission-free nuclear and gas peaking plants.

In debate the other night the Hon. Peter Primrose made the point that nuclear cannot be fit into the grid. He said that when the solar peaks in the middle of a hot day in New South Wales it is meeting 30 per cent to 50 per cent of public need—but that is a problem the grid was never designed for. The overload of rooftop and other solar into the grid is a destabilising factor. The grid was built to accommodate baseload power, such as nuclear and coal-fired power. The grid was never built to take a massive overload of solar in the middle of the day and then, 12 hours later, nothing from that energy source. It destabilises the grid. The honourable member had the argument upside-down.

The truth is that we should try to accommodate nuclear as clean energy in this legislation. We should try to accommodate gas peaking as an essential transition fuel, as no less than Chris Bowen has pointed out. I will move amendments to that effect in the Committee of the Whole to improve this legislation. I know that members do not necessarily think that the things I have said will come to pass, but the one thing I do remember from the all-nighter energy debate—

**The Hon. John Graham:** All-nighters, plural.

**The Hon. MARK LATHAM:** No, it was not all like Woodstock. The one thing I do remember, sir, is that both of us said that if we rushed down this path, the coal-fired power stations would close early. That came to pass with Eraring; it was an accurate prediction. At this stage, looking at this legislation, members would have to say we are going down the wrong pathway to narrow down the storage and the firming capacity to community batteries. It should be broadened as much as possible. If those opposite can do pumped hydro, then good. Gas peaking and the clean energy of nuclear should be part of this legislation. I will move amendments to that effect later on.

**The Hon. JEREMY BUCKINGHAM (16:26):** I contribution to debate on the Energy Security Corporation Bill 2024. The bill was a key promise of the new Labor Government. I support it on behalf of the Legalise Cannabis Party and all people who want to see a responsible transition to a net zero future in this State. I begin by responding to some of the comments made in the contribution by the Hon. Mark Latham. That is probably a mistake, but I will do it anyway. If he read the whole article from the Australian Energy Market Operator [AEMO] about it having to intervene in the market, he would know it is because the turbines of the coal-fired power stations are kaput. That is the reality. They call them "unprogrammed outages".

If the member toured Eraring, he would know it looks good from about two kilometres away, but as he got closer he would realise it is a rust bucket. Liddell was dangerous. When I went there it was literally at risk of blowing up. There was gaffer tape and steam coming off it. It was held together with goodwill and chewing gum. Those generators, built in the 1980s by Labor governments, have run their life. The operators have kept Bayswater going, of course, but these power stations are coming to the end of their life. The transition to renewable energy is not causing the outages, but rather a failure to implement renewable energy in a timely manner before these coal-fired power stations blow up and turn off. AEMO knows this.

I am happy to support this bill because it sets up the Energy Security Corporation and has a major focus on community batteries, which are going to be fantastic. The Hon. Mark Latham and other honourable members should avail themselves of the massive opportunities that that will present to the Government. They ought to benefit from integrating rooftop solar into the grid through community batteries, essentially having a smart, responsive grid. What the member says about peaking plants that can be turned on in two minutes is true. There is no doubt the peaking plants are playing a role.

Those batteries can be turned on in two nanoseconds. They are instantaneous. Bang—they are on. They can deliver the energy where and when it is needed, and they will continue to do so. Putting \$1 billion back into community batteries is a good reinvestment from that privatisation. In my time away from this place—I missed the late-night debates on the energy road map—I was working for a renewable energy company that integrates rooftop solar from schools into batteries and then into the grid. This is a great opportunity to create a smart grid, because at the moment smart meters in this country just aren't. They do nothing to regulate voltage in the electricity supply, especially in regional areas, where it could be super beneficial. I believe the Energy Security Corporation will do that in part.

New South Wales is clearly not on track to meet its legislated greenhouse gas targets. The Australian Energy Market Operator May 2024 report forecast increased supply gaps in New South Wales due to delays to battery projects and revised assumptions about demand allocation in New South Wales. We need to get on with rolling out batteries. The establishment of the Energy Security Corporation is welcome. It will result in the expansion of private sector renewable energy investment in New South Wales, similar to the Commonwealth's Clean Energy Finance Corporation, which has expanded renewable energy investment across Australia, lifting it to 37 per cent of the grid. I remember when I first came into this place the late Dr John Kaye, a pioneer of renewable energy in this country, was laughed at when he said that New South Wales could get to 100 per cent renewable energy in our lifetime, but his vision for the future has been borne out. We are moving that way rapidly, and this bill helps to do that.

The private sector has made it clear that it cannot invest in renewable energy alone, so the Energy Security Corporation will get on board to fill the gap with \$1 billion of investment. To reduce net greenhouse gas emissions in New South Wales to zero by 30 June 2050 and still have electricity, the Energy Security Corporation will partner with industry on clean energy technology projects that are based mainly in New South Wales. However, the corporation must not invest in carbon capture and storage or nuclear power. The Hon. Mark Latham spoke about nuclear power.

What an absolute disaster yesterday's announcement of seven nuclear power stations was for the Federal Coalition. It will go down as probably the most ridiculous own goal in public policy, certainly in energy policy, in Australian history. While it is not known how many reactors there would be—there could be 200—the Coalition proposed seven power stations but did not say how much they will cost, who will build and staff them, or where the water would come from. It is certainly farcical. Politicians destroy their credibility as soon as they start talking about nuclear.

I note that the Hon. Mark Latham mentioned storage, which I have also spoken about in this place, regarding the Government's own reliability review. The energy companies are saying it is not just about gas supply—there is certainly enough gas—but about storage, to make sure that New South Wales can get the gas from, principally, Victoria, store it here and use it during the colder months. Accelerating private sector investment in clean energy projects will improve the reliability, security and sustainability of the electricity supply in New South Wales and support the Government in meeting its emissions reduction targets as the State moves to a net zero future.

This is a good bill that establishes the Energy Security Corporation as a statutory corporation under the control and direction of the Minister. It also establishes the corporation's board, which will approve investment decisions in clean energy projects; legislates eligible technologies and instruments for investment; legislates the investments mandate; and legislates the transfer of funds from Restart NSW and establishes two funds in the Special Deposits Account. It is a good move to create the Energy Security Corporation and we should all get behind its efforts to invest in clean technologies and community batteries. Our capacity to use emerging technologies like AI and machine learning to create a smart grid to deliver the electricity New South Wales needs, where it is needed in real time, will be absolutely fantastic.

The days of having to start up the Chitty Chitty Bang Bang style of boiler technology and wait for it to build up—a kettle, 500 miles away—are over. That is essentially what coal-fired power stations are; they are basically seventeenth-century technology. We need to get behind battery technology and a smart grid. I wish the Energy Security Corporation all the best in making sure that if there are any supply gaps, they are filled with the most modern of technologies. I commend the bill to the House.

**Ms ABIGAIL BOYD (16:35):** On behalf of The Greens I contribute to debate on the Energy Security Corporation Bill 2024. It is wonderful to see investment and leadership to address climate change from the Government. There is a clear and obvious link between climate change and energy policy, and dedicated effort and resources are required to deliver a safe and prosperous future for us all. There is also a devastatingly clear link between unsustainable energy prices and issues with a steady and staged energy transition, which are a direct result of the catastrophic decision to privatise the energy network in our State. But, as always, there is a silver lining.

As the coal power stations that have been taken from public ownership and put into private hands are replaced, we have the opportunity to reintroduce public ownership into our energy mix by increment with new renewables projects. Using public procurement for public good is a desirable path to pursue, taking equity and an ownership stake in the delivery of an essential service, which will also deliver a core underlying revenue base for the State in the years and decades to come. It is sensible economic and ecological management, and the Government should be pursuing this path.

The Labor Government will say that the Energy Security Corporation is its delivery of an election commitment, but, unfortunately, that is not quite the case. What was promised in the NSW Labor platform that it took to the election was to "publicly invest in large-scale renewable energy by creating a State-owned corporation that will put the public and its interests first in New South Wales' transition". The corporation would "build, invest, own and operate large-scale renewable energy and storage technologies whilst modernising the grid". This bill, and the Energy Security Corporation, is not quite the same thing.

Instead, we are told that the Energy Security Corporation is an investment vehicle designed to underwrite and assist the delivery of private investment, perpetuating the privatised energy network in this State for future generations. That is, to put it mildly, undesirable. We are also told that the Energy Security Corporation is closely modelled on the Clean Energy Finance Corporation [CEFC]. Well, that was already enough to get The Greens' hackles up, because we have learnt the lessons from the CEFC. The Greens will move a suite of amendments to help address some of the shortcomings of that model, and I will speak in greater detail on them during the Committee stage.

I will draw out a couple of case studies of what can go wrong with public investment without appropriate safeguards, particularly for workers' rights. The Clean Energy Finance Corporation, just like the proposed Energy Security Corporation, has no statutory responsibilities to ensure that it creates secure jobs with decent working conditions. The corporation has invested \$125 million in Snowy Hydro 2.0. Unions involved in the project report workplace issues including no safe access to and egress from site; no mechanical protection of electrical cables; no emergency lighting installed; noncompliant switchboards with exposed live electrical parts; no lighting; and a high-voltage switch room that exploded after unqualified workers were allowed on site to work on high-voltage equipment.

They also reported no cleaning of toilets and no running water; power outages in the site camp because the company failed to fill generators, leaving workers having to sleep in their cars for heating; rodent infestations so severe that workers were getting bitten by mice in their sleep at night in the camp; poor fatigue management, with workers doing long rosters because they are forced to travel to and from the job in their own time; lunch rooms with not enough seats that are not cleaned regularly; and food provided onsite at the camp that is often old, spoiled and, at times, rotten.

The amenities for women are non-existent. There are no sanitary bins and the company was charging \$7.50 for a box of six tampons out of a vending machine. Subcontractors failed to supply winter jackets, and the emergency access was flooded. The company did nothing to find an alternative access. SafeWork NSW has issued



a series of enforcement notices concerning work health and safety relating to the Snowy 2.0 project. Despite all this, there is no meaningful way to raise these concerns with the CEFC, nor are any conditions tied to its investment requiring Snowy Hydro to address these issues.

Similarly, the CEFC has invested \$295 million in Project Energy Connect. The conditions at Project Energy Connect have been similarly dire. Union organisers have been denied entry. When they did eventually gain access, they discovered serious issues reported by workers. They report:

*Food*

- Repetitive camp food prepared with no effort to make meals appropriate for the cultural and dietary requirements of foreign workers.
- Workers not allowed to cook for themselves or supply their own meals.
- Site lunches being the unrefrigerated leftovers from the previous night's camp dinner offered without facilities to reheat meals.

*Amenities*

- No toilets or amenities with access to running hot or cold water were available on or near work sites
- No rooms or shelter provided on site for food or rest breaks

*Site Safety*

- Workers had been bitten by farm animals present on site and seen several snakes
- There was no evidence of suitable emergency evacuation plans developed or implemented in consultation with the workforce and medical assistance was only available within an hour's drive
- Some sections of the project are uncontactable by radio or phone during work
- No provision of mats or anti-slip measures on site following periods of rainfall

*Underpayments*

- 2hrs per day travel time to and from site from camp is not being paid.
- Some workers have had their \$40/day camp allowance unilaterally withdrawn despite receiving one on commencement and still meeting the required conditions to receive it.

*Punishing Workers for Raising Concerns*

- Workers on the project under subcontract arrangements have been sent abusive and threatening messages including threats of dismissal for speaking up about safety and workplace issues
- Workers claimed that many of those who spoke up were immediately transferred off the job elsewhere

When the Electrical Trades Union sought to engage with contractors related to the project about issues, it came away even more concerned. One particularly laughable anecdote that cuts contrary to the supposed values of the Government was when it came to addressing barriers to female participation. When asked what was being done to identify barriers and opportunities for female participation, the contractors claimed that the work on offer was "too physical" for women, that women were somehow less suited for work at heights and that women would not be interested in these careers anyway.

How we can be comfortable with public money being associated with these conditions is beyond me. It seems relatively simple to address and start shifting the dial back in the right direction once more. We cannot allow ourselves to make the same mistakes of the CEFC with the ESC. As I spoke about yesterday in defence of Electrical Trades Union members engaged in protected action against their employer, Transgrid, the delivery of our new renewable projects is too important to undermine with poor labour practices. I will repeat the relevant statements of Australian Council of Trade Unions president Michele O'Neill. She said:

The future for a liveable planet is with renewables. To protect the interests of all workers, two things are non-negotiable: that transition happens at the pace required by science, and that it doesn't leave workers or communities behind. Change needs to be both fast and fair.

The fundamental issue at the heart of this is that fast has been prioritised over fair. I will repeat what I said yesterday: We are all desperate to get on with and speed up the transition. I think The Greens more than most are anxious to pick up the pace, and we do not want to see obstacles being thrown in the way. But consultation with workers, and transparency and accountability with public money should not be seen as an obstacle. Workers and the public should be partners, not barriers, to this revolution to our energy network.

I hope and suspect the Labor Party would prefer that to be the case as well. There is no need for the old status quo approach to delivering these infrastructure projects. We know how successful a tripartite approach to government can be, and I hope we can see our energy transition begin to more closely reflect the aspirations of a

genuinely just, worker-led and worker-focused energy transition. I fear we are doomed to fail if it is any other way.

**The Hon. NATALIE WARD (16:43):** I lead for the Opposition in debate on the Energy Security Corporation Bill 2024. At the outset, I thank James Griffin, shadow Minister for Energy and Climate Change in the other place, for his diligent work and assistance on the bill and in respect of energy security issues. The object of the bill is to establish the Energy Security Corporation [ESC] for a range of purposes as elucidated in the other place. The Energy Security Corporation was announced by NSW Labor more than 15 months ago and introduced into the Parliament only this month.

During the 2023 State election, Labor announced the taxpayer-backed fund to solve a lack of renewable energy investment. However, fast forward 15 months, and that is not the primary issue holding up the energy transition in this State. New South Wales is facing delays in planning, permitting, regulatory reform and the rollout of transmission infrastructure. The Minns Labor Government is yet to reveal the investment mandate for its \$1 billion taxpayer-funded State energy corporation.

The importance of getting the investment mandate right is heightened by the fact that the proposed New South Wales fund will join a crowded field of government-backed renewable energy investment funds, including the Federal Clean Energy Finance Corporation and its sub-funds, the \$1 billion Household Energy Upgrades Fund, the \$500 million Powering Australia Technology Fund, the \$300 million Advancing Hydrogen Fund and the \$200 million Clean Energy Innovation Fund.

Labor has not made the investment mandate public, so the areas of investment focus are unclear. It would be good if the investment mandate of the fund is technology-neutral and focused on areas of market need, such as storage, small grid enhancements and ready-to-go hydro power. The little we do know about the investment mandate is that it will include matters of risk and return, guidance on technology, areas of investment focus and other investment parameters and limits for the corporation's investments.

The intent is for the Minister for Energy and the Treasurer to issue the ESC's first investment mandate at some point prior to the board being appointed. The Opposition hopes that is sooner rather than later. The Government claims that it has considered the legality of using a New South Wales based subsidiary of the Clean Energy Finance Corporation to manage the fund on behalf of the New South Wales Government, which would be quicker. However, they say this is not practical.

What industry and communities are seeking is the streamlining of the planning approvals process, clarity around planning decisions and deep engagement from the Government, which gives investors the confidence to risk their own capital to invest. Several renewable energy investors and proponents put to the Opposition that there are already many government investment schemes and, unless the latest corporation in New South Wales is somehow addressing a different need or is much more streamlined and efficient than any of those I have listed previously, it will struggle to accelerate efforts to provide clean, reliable and cheap energy for New South Wales. So, whilst noting the above, we encourage the Government to consider how it can think differently, how it can expedite approvals and how it can provide for the ESC a point of difference from other previously mentioned funds.

**The Hon. PENNY SHARPE (Minister for Climate Change, Minister for Energy, Minister for the Environment, and Minister for Heritage) (16:47):** In reply: I thank members for their contribution to the debate on the Energy Security Corporation Bill 2024. I also thank the shadow Minister for Energy and Climate Change, the member for Manly, for his engagement on this bill, which the Hon. Natalie Ward articulated very well. A number of issues were raised in the debate that I will not go through now; we can pick them up at the Committee stage. In relation to the Energy Security Corporation, from opposition we looked really closely at how the road map was going. It has gone from the development stage to the passing stage to the implementation stage. As we try to accelerate the rollout of renewable energy in this State, we have to be honest that we have observed some challenges in the way it operates.

The purpose of the Energy Security Corporation and its funding is to fill the gaps. We know there are projects that have the potential to greatly accelerate the exit of coal-fired power from our grid, but there is a challenge in the current environment around renewable energy and investment. The Federal Opposition has put a hand grenade into the certainty that we have in relation to the rollout of renewables. As the media rolls out today, we have already seen the impact of this.

We are often told, particularly by members opposite, about the need for certainty and investment to get it into New South Wales. The road map is a \$32 billion project over 15 or so years, which is at risk because of the uncertainty created by the change in policy of the Federal Opposition. One of the greatest strengths in New South Wales has been the bipartisanship in relation to the road map and getting that done. We have to be honest that the

current debate and the way that it will go—and we accept that it is what it is; that is politics, and we will have those conversations—is most dangerous, in my view, because it will delay the rollout of renewables and bring uncertainty into the investment market, just as we are gearing up to deliver on the promise of the road map. With that, I welcome the support for the set-up of the Energy Security Corporation. I commend the bill to the House.

**The DEPUTY PRESIDENT (The Hon. Rod Roberts):** The question is that this bill be now read a second time.

**Motion agreed to.**

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

That consideration of the bill in Committee of the Whole stand as an order of the day for a later hour of the sitting.

**Motion agreed to.**

## **APPROPRIATION BILL 2024**

### **APPROPRIATION (PARLIAMENT) BILL 2024**

### **REVENUE LEGISLATION AMENDMENT BILL 2024**

#### **Second Reading Speech**

**The Hon. DANIEL MOOKHEY (Treasurer) (16:50):** I move:

That these bills be now read a second time.

I seek leave to incorporate the second reading speech that I gave in the other place.

**Leave granted.**

I have returned to the people's House to deliver this new Government's second budget.

Rather than reciting all that this young Government has already achieved, I prefer to start with all the work we still have to do.

The work we still have to do for the millions of families and businesses burdened by decades-high levels of inflation.

The duty we still owe to the tens of thousands of patients who turn to our public hospitals for urgent care.

The task that remains: to provide the hundreds of thousands of students attending our public schools with a world-beating education.

The responsibility we have to protect every community against crime, tragedy and terror.

And the job we have not yet finished: to back every citizen striving to own a home, rent a home or who needs social housing.

These challenges are this Government's causes.

We do not expect to overcome them in a single budget.

But in each Labor budget, we make progress. We pair the public's resources with the people's priorities so real change can happen.

In this Labor budget we continue with our plans to bust the wages cap, reform tolls, back first home buyers, build new and better public schools and hospitals, speed up the renewables revolution, rebuild rural and regional roads, help small businesses and wrangle debt back under control.

But I can report to this House that more progress is possible.

Careful management of the public's finances means we can afford to accelerate change.

We can do more to prevent family violence. And we can do more to support the victim-survivors of family violence.

We can do more to help people visit their GP. And we can surge more resources into our emergency departments.

As for housing—

We can expand homelessness services to curb growth in the number of people who are unhoused.

We can build homes for key workers to rent. Homes close to the schools, hospitals and police stations where they work.

And we can make the biggest ever investment in social housing, by New South Wales, in the State's history.

Especially for women and children needing to escape family violence.

While also making the biggest investment ever in fixing the homes people are already living in.

The Minns Labor Government is determined to build a better New South Wales. To deliver the fresh start this State voted for.

Today I intend to set forth the next steps we will take to fulfil that mission.

Beginning with the housing crisis.

#### **HOUSING**

Why should the dream of home ownership be possible for some of us, but not all of us?

Why should we let inheritance matter more than work in determining who gets a home to call their own?

Above all, why would we risk a future that bars our children from ever owning a home when home ownership has been the birthright of every other generation of Australians?

New South Wales needs more homes.

More homes for renters. More homes for key workers. More homes for people escaping violence at home. More homes in metropolitan New South Wales. More homes in regional New South Wales. More homes close to public transport. More homes in the neighbourhoods people love living in.

So budget 2024-2025 builds more homes.

In fact, the program we fund today directly supports 30,000 new homes. More homes for key workers to rent. More homes for the next generation to buy.

And more homes for those needing to escape violence at home.

#### *Social Housing*

I remind the House—

There are currently 5,013 women and children in urgent need of a safe place to live.

But those 5,013 women and children are yet to find a permanent home because for too long, New South Wales did not invest enough in public housing.

Instead the number of homes owned by the State's Land and Housing Corporation has fallen compared to 2011.

The number fell because the former Government's main method of funding the basic maintenance and repair of the State's publicly owned housing stock was to sell the State's publicly owned housing stock.

Put simply, to fix one person's house, the previous Government's preference was to sell another's.

New South Wales can do better. So I am announcing—

The Minns Labor Government will make the biggest single investment in social housing any New South Wales government has made in the Federation's history.

We will build 8,400 new social homes.

6,200 are brand new homes. At least half of those are for the victim-survivors of domestic and family violence. They will have the first right to move in.

2,200 homes in disrepair will be knocked down, rebuilt and then put back to use.

And a further 33,500 social homes are getting upgrades—part of a \$1 billion maintenance blitz.

In addition, the State's emergency housing and homelessness services are getting an additional \$527.6 million over four years.

By the end of the forward estimates, Labor will have invested \$6.6 billion on social housing and homelessness services.

#### *Using Surplus Government Land*

I can also announce—

The Government will soon begin releasing parcels of surplus government land.

Homes NSW, Landcom and the private sector can use them to build 21,000 new homes.

Social housing, affordable housing, key worker housing, market housing—all close to public transport and other infrastructure that is already built.

It took our land audit to find these sites. Having now found these sites, we will mobilise them to build more housing for a State that needs it.

And we will set aside a further \$5 million to keep the audit going.

#### *Key Workers*

For key workers in metropolitan Sydney, the budget provides Landcom with \$450 million to build homes for them to rent.

The people's developer building homes for the State's essential workers—workers the public cannot do without.

For regional and rural health workers, NSW Health gets \$200 million more to find and build more homes for them to live in.

Another step forward in staffing regional hospitals. So our rural and regional citizens get the health care they deserve.

#### *Communities*

We also need more homes people can buy or rent.

We need them in areas where we are building world-class public transport. In neighbourhoods people love to live in.

So to those communities stepping up to solve the housing crisis:

- Your councils will get access to a \$200 million incentive fund. Money to expand the critical services.

- The Building Commission will get \$35 million more to enforce the State's buildings standards in your neighbourhood and in all our neighbourhoods.
- And the planning department will get another \$254 million so it can do its job faster too.

#### *TODs*

There is also \$520 million of infrastructure spending available for communities that are part of the Government's Transport Oriented Development program.

This program sees more homes built near public transport. The public transport we have borrowed and spent billions of dollars building.

Some people oppose this initiative. They would cancel it. Those people should answer these questions:

If we are not building homes near public transport, then where should we build those homes? And if not now, when?

#### **COST-OF-LIVING**

This Government is acting to alleviate the pressure New South Wales families feel from the rising cost of living.

Budget 2023 began the hard work of reform. Especially for people needing help to pay their power bills, or needing help to pay their toll bills in the most tolled city in the world.

Budget 2024 offers more help, especially so more people can afford to see a doctor.

#### *Bulk-Billing*

Doctors that bulk-bill are getting harder to find. Free health care is supposed to be the birthright of every Australian. But until the Albanese Government recently increased payments to GPs, bulk-billing rates have been in freefall.

GPs are facing other pressures too.

Especially the pressure arising from uncertain payroll tax obligations. The uncertainty which in turn stems from decisions courts made years before this Government came to office. Their implications not addressed by our predecessors.

So the health Minister and the finance Minister have been working with the State's doctors.

Their efforts mean today I can announce New South Wales's first ever bulk-billing support initiative. An initiative worth \$188.8 million.

From 4 September, GP practices that bulk-bill 80 per cent of their patients in metropolitan Sydney—and 70 per cent in the rest of the State—can claim a complete tax rebate for the payroll tax they otherwise would have had to pay for the wages of contractor GPs.

Not an amnesty. Not a moratorium. A full rebate.

Additionally, no GP clinic will have to pay any back taxes they might owe on a contractor GP's wage.

Extinguished through legislation: That is our plan. New South Wales—the only State that will.

Because we prefer GPs to spend more time with their patients than with their accountants.

#### *Tolls*

As for tolls, I can report relief is rolling out and reform is underway.

The \$60 toll cap that began on 1 January will continue, providing total relief worth \$561.0 million over two years.

720,000 people are eligible to get money back from the New South Wales Government's toll cap.

Commuters in Baulkham Hills, Blacktown, Marsden Park, Auburn and Merrylands are the biggest winners so far. More commuters will win as this program enters its second year.

#### **ESSENTIAL SERVICES**

Budget 2024-2025 continues Labor's plan to rebuild the State's essential services.

#### *Health*

The health system is getting a big boost:

- \$481 million extra is going to our hard-pressed, under-pressure emergency departments—money invested to reduce wait times and improve patient outcomes.
- A further \$275 million will go to hospitals and health services including those in the Tweed, Sutherland, Cooma, Bowral, Glen Innes, Griffith, Randwick, Cowra and Wentworth. Allowing them to hire 250 health care workers like cleaners, allied health workers, nurses and doctors.
- We are allocating \$130.9 million for the Family Start Package. Expanding early intervention programs to give mums and bubs the best start to life we can. Including more funding for Tresillian and Karitane. More funding to support vulnerable children in their first 2,000 days. And—in a first—funding for the Waminda birth centre, so First Nations women on the South Coast can give birth according to traditional cultural practice.
- Finally, there is a \$111.8 million investment in mental health, including investment in services that reduce long-stay hospitalisation, the creation of a dedicated mental health single front door and a boost for community mental health teams.

As for the bricks and mortar of the New South Wales health system:

- The money announced in budget 2023-2024 to upgrade Blacktown and Mount Druitt hospitals, Canterbury Hospital, Fairfield Hospital, and to rebuild Bankstown hospital on a new site remains in budget 2024-2025.
- Port Macquarie hospital is getting \$265 million for a critical upgrade.
- \$250 million more will go to hospitals across New South Wales to bolster critical maintenance.
- While hospitals in Eurobodalla, Ryde, Temora, Liverpool, Moree, Nepean, Cessnock, Shellharbour, as well the mental health complex at Westmead Hospital, will share in an additional \$395.3 million. So their upgrades can continue apace.

The extra money going to our hospitals statewide will strengthen a health system handling tremendous pressure.

But it would all have been for nought had we allowed 1,112 nurses to lose their jobs.

Those nurses were all set to be fired in 12 days. Because the previous Government failed to fund their positions in their final budget.

Healthcare workers are not "optional extras".

Healthcare workers are the health system's heart and soul. Our hospital cleaners and security guards; our allied health professionals and paramedics; our nurses and doctors—they make the health system go.

So we will continue to partner with them in reform. We now pay our paramedics like the professionals they are.

Safe staffing ratios for our nurses are rolling out.

And those 1,112 nurses—their jobs are safe, their positions funded permanently.

### *Education*

Budget 2024-25 also progresses our plans to turn around a decade of declining education outcomes.

So our children get the education they need:

- We are budgeting an extra \$481.1 million so the New South Wales Government funds its share of the resources kids need to get the world-class education they deserve—two years earlier than the former Government's schedule. Canberra now needs to do the same.
- The community of Box Hill will get a new primary school and a new high school. Huntlee will too. Calderwood will get a new primary school. Those communities were promised new schools, but those schools were never budgeted for—let alone built. They are budgeted for now. They will be built. Part of our massive \$8.9 billion pipeline for public schools and preschools. Continuing our record spend.
- Schools in Riverbank, The Ponds, Austral, Leppington, Googong, the northern beaches, Yennora—and even a school in fair Verona—are getting upgrades!
- While \$1 billion will go towards tackling the maintenance backlog afflicting our public schools statewide. Because flushing toilets, leakproof roofs and working bubblers make for decent schools.
- Finally our plan to build 100 public preschools—half in Western Sydney, half in regional New South Wales—continues to roll out, with the preschool at Gulyangarri Public the first to open, later this year.

Labor is the party of education. Labor will always be the party of education.

### *Transport and Infrastructure*

Turning to public transport and roads:

- Stage two of the Parramatta Light Rail project is morphing from being a project that was no more than a pipedream, into a project that is in the pipeline. This Government is setting aside a further \$2.1 billion to finally begin building the second stage of the Parramatta Light Rail.
- We are also upgrading the Tangara fleet. A \$447 million investment so commuters get a better ride, while we get set to build trains in New South Wales again.
- We are spending \$24.7 million to expand bus transport to cover more of growing north-west Sydney—areas expanded but that have been poorly serviced by buses, or have had no bus services at all.
- And \$10 million is going towards developing the next stage of the Illawarra Rail Resilience Plan, mapping options to rebuild rail along the South Coast line after recent extreme weather events.

Budget 2024-2025 also builds the roads New South Wales needs to connect people to jobs and opportunities.

- There is an extra \$1.1 billion to build the roads for the new Western Sydney airport and its surrounding communities—taking our total investment in Western Sydney roads to \$5.2 billion.
  - \$1 billion is for stage two of the Mamre Road project—the section between Erskine Park and the thriving Kemps Creek.
  - \$800 million more is going towards widening key parts of Elizabeth Drive.
  - And we will spend \$520 million widening the Richmond Road-M7 to Townson Road link.
- Outside of Sydney:
  - \$1.4 billion is going to continue construction of the M1 to Raymond Terrace extension and the Hexham Straight widening projects.

- \$1.1 billion is going to continue Princes Highway projects including construction of the Milton Ulladulla bypass, the Jervis Bay Road intersection upgrade and the Jervis Bay Road to Hawken Road upgrade.
- There is \$275 million for the Nelson Bay Road to Bobs Farm upgrade.
- \$128.5 million for regional road upgrades and infrastructure at the Newcastle port to enable the transport of equipment components to renewable energy zone projects.
- The Nowra bypass and network planning project is getting \$105 million.

#### *Disaster Relief*

\$5.7 billion is being provided to disaster-stricken communities so they can build back faster.

There is more than \$632.4 million set aside for the Northern Rivers and Central West.

This includes \$525 million for the Resilient Homes Program—funding voluntary buybacks, raisings, repairs and retrofits.

And there is \$3.3 billion to fix State and local roads, damaged by floods and fires, that regional communities rely on.

#### *Keeping Our Communities Safe*

So every community feels safe, budget 2024-2025:

- Funds the Government's \$245.6 million emergency intervention package to support and protect the victim-survivors of family and domestic violence.
  - It includes \$45 million so the justice system can improve its response to domestic violence, and so it's harder for those accused of serious domestic violence offences to get bail.
  - \$38.3 million is for New South Wales's first dedicated Primary Prevention Strategy.
  - And \$48 million is to expand the Staying Home Leaving Violence program and the Integrated Domestic and Family Violence Service. Staying Home Leaving Violence will be expanded to include the remaining 37 local government areas, two-thirds of which are in regional New South Wales.
- We are also spending \$66.9 million on intervention programs to divert young people away from the criminal justice system and towards community programs shown to reduce crime.
- \$20.8 million is going towards building the National Firearms Register to track the movement of firearms throughout the Federation, jointly funded by the Commonwealth.
- And Waverley and Rose Bay police stations are getting a \$22.9 million upgrade as well.

#### *Environment and the Climate Crisis*

To care for our environment, and to combat the climate crisis:

- We will spend \$25 million extra to continue restoring the Darling-Baaka River—the site of too many mass fish kills.
- \$75.1 million will go towards maintaining and improving our national parks, protecting nature, improving the visitor experience and boosting tourism too.
- Over the next four years, we are investing \$3.1 billion in building the clean power we need for an emissions-free energy future. A future cheaper for New South Wales families and businesses than a nuclear future.
- And I am proud to announce we will buy the land which is home to the ancient Butterfly Caves. A sacred site for the Aboriginal women of the Awabakal nation. Its purchase the result of their decade-long campaign to protect the site for generations to come.

#### *And That's Just the Start*

Budget 2024-2025 also:

- Adds a further \$50 million to the \$350 million we set aside for the Regional Development Trust last September. Ending the pork-barrelling that shrouded regional development funding for too long.
- \$5 million more is going to Service NSW's business bureau, help for them to help more of New South Wales's small businesses.
- And \$13.5 million will go to Netball NSW ahead of New South Wales hosting the Netball World Cup.

These are commonsense decisions. But they lead to future-shaping outcomes.

#### **FIXING THE STATE'S FINANCES**

Countering the housing crisis. Supporting the victim-survivors of family violence. Fixing our schools and hospitals. Building the roads and public transport of the future. Preventing youth crime. Combating the climate crisis.

Above all, backing families living through New South Wales's worst cost-of-living crisis in a generation: This is the progress we make in budget 2024-25.

This is the progress we have made despite New South Wales having billions taken from us by the Commonwealth Grants Commission.

#### *The GST Rip-Off*

If New South Wales was still getting back 92 cents from every dollar in GST paid in this State, the budget would be returning to surplus next year.

In fact, New South Wales could have expected cumulative surpluses over the forward estimates worth \$1.9 billion.

But New South Wales is not getting back 92 cents per dollar. New South Wales will only get 87 cents.

The Treasury calculated that this cut will cost New South Wales \$11.9 billion over the next four years.

Here is a way to comprehend the impact of the Grants Commission's decision on the New South Wales budget:

The Grants Commission has cost New South Wales more in lost revenue than COVID-19 did.

Here is how to appreciate the magnitude of the commission's decision for our essential services:

\$11.9 billion is enough money to hire an additional 16,000 police officers.

Here is why I say the system is unfair:

For every dollar that Victoria will give to the smaller States next year, New South Wales will give upwards of four.

Then Treasurer Perrottet said this in 2018, the last time the Grants Commission cut New South Wales GST funding:

This outcome reinforces the fact that the current GST model is broken. Yet again, we are seeing the hardworking taxpayers of NSW being ripped off by a perverse and unfair distribution model.

True then. True now.

There is plenty that divides the parties in this place. And—believe me—there is even more that divides the parties sitting in the other place!

But this can unite us all:

New South Wales deserves its fair share of the GST. It is time New South Wales got its fair share of the GST.

#### *The Budget Result*

The Government will absorb the \$11.9 billion hit from the Commonwealth Grants Commission.

I prefer that than hitting families or businesses for an extra \$11.9 billion.

Hence the New South Wales budget remains in deficit over the forward estimates.

Our careful spending will see the deficit fall from \$9.7 billion in 2023-2024 to \$3.6 billion in 2024-2025. A \$6 billion improvement.

In 2025-26 tight spending discipline will see the deficit fall again to \$2.5 billion. Then in 2026-27, it is likely to be \$2.4 billion. Finally, in 2027-28, it drops to \$1.5 billion.

Overall, \$9 billion better than 2022-23.

Helping families is our most important mission during New South Wales's worst cost-of-living crisis in a generation.

That is why the Government is carefully absorbing the \$11.9 billion cut.

We refuse to respond to the Grants Commission's absurdity by imposing austerity on New South Wales. That would lead to misery.

#### *Debt Under Control*

This Labor Government can afford to make that choice because this Labor Government has acted to stabilise the State's levels of debt.

Let no-one forget—

The Government inherited gross debt set to rise to \$188.2 billion by June 2026.

Gross debt, by June 2026, will be \$9.3 billion lower under this Government. That is after absorbing the \$11.9 billion GST hit, and the miscounting of \$1 billion of Sydney Metro asset sales that didn't happen.

New South Wales is stabilising its debt because New South Wales will stop borrowing money to pay our day-to-day bills. The State is on track for a \$4.9 billion cash-operating surplus in the coming financial year.

The first cash-operating surplus since 2020-21.

New South Wales can also stabilise its debt trajectory because the Government is discontinuing the previous Government's plans to borrow vast sums of money to artificially enlarge the NSW Generations Fund [NGF].

Put simply, we will put an end to the fiction that by plunging the State further into debt we will eventually get the State out of debt.

So rather than risking billions to bankroll this risky strategy, the Government is instead shaking up its own funds under management.

I can announce:

Soon TCorp will create One-Fund. A new fund structure that manages several current investment funds worth \$46.7 billion as a single pool, rather than treating each fund as a separate silo.

One-Fund delivers more income than the NGF strategy it will supersede. But it exposes New South Wales to far less balance-sheet risk.

And One-Fund—combined with the cash-operating surplus—also means I can announce:



New South Wales will be lowering its borrowings by nearly \$1 billion over the five years to 2027-28, one of the few States to do so. Proof that our sound balance-sheet management is sparing our kids and grandkids from avoidable debt.

#### *The Economic Outlook*

Our strong balance sheet also equips us to support the New South Wales economy come what may. Especially since the State's economic outlook remains challenging.

The Treasury's analysis shows that inflationary pressures are easing; but inflation still lingers. Lower levels of inflation than previously forecast are expected for the coming year.

Cost-of-living pressures have also weighed on household spending, slowing growth in the New South Wales domestic economy.

The slowdown in economic activity is expected to continue in the short term. The unemployment rate will likely hew closely to the national projections.

Momentum in activity is anticipated to recover in 2024-25 as cost-of-living pressures ease.

Especially since real wages are likely to rise every year over the forward estimates. Ending a decade of real wage stagnation. Beginning the recovery of a decade's worth of lost purchasing power.

#### *Federal-State Agreements*

A stronger economy will lead to a stronger budget.

So strengthening the economy is the best long-term strategy to fortify the State's finances, return the budget to surpluses, and then to sustain them.

That is even more likely if Canberra lifts its contribution to New South Wales schools and New South Wales hospitals—as they said they would do.

The States and Territories are all currently renegotiating the national agreements that will govern the nation's schools and hospitals for the next five years.

Much turns on the outcome of these discussions. Especially for our ability to provide the world-class public services our citizens rightly expect and deserve.

So we have not rushed to resolve those negotiations ahead of this budget. Even though that might temporarily have made the budget results look better.

Our focus is on making sure New South Wales gets its fair share.

Because getting New South Wales a fair deal from Canberra is far more important than getting New South Wales a quick deal from Canberra.

#### **CONCLUSION**

The upper House is calling.

So I leave you mindful of this State's true character.

Here in New South Wales, we have always combined to advance the common good, so each of us are better equipped to pursue our individual ambitions.

I have always felt that what makes New South Wales the premier State is not the prodigious scale of our ambitions; nor is it our dogged pertinacity; it is the preternatural depths of our resilience.

This State has always decided its own destiny. We choose our future by always reinventing ourselves. Especially in the wake of great crises.

Choosing our future right now means coming back from a once-in-a-century global pandemic and the once-in-a-generation cost-of-living crisis it led to.

It means making decisions today so that the next generation can have homes to call their own tomorrow.

It means supporting the victim-survivors of family violence with our solidarity right now, as we strive to stamp out family violence altogether.

And it means always prizing the public realm: the schools, hospitals and other public services that are the jet fuel for our future prosperity.

Budget 2024 does not seek to transform New South Wales immediately. I am not claiming that.

But I do say that budget 2024 builds the foundations of a better New South Wales.

Edging New South Wales further towards a brighter future.

I thank the House for your courtesies.

I promise to return next year if you will have me, and if the Premier lets me!

And I commend these bills to the House.

### Second Reading Debate

**The Hon. DAMIEN TUDEHOPE (16:51):** I contribute to debate on the Appropriation Bill 2024 and cognate bills. The worst budget for the past 20 years has now been introduced to this place. It was adequately described in *The Sydney Morning Herald* by Alex Smith as a "very Labor budget". The Treasurer has delivered a Labor budget. I could not agree more. It is a typical Labor budget because it is a budget for those opposite and for their mates but not for the people of New South Wales. This was never a budget for the people of New South Wales. It was a Labor budget for Labor mates. Nothing says a Labor budget like ballooning debts, never-ending deficits, higher taxation and, most importantly, no plans for the future. Nothing says a Labor budget like cutting cost-of-living support to give pay rises to the select few. Nothing says a Labor budget like raising property taxes during a housing crisis. Nothing says a Labor budget like dodgy figures and fake assumptions. Let us deal with some of those issues. This Treasurer has embarked on a process where he has since—I think it was December last year.

**The Hon. Daniel Mookhey:** March.

**The Hon. DAMIEN TUDEHOPE:** Correct. Since March this year, the Treasurer embarked on a process where he tried to sedate the public by suggesting that every problem with the New South Wales budget was as a result of the Commonwealth Grants Commission depriving the New South Wales Government of \$11.9 billion. He recited it over and over again, "The Commonwealth Grants Commission has duded us \$11.9 billion." That was going to be the reason that New South Wales was going into debt. But that was fiction. He now knows it, we all know it and the media knows it was fiction.

I put myself in this position. I would have loved to have been in the Treasurer's office when he found out about the accounting error relating to the predictions around GST. Imagine being in his office when Treasury officials came along and said to him, "I think we got it wrong. Our predictions relating to GST were predicated on 92 per cent but, in fact, they will be about 87 per cent." Imagine! I feel sorry for the Treasurer, because at that point I can see him saying, "What? You have just told me that I was getting all this money, and now I am not getting it at all?" The poor Treasury officials. I feel for them because the Treasurer had started preparing his budget on the basis of thinking, "I will be getting \$11.9 billion over the forwards for the purposes of investing in the future of this State." But he was no longer getting it, because the Treasury predictions got the GST formula wrong.

We must ask, how could they possibly get it so wrong? The Commonwealth Grants Commission has been making determinations about the split of GST revenue for a long time, taking into account the relativities of the performances of each State. It would have taken into account the revenues which were flowing into the New South Wales coffer from transfer duty. It would have taken into account all the revenues which were coming in as a result of coal royalties. It would have taken into account population movements, and there is a formula that it works on to predict what the GST distribution would have been.

The Treasurer continued to work on the basis that we are getting \$11.9 billion; it was 92 per cent. It was going to be the same over the forwards. All of a sudden, the Commonwealth Grants Commission makes the announcement from Canberra that we are only getting 87 per cent. That was a bit of a shock to the Treasurer: "Treasury officials will have to come in and explain how I am going to deal with this shock." But he kept on with it and kept telling everyone that it was \$11.9 billion. In question time today we talked about how he got to his \$11.9 billion. When he was asked various questions after announcing the \$11.9 billion impact on the New South Wales budget, we asked him, "Tell us how you got to that figure." His reply was, "You will see everything in the budget. Everything will be announced in the budget." It has now been announced in the budget. The Treasurer takes us to various tables where he explains it, but he never ever got to the last sentence on the page that he referred to for the explanation. That last sentence states:

Over the four years to 2027-28, GST revenue has been revised down by \$6.2 billion.

That was the true impact of the decision by the Commonwealth Grants Commission in respect of its GST determination on the New South Wales budget. All of a sudden, that was the homework which he had to bring to the House. He took it to the Legislative Assembly yesterday to be assessed. The homework has been assessed, and the Treasurer gets a fail because, instead of \$11.9 billion, he only gets \$6.2 billion. That sounds to me like a pretty large fail in the manner in which he has sought to dupe the public. He has sought to dupe journalists. He has sought to dupe members of this House about the impact of the GST determination on the New South Wales budget.

True to form, the Treasurer refused to tell us his calculations. Then, when the penny starts to drop, *The Australian Financial Review* says, "The claim of a \$11.9 billion loss to the budget was nonsense." *The Australian* announced, "The \$11.9 billion myth has been debunked." *Crikey* called it "bullshit". Quite simply, the Treasurer made it up and has tried to blame everyone but himself. What is the real magic number in this budget? The

\$11.9 billion never had any impact on the budget, but there are some magic figures in it. It reminds me of the magic number in *The Hitchhiker's Guide to the Galaxy*: the meaning of life.

**The Hon. Daniel Mookhey:** That was published before I was born.

**The Hon. DAMIEN TUDEHOPE:** It may have been written before the Treasurer was born. We have to get to the number that is the meaning of life—and we have discovered it. I was looking at the budget and doing some calculations on the back of a beer coaster to try to find out the magic number. The magic number is 43. That is the number that we have arrived at for this budget, because it is a high-taxing budget and the total taxation on the people of this State over four years is a whopping \$43 billion higher than the total taxation over four years covered in the Pre-Election Budget Update. Labor loves taxation.

By 2027-28 Labor will be taxing the good people of New South Wales over \$55 billion. That is a massive 43 per cent—there is that number again—higher than the tax collected in the last year of the former Liberal-Nationals Government. Taxation is 43 per cent higher under this Labor Government than it ever was under the Liberals and The Nationals. Over the next four years, the Minns-Mookhey Labor Government will collect \$89.5 billion from property taxes alone through transfer duty and land tax. It would have been just \$88 billion but that was not enough for this greedy Treasurer. He has never seen a tax he did not like. And what has he seen? Land tax. He is seeking to freeze the land tax threshold to turn small mum-and-dad landowners—who potentially have never paid land tax before—into taxpayers and to increase the land tax for everyone to generate an extra \$1.5 billion.

I foreshadow that in the Committee stage of the Revenue Legislation Amendment Bill and cognate bills, we will be opposing that callous tax grab that will result in increased rents and burdens on struggling renters and small businesses. Debt and deficit are part of the Labor DNA. If this had been a Coalition government budget—and on the basis of the forwards predicted in our last budget in government—we would be delivering a surplus this year because Coalition governments know how to manage a budget to deliver surpluses. But in this budget there are deficits as far as the eye can see. Not one prediction in the forward estimates is anything other than a significant deficit. Labor's plan for dealing with debt is to add more to it. They do not reduce it; they add more to it.

Under Labor's plan, \$60 billion will be added to net debt and \$70 billion will be added to gross debt so that by June 2028 net debt will be 14.2 per cent of gross State product at \$139.5 billion and gross debt will hit \$200 billion. By 2027-28 interest payments will hit \$8.6 billion per year. I recall that, during the election campaign, Labor ran an argument about the impact that the cost of paying interest has on the taxpayers of this State. I recall being at a forum where Labor members were saying, "How can we possibly stand by and allow circumstances where more is being paid in interest than the whole of the budget for the police service?" It was a fair point. It was a very telling point because generally people had enough sympathy to say, "There is too much debt. We should never be paying more interest than the budget allocation for the whole of the Police Force."

But guess what Government members do? The interest repayments under them are twice the budget of the Police Force. We are confronted with the fact that the interest component in the forward estimates is double the \$4.2 billion paid in 2022-23. But never fear, the Treasurer is continuing to "stabilise the trajectory of gross debt", according to chart 3.2 in the budget papers. Unfortunately for everyone in this State, the Treasurer is stabilising a steep upward trajectory of growing debt. I am sure that he will celebrate what he now calls "operation stabilise"—is that the secret name? It probably is. That is the glorious name that the Treasurer has adopted for the debt predictions in this budget.

The Treasurer is selling out the State. He talks about wanting to hand over a better State to our kids and wanting to make sure that our children do not inherit debt from our generation. But he is selling out that younger generation because of the failure to manage debt. He has had rivers of gold flowing into the New South Wales Treasury as a result of revenue collection—more property and transfer duty collected than ever before. So where has the money gone? If the Treasurer will not tell the House, I will. It has gone to the same place it always goes to under Labor: to its mates. One of the really interesting things about this Chamber is that the Treasurer and the finance Minister sit on the front bench and all the union brothers sit on the backbench watching over and making sure that the Treasurer delivers for their mates. That is where the money has gone.

The budget for 2027-28 now allocates \$58.7 billion to employee expenses. That is 45.5 per cent of the total expenditure of the budget. But we have established during the past two question times that even that is a dodgy figure. There is not a spare dollar in the budget set aside to meet any of the demands made by significant unions. Every member in this place knows it. The nurses and midwives are seeking 15 per cent in one year. Some 20.5 per cent is being sought by the Fire Brigade Employees Union—favourites of mine. Some 25 per cent over four years is being sought by the Police Association. And guess what? The combined rail unions want 36 per cent

over four years. That is one of my favourite union groups, because Alex Claassens is a good mate of mine. Alex and I have had a beer together.

The Government has allocated 10.5 per cent in the budget. That is the figure that the budget is predicated on, but all of these demands have been made by the unions. Government members might say, "The Industrial Relations Commission is in place. It will sort it out." But that myth was blown by the Minister for Industrial Relations yesterday in the other place. When asked about that 10.5 per cent figure, she confirmed that it is a baseline figure. That is just the starting point for wages claims made by the unions. They will work upwards from there. There is a floor under the wages, so now they are going to go up even more. The Treasurer knows that for every 1 per cent increase in wages it costs the Government's bottom line an extra \$500 million.

We have a deficit, but that deficit is fictitious, in a sense, because we are going to go north of that, which means the budget is not worth the paper it is written on. The much-heralded \$3.6 billion Essential Services Fund is gone. It was in the last budget but it has already been fully exhausted. That fund was meant to cover the 10.5 per cent wage increase over the next three years, but all the money has been spent. The Minister for Industrial Relations described that as a baseline offer, tantalising the unions to hope for more. The Government does not understand that it cannot have it both ways. It will either way give away more money to the unions, or the budget is not worth it. *Budget Paper No. 1* notes that about wages. I move now to the "General expense risks" section. I always go to that part of the budget first because that is where governments include all of the information they have not been able to include as figures in the budget. It says:

The Budget contains the impact of the NSW Government's updated wages offer to employees—

That is the 10.5 per cent. Further, it states:

As the Government shifts to a more consultative mutual-based bargaining approach for industrial relations matters, it is possible that final industrial agreement outcomes may vary from employee expense forecasts in the Budget.

It states that the Industrial Relations Commission is:

... now empowered to arbitrate wage claims without the restriction of a wages cap.

It then states:

As the scope of any decision by the Commission or the Court is unknown, the impact on the Budget is also unknown.

But we know the forecast is going to go up. It goes on:

Budget forecasts may need to be updated to reflect variations to employee expenses that arise from negotiation of final industrial agreements and/or decisions by the Commission or the Court.

The Treasurer attempted to GST-wash his budget. That has been exposed as a scam. The budget papers themselves declare that budget forecasts, including exploding deficits and debts, "may need to be updated to reflect variations", further conceding to union demands or decisions of the unrestrained Industrial Court that makes those decisions for the unions. Once again, we have looked at the Treasurer's homework and he has been caught out by his own budget papers. Much like the Premier, the Treasurer likes to play hard and fast with the truth. But once we see his homework, he is busted. What should have been included in the budget? What is the biggest issue facing the people of New South Wales at the moment?

**The Hon. Sarah Mitchell:** Cost of living.

**The Hon. DAMIEN TUDEHOPE:** Cost of living! That is the biggest issue facing the people of New South Wales. I give full marks to the Hon. Sarah Mitchell. Members of the Opposition at least know that, but Government members have no idea what "cost of living" means. The cost of living means something only for the few. Government members have no idea what the impact of the cost of living on ordinary people in this State really means. The people who are really missing out are ordinary people who are trying to do their jobs and run their business and get by, day after day. While Labor lavishes wage rises on the 400,000 public sector workers, what about cost-of-living relief for the four million other workers and their families? What about easing the costs on the 850,000 small businesses in New South Wales? Where is anything for them in this budget?

There is not a single cost-of-living measure for families and businesses who are doing it tough across the State. The Active Kids and Creative Kids vouchers are gone, the regional seniors travel card is gone, the First Lap vouchers are gone. Higher tolls, higher public transport fees and higher Service NSW fees form part of the living expenses for the rest of us. We have seen the Government do some bad stuff, but the worst, meanest and pettiest was its decision to jack up the cost of Working with Children Checks for NDIS workers by over 30 per cent. Those people who work with kids are generally paediatric nurses, teachers or childcare workers.

**The Hon. Natasha Maclaren-Jones:** And volunteers.

**The Hon. DAMIEN TUDEHOPE:** No, volunteers get it for nothing. But jacking up fees for that cohort of workers goes to show how mean spirited the Treasurer is. We have seen some pretty bad outcomes as a result of decisions taken by the Treasurer, but that has to be one of the worst. I call upon him to reverse that price increase. It might not seem like a lot to the Treasurer, but it means a lot to a new teacher, disability support worker or paediatric nurse who has not even collected their first pay cheque because they need to access a Working with Children Check. It might not mean a lot to Government members, who are on easy street, but it means a lot to people who are trying to enter the workforce. That shows where the Government's priorities lie.

Government members are happy to pay billions to their union mates, but they will bleed every single dollar they can out of ordinary working people. The Government is happy to lump a property tax onto the growing list of landlords through land tax changes, but it has done nothing to stop those new charges from being passed on to renters. I asked the Treasurer if there would be help for renters but he dodged the question. It is quite clear to me, the media and other organisations that there will be no help for renters in this budget. But the impact of this land tax change will impact the rents they pay. Rents will go up for renters because the costs associated with the removal of the indexation of land tax will be passed on to tenants. That decision was taken by the Treasurer.

For those who do not collect a wage from the Government, Minns and Mookhey do not want to know them. That is a very sad fact. There is prosperity under Labor when one collects a wage from the Government. There is prosperity under the Coalition for those who work for themselves. That is what prosperity is: working for oneself and making decisions for oneself. This Labor budget includes all of those issues. I warn those who are banking on the Government's promised social housing: Where is the detail? The budget only contains announcements about social housing and the delivery of that social housing. There is no detail in the budget about how it will be rolled out. Members of the Opposition want more housing. Everyone is talking about the housing crisis. If there is a housing crisis, we must do something now, not in four or five years time. We have a crisis that we need to deal with now.

What in this budget will give some relief to people trying to get into the housing market? Would we, for example, add additional building costs so that the cost of buying a new home would rise, whether it is a home or an apartment? No, we would not do that. Labor did. Would we enter into a stamp duty scheme where stamp duty is free for people wanting to get into the market for the first time? That might be a good idea. Labor would not do that. Would we potentially enter into a scheme where incentives are offered to people who wanted to downsize? That would potentially be a measure to deliver housing relief now. Those are all steps that can be taken to deal with the crisis now, instead of planning for what is going to occur in four or five years time.

The announcement is fantastic, and the track record of Labor is such that the delivery will be appalling. The Opposition welcomes the announcement. Opposition members will be watching how the budget is rolled out. We will be watching the process for the new housing for essential workers who want to be able to work closer to work. That was a great announcement. What did Lachlan Leeming talk about in the Telegraph today? He said those workers might as well buy a scratchie in terms of the deliverability of that particular announcement. Labor creates fanfare around its announcements. We talk about it. We get issued the glossies. The delivery means nothing because nothing tells us how the housing will be delivered.

Infrastructure delivered by the Coalition Government renovated our State. One thing that can never be argued about is that the unparalleled pipeline of infrastructure delivered by the previous Government ensured an enhanced standard of living for the people of New South Wales. In many respects, history will judge the previous Government very kindly indeed for the manner in which it delivered an infrastructure pipeline for the benefit of everyone, and not just a few. That is what good governments do; they do not pick winners and losers. The projects the former Government embarked upon benefited everyone.

But what do we see in this budget? The transport infrastructure pipeline under this budget has been reduced by \$9 billion. A very telling table in *Budget Paper No. 3*—Table 1.2—shows the trajectory of the infrastructure pipeline. The transport budget in 2024-25 is \$17 billion, \$18 billion in 2025-26, and then down to \$15 billion in 2026-27 and \$11 billion in 2027-28. How can that be read? Labor starts by budgeting for all the Coalition projects. As it completes the commitment to doing those projects, infrastructure spending reduces to nil. The health infrastructure budget is \$3 billion in 2024-25, nearly \$4 billion in 2025-26, \$3.6 billion in 2026-27 and then down to \$2 billion in 2027-28. But the worst of all is its commitment to education: in 2024-25, \$3 billion; 2025-26, \$2.5 billion; 2026-27, \$2.17 billion; and 2027-28, \$1.8 billion.

Health and skills infrastructure reduces from \$3 billion in 2024-25 down to \$1.8 billion in 2027-28. That shows this Government's level of commitment to delivering for the people of New South Wales. The infrastructure pipeline is heading off a cliff. The budget is more indicative of Chris Minns than the Treasurer. The Premier has no vision and no ideas. The delivery of infrastructure is about vision. It is about how we want to improve the State and make sure it is a great place to live, work and raise a family. That is the vision which guided our Government

when we were delivering for the people of this State. The Premier does not have a plan for next week, is how someone put it to me, let alone for next year or the next decade. This budget is indicative of no plans for the future.

We have a Premier who has no beliefs and no ticker for hard decisions, who hides at moments when times get tough but is always ready to be there for the good news story. That is probably why we have barely seen him at all this week. He does not want to associate himself with this budget. He does not even want to know about this budget. He has gone missing this week. He has hung the Treasurer out to dry. This is his baby and the Premier has gone missing. That is the only thing we read into that.

**The Hon. Daniel Mookhey:** Your frontbenchers quit hours after your leader gave a speech. You could not even hold onto your deputy leader for an afternoon. He finishes at 12 and the deputy leader has quit at two.

**The Hon. DAMIEN TUDEHOPE:** Let me just conclude. I know the Treasurer wants me to finish. I have done the assessment of the Treasurer's homework. Generally, I ask for the Treasurer to resign. I have finished the assessment, so I make a few observations in conclusion. As I began, this is a very Labor budget for the few and not for the many. It is also a budget that cannot be trusted because the Treasurer has been caught making the numbers up again and again. The budget debt and deficit are out of control but there is also a vision deficit. The infrastructure pipeline is bone dry. Taxation is higher than it has ever been. Unions are getting their every wish while working families and small businesses have been abandoned. There is no plan for the future except an ever-deteriorating budget. The next generation will carry the burden of this Government's decisions. As always, the money has to come from somewhere and the people of New South Wales will pay the price. We just cannot afford this Labor Government.

**Ms ABIGAIL BOYD (17:27):** As The Greens Treasury spokesperson, I contribute to debate on the Appropriation Bill 2024, the Appropriation (Parliament) Bill 2024 and the Revenue Legislation Amendment Bill 2024. In the course of my contribution I will cover areas within my other portfolio responsibilities as well. I flag that each of my colleagues will also contribute to this debate or in the budget take-note debate in relation to their own portfolio responsibilities.

**The Hon. Daniel Mookhey:** The take note.

**Ms ABIGAIL BOYD:** I will not tell my colleagues what to do. They may or may not contribute to this debate or to the budget take-note debate. It is completely up to them to surprise the Treasurer. I thank the Treasurer for his demonstrated track record of transparency and accountability. I do believe that the fiscal concerns of our State are in comparatively safe hands when it comes to the Treasurer and his performance. He has shown himself not only to be supremely capable of the actual job but also to have an ability to apply a rigour and discipline to Treasury matters that now appears to be filtering down through the whole department. It is a relief not to see a continuation of the previous Coalition Government's budget obfuscation and accounting trickery under this new Labor Government, and I hope that continues as we head towards the pointier end of this parliamentary term.

The Greens do have some fundamental differences of opinion on how to run an economy. If I have to read another puff piece about what music the Treasurer is into or how he wears a hoodie to work, my comments will become far less favourable. Of course, the Treasurer is but one person in the Labor Government and not solely responsible for the bigger picture choices it makes between competing interests. The Minns Labor Government has set a certain tone and outlined its priorities, implemented by its Ministers and reflected in the budget. And the end result is, unfortunately, not up to the task of tackling the multiple major challenges that we find ourselves facing today: the rapidly warming planet, the skyrocketing cost of living, the scarcity of housing, the domestic and family violence epidemic, the lack of basic mental health and other support services—the list goes on. This is a steady as we go, status quo budget for circumstances that are anything but ordinary. Now is the time to be making big bold investments and decisions that turn the course of history around, not a little bean counting here and a modest reshuffling of revenue source there.

What is most frustrating about the budget is the sheer amount of potential revenue that this Government has left out of it. The amount of money left on the table is staggering. Even if Labor just implemented the most modest of tax reforms required to keep pace with other States when it comes to property and luxury vehicle taxes, we could have had a lot more to play with when it comes to meeting the needs of the people of New South Wales. And that is before even looking at the far more ambitious suite of taxes that The Greens have been calling for, targeted at big consulting firms, gig worker platforms, religious institutions, the super-rich, gambling companies and the fossil fuel industry. By asking those most able to afford it to pay their fair share, the budget could have been transformational in providing for those most in need, while still having plenty to spare for supercharging climate action in our State.

As I have said many times, the Government needs to be far more ambitious and creative in rebalancing the State's revenue base. Although not taking us backwards, there is very little in the budget that could be seen as a

significant forward step. It is important to list out these revenue-raising opportunities, because they show just how self-imposed the limitations in the budget are. The Greens have been advocating for an entity-neutral approach to taxes like payroll tax, so that large partnerships as well as rideshare, delivery and other gig worker platforms would be required to pay their share and not avoid basic taxes because of the way in which they have chosen to structure their businesses. For example, requiring the partners of the big four consulting firms to pay payroll tax like everyone else on what is essentially a salary could raise one-quarter of a billion dollars over four years.

We have also noted that New South Wales is relatively unusual, nationally, for adopting a basic flat rate for payroll tax with a single marginal rate. A progressive rate would enable more revenue to be obtained from those businesses that can most afford it, without placing additional burdens on smaller and growing businesses. For example, in line with some other States, New South Wales could set a marginal tax rate—say 1 per cent higher for employers with a payroll of over \$100 million on amounts over \$100 million, 1.5 per cent higher for amounts over \$1 billion and so on. Some other States also ensure that the exemption threshold designed to provide a concession for small business is not applicable to larger employers.

In other words, New South Wales could amend the payroll tax rules to ensure that employers with payrolls of over \$10 million are also liable to pay tax on the first \$1.2 million that would be an exempted amount for smaller businesses. New South Wales also has a relatively flat structure and a lower overall rate compared to other States and Territories in relation to motor vehicle registration duty on passenger cars. Following the lead of some other States and Territories—such as Victoria and the Australian Capital Territory—The Greens have also argued that a lower duty should apply to all electric vehicles in order to incentivise a rapid transition away from petrol cars and more quickly meet our emissions targets.

Religious institutions in Australia benefit from many tax exemptions and concessions despite turning over billions in revenue, owning hundreds of millions of dollars' worth of land and employing thousands of staff. It is clear that not all religious institutions are equally deserving of the generous tax benefits afforded to them. It is also clear that the money the New South Wales Government would collect from these institutions by removing exemptions to our land tax and payroll tax rules would not place a significant financial burden on those institutions, while enabling the New South Wales Government to spend greater resources directly on those in need.

The Greens have long been in favour of increasing the amount of tax and levies imposed on gaming establishments. As part of a broader gambling harm reduction initiative, we took to the 2023 election a proposal to raise the gaming machine tax to a flat rate of 60 per cent across pubs and clubs, raising billions of dollars in additional revenue. We would also recommend Labor investigate imposing taxes or licence fees on those profiting from simulated gaming or internet gaming, as has been introduced in some other States.

These are just a few examples of how we can make changes to taxation schemes in New South Wales that would not only result in significant revenue being raised but would also represent a far fairer distribution of wealth in our State. The Greens also have a detailed plan for a supplementary banking levy that would raise over \$600 million in revenue each year that we have taken to successive elections, and I have spoken about it in this place before—not to mention the huge amount of additional revenue we could raise if we were taxing fossil fuel companies properly, ending their subsidies and properly applying a polluter-pays principle to their businesses.

By placing a greater burden on those in our State who should be more fairly paying their share, we can be providing much-needed funds for the benefit of those who need it most. That said, The Greens are not concerned by the continued deficit being run in this year's budget. Again, this is not a time to be putting a brake on spending. The economy needs stimulation right now if we are to propel decarbonisation of our energy network and industry, and there are far too many people doing it tough in our State to be imposing any kind of austerity. The point here is that the budget operates within constraints that this Government has imposed on itself by failing to raise additional revenue in those areas in which it would be equitable and fair to do so.

The so-called centrepiece of the budget was housing. There is no doubt that housing has been the centrepiece of the spin around the budget, but I struggle to see how it is the centrepiece of the actual substance of the budget. When you dig into the details—and I do look forward to budget estimates, when we can dig even further into the details—there is not much to be pleased about if you are a renter, someone trying to buy a home or someone seeking emergency temporary accommodation. The Government has announced \$5.1 billion for 8,400 social homes, made up of 6,200 new and 2,200 replacement homes. However, this is over four years.

According to the infrastructure statement, that is \$1 billion a year for approximately 1,025 genuinely new social homes each year. That is to ease the waitlist for social housing over at least 50,000 families, which is around 80,000 people. I pause with those numbers because there have been slightly different numbers given in different contexts—the budget papers, questions on notice and in speeches. I would love to be corrected on the exact numbers, but we are looking at, I think, around 1,000 genuinely new social homes each year. Again, I compare that figure to the at least 50,000 applications for homes on the waiting list.

I find it hard to get excited about a Government plan to build about 3 per cent each year of what is required to just clear the existing backlog of demand for social housing, especially when the NSW Council of Social Service was calling for 5,000 new social homes each year, which is multiples of what the Labor Government has promised in the budget. Again, I am happy to be corrected if my reading of the budget and infrastructure statement has been misapplied. But my understanding is that at least half of the \$1 billion per year being spent there is offset by the Federal housing affordability amount to States that The Greens secured last year during debate on the Housing Australia Future Fund.

The announcement in relation to prioritising domestic and family violence victim-survivors on the waiting list might at first blush look positive but, on a deeper look, is also problematic. During the inquiry that I instigated in 2022 in relation to homelessness amongst older people aged over 55 in New South Wales through the Standing Committee on Social Issues, there was a lot of discussion and evidence received in relation to the categories of priority for the social housing waiting list. Currently priority on the list is given to elderly persons only over the age of 80 or a First Nations person over 55. This Housing Elderly Persons priority group is housed only after those approved for emergency or temporary accommodation, people approved for priority housing, and current tenants requiring transfers. Reasons for priority can include homelessness, medical or disability reasons, being at risk, or other reasons.

A number of stakeholders in that inquiry had argued that it was unfair and cruel to make an elderly person under 80 wait longer than one over 80 for social housing, and that the priority age should be lowered to 55. On the other side of the argument were those saying that, in a scenario where there are 80,000 people on a waiting list, with those applicants already waiting years for a home, prioritising one group over another will always lead to unfairness and cruelty because, of course, housing is a human right and every person is entitled to secure an accessible shelter.

It is in this context that I am cautious about the announcement from the Government in the budget to prioritise domestic and family violence victim-survivors over others when it comes to the social housing waiting list in respect of these homes which are to be built in the future. At least 50 per cent of the new homes, presumably about 775 houses each year, are to be prioritised for victim-survivors. While it is absolutely vital that we provide secure housing for those fleeing domestic and family violence, we are prioritising one group of vulnerable people over other groups of vulnerable people due to the sheer lack of ambition of this Government in choosing to invest in so few social homes, especially in the context of the length of the waiting list and the scale of the wider housing crisis. The phrase "housing hunger games" has been used in the media a lot of late, but it seems particularly pertinent when considering the pitting of one group of vulnerable people against another on our social housing waiting list.

I hope that the Treasurer will drop the line about not wanting to tell the Federal Government what to do in relation to the Federal tax incentives impacting the New South Wales housing market. Quite literally, a core part of his job is advocating for the people of New South Wales and for broader reforms that will assist the State and its people financially. The Government cannot admit, on the one hand, that we are in a housing crisis, but then fail to take all of the necessary steps to fix it. It is not 2019 anymore. If Labor's stance on capital gains and negative gearing ever had anything to do with its 2019 election loss, which I personally view as highly doubtful, people have moved on and so should the Labor Government. If the Treasurer does not want to upset the landlords and property developers in order to provide secure housing for the approximately 15 per cent of households in our State currently in severe housing stress, including around 70 per cent of low-income households, then he should just say so. But he should not hide behind a line about not wanting to tell the Federal Government what to do when he and his colleagues are quite happy to do that in multiple other policy areas. It is not convincing.

In any event, the Treasurer knows that there are tax levers in New South Wales that he could pull to assist in addressing the housing crisis. Ahead of this budget, we submitted some suggestions to the Treasurer for measures to raise revenue that would also be beneficial in addressing the housing crisis. Among the suggestions we made, we recommended that New South Wales consider following Victoria in introducing a rezoning windfall tax. We also recommended that it introduce a tax on residential properties left vacant for more than six months in areas with high levels of housing stress. One initiative The Greens took to the 2023 election was the introduction of a new land tax on high-end residential properties. This "extreme wealth property tax" would require owners of residential owner-occupied properties with a land value of more than \$10 million, or an improved value of more than \$20 million, to pay a flat 4 per cent land tax.

We also advocate for increasing the rate of land tax payable on non-owner-occupied properties and on land that meets the New South Wales Government premium threshold from 2 per cent to 5 per cent, and for expanding the premium threshold to apply to the investment portfolio value of investors who own more than eight residential properties. Further, we suggest abolishing the build-to-rent 50 per cent land tax concession unless these



developments yield at least 30 per cent ongoing social and affordable housing on private land, and 100 per cent on publicly owned land.

Given Federal Labor's failure to discontinue the Federal tax incentives of negative gearing and the capital gains tax discount, The Greens also advocate for the reintroduction of vendor duty in New South Wales for investors that are distorting the property market. Reinstating the previous scheme in New South Wales would place a 2.25 per cent duty on the sale or transfer of all land, other than owner-occupied homes, where the value since purchase has increased by more than 12 per cent. In addition to raising hundreds of millions of dollars of additional revenue each year, the reintroduction of this tax, even at these modest levels, would show that Labor is serious about addressing the housing crisis by ensuring there are more properties available for people who need them as their home. In addition to more public affordable housing needing to be built, and for a greater percentage of social and affordable housing within new developments, we must rebalance the incentives within the housing market to ensure more houses are available for people to use as their home instead of as their second, third or tenth investment property.

In addition to doing his job and advocating for tax changes at a Federal level that will benefit New South Wales, there are a number of direct levers the Treasurer could have pulled in this budget in order to ease the housing crisis. It is notable that he has chosen not to. The Labor Government has also chosen not to implement other basic housing reforms that would make a marked difference to the ease of finding housing for people across our State. New South Wales must sign on to the minimum accessibility standards of the National Construction Code in line with almost every other State and Territory, including the Australian Capital Territory, Victoria and Queensland. It is a simple measure that will ensure, at the very least, that new builds meet the bare minimum in accessibility standards so that new housing can provide a home for everybody in our community. This is not just an issue for the significant number of people in our State with reduced mobility; it is a measure that will improve the ability of every resident to age in place and to more readily welcome people with mobility issues into their homes. It is not just economically reckless not to have signed on to this code as soon as the Labor Government came into power; it is also cruel and unethical.

So far, the Labor Government's record on acting in the interests of people with disability is just appalling. It is well past time the Government put in place a separate Minister for disability who might actually steer these sorts of decisions towards a more sensible outcome. I have called out the Labor Government's omission of people with disability in the New South Wales schools plan, health planning, employment, transport and in planning for, designing and building accessible housing. There is next to nothing of substance in this budget for people with disability. It was not even mentioned once in the Budget Speech save for a few shreds of money here and there tacked onto the back of larger projects or existing programs.

The \$7.1 million allocated for the creation of a cross-agency Disability Reform Taskforce is welcome. However, I put on record that this will be wasted money if it is not led by people with disability and their representatives and followed by robust investment in implementing the necessary reforms out of the disability royal commission. Since the final report of the disability royal commission was handed down last year, The Greens have stood firmly with the disability community in demanding that any and all implementation of recommendations must be not only informed by but also driven by people with disability and their representatives. We are at a crossroads in our society, where our governments are faced with the opportunity to create drastic and lasting change for people with disability. But, unfortunately, so far from the New South Wales Labor Government we have seen nothing but a lack of genuine interest in implementing and funding the changes we need.

The budget includes \$1 billion for school maintenance and minor upgrades for projects that have been promised to schools already but have yet to be delivered. It was announced in the media last week that \$150 million of that will be directed toward disability accessibility, but in the budget papers there is no commitment of this allocation of funds or any details of the accessibility upgrades it will include. Tacking \$150 million for disability accessibility onto a package of \$850 million for general, overdue minor works that benefit everybody, not just people with disability, is disgraceful. It sends a clear message to people with disability in this State that the Government does not care to properly invest in making our schools truly accessible and inclusive.

It appears that the only additional money in this budget that will directly impact people with disability in our State is the additional \$1 million for the Taxi Transport Subsidy Scheme, which provides subsidies for eligible New South Wales residents who cannot use public transport because of a severe and permanent disability. While this is not unwelcome, I am once again struck by the severe lack of ambition by the Labor Government when it comes to actually making our society accessible, safe and inclusive. After lazily merging the Transport Access Program with the Commuter Car Park Program in last year's budget, Labor has once again failed to bring us in line to finally meet our transport accessibility targets that we are woefully decades behind on.

Perhaps most disappointing of all is the ignorance of this Government when it comes to the omission of accessible housing. Labor has branded this budget as delivering major wins for housing by "building better homes" for the people of New South Wales. This budget completely leaves out people with disability, older people and anyone with mobility limitations who require accessible housing. It also makes a joke out of the actual, long-running Building Better Homes campaign, which is the very campaign that has championed the right for every Australian to live in an accessible home. People with Disability Australia [PWDA] has also called this out. Its president, Marayke Jonkers, said of this budget:

The failure to commit NSW to the Livable Housing Design Standards means we are denying disabled people the right to safe and affordable homes. Unless the 3,100 homes earmarked for women and children fleeing violence are fully accessible, women and children with disability will continue to have nowhere to go.

Ahead of this budget, PWDA called for \$1.8 million over five years to continue delivery of the PWDA Building Access project to all New South Wales domestic and family violence services. But, of course, not only does this vital project continue to be underfunded by the Government but there is also a complete omission of targeted support for victim-survivors with disability. Also missing from this budget is any increase in funding for the Ageing and Disability Commission or the Official Community Visitors scheme, despite the former commissioner, Robert Fitzgerald, having persistently called for the Government to dramatically increase funding for the commission on a demand-based model.

I get so frustrated and tired of saying it, but I note this Labor Government's lack of attention to people with disability. I was so upset with the previous Coalition Government, which also did not give people with disability due attention, but to see the lack of inclusion by the Labor Government of people with disability in every policy area may even be worse. So far, going through the budget documents, I have only found 73¢ of extra funding to services for each person with disability in this State. That is woefully insufficient and insulting. I will keep going through the budget papers, as there is a lot to digest, and hope to find more.

In the budget take-note debate in this place the Minister for Agriculture said a whole four sentences about Labor's so-called "record investment" in animal welfare. The Minister affirmed that animal welfare is a priority for this Government, which is incredibly rich coming from a government that has yet to follow through on a single animal welfare commitment 15 months into its governance. What is this record spend? It is a measly \$21 million, to be shared between reviewing our animal welfare laws, the supposed establishment of an independent office of animal welfare and additional funding for approved charitable organisations [ACOs]. Yesterday in question time I asked the Minister for Agriculture to confirm exactly how much of this \$21 million is going to the RSPCA and the Animal Welfare League. The Minister could not even provide a simple explanation. She had the audacity to not only obfuscate but also insist that this really is a "record investment" for animal welfare.

It is absurd that I have to stand in this Chamber and state that this Labor Government is genuinely worse than the former Coalition Government when it comes to animal welfare. At least under the Coalition Government we had an agriculture Minister who had some sort of idea of the functions of our animal welfare laws and invested some amount of funding in our ACOs. In the absence of recurrent funding, ACOs have for years been forced to significantly reduce their workforce and operational response, preventing them from carrying out their work in enforcing our State's animal welfare laws.

Ahead of this budget, the RSPCA called for at least \$23.4 million—but ideally \$31.1 million—to properly meet demand and sustain the shelters and programs it operates, including emergency health care, Indigenous and regional community care, animal transport services, telehealth services and the Keeping Cats Safe at Home campaign. It is still unclear how much of the \$21 million earmarked for animal welfare will actually go to our ACOs, or whether those organisations will be forced to let go of any of their critical animal welfare inspectors. To make matters worse, once again community-led animal welfare organisations have received a whopping zero dollars in this budget.

These organisations are the backbone of animal welfare on the front line—carrying out vital frontline work every day for animals through rescue, recovery, veterinary care, release, rehoming, research and community engagement. Yet the Labor Government is steadfast in providing zero core funding for these critical organisations, forcing them to rely entirely on unsustainable funding through fundraising, ad hoc pools of grant funding from different levels of government, and generous community volunteers.

It makes me and so many others incredibly disappointed to see Labor's leadership vacuum on climate and energy, which has allowed the Federal Coalition to again so easily saunter into the so-called climate wars. Yes, both Federal and State Labor have done something towards acting on climate. But in the context of the climate emergency we find ourselves in and the urgency with which we need to act in order to address it, we can be forgiven for wondering whether Labor is taking the issue at all seriously.

While signing the State up for hundreds of millions of dollars by extending the life of power stations, allowing big polluters not to pay for the environmental and health harm they are causing, refusing to stop our native forests from being logged, and continuing to permit new coal and gas projects in our State—which it knows full well can only make the climate crisis worse—Labor is also moving far too slowly when it comes to rolling out renewables and aiding the transition of communities previously reliant on coal. Labor is failing us by not providing for a much quicker establishment of local transition authorities and a quicker release of funding for those communities, like the Hunter, that are already well up the curve on transition planning and are being held back by a lack of funding.

NSW Labor is failing to lead, or even follow the lead of Victoria, in not implementing a series of measures to enable households to be more energy efficient and assist with removing gas from homes. In addition to facilitating a quicker transition away from fossil fuels, these measures would be beneficial in reducing household energy bills. Again The Greens call on NSW Labor to treat climate like the actual threat to our existence it is. If nothing else, looking at this from purely a budget and economics perspective, the consequences of more frequent and severe weather events from runaway climate change will be nothing short of catastrophic.

Domestic violence is a problem right across the State, and so too is the underfunding of frontline services. We need an enormous and uniform uplift in baseline funding to all specialist sexual, domestic and family violence services in New South Wales, with longer term funding agreements so that services can plan and prepare for the future and workers can take jobs with the confidence that funding for their roles will not be slashed year to year. In addition to the so-called emergency funding of \$230 million announced in May this year, the budget contains only \$15.6 million in additional funding: \$10 million for men's behaviour-change programs and an additional \$5.6 million for Women's Domestic Violence Court Advocacy Service workers.

The Greens welcome any additional funding for domestic and family violence prevention and response. However, the total amount being delivered by the New South Wales Government remains woefully inadequate given the scale of the problem it is seeking to address. It is still less than two-thirds of the amount spent in Victoria. There is a dire need for additional funding to be put into existing domestic and family violence shelters and emergency accommodation. The Core and Cluster initiative of the previous Government was not requested by the sector. While it is welcome in terms of providing a greater number of beds in the future, it did not remove the immediate need for upgrading and extending existing refuges. The domestic and family violence sector has consistently made this call for over a decade and it needs to be urgently addressed.

Under the previous Government, many of our vital community services were left to operate with insufficient and precarious funding. Well-funded domestic and family violence services; disability services; community legal centres; neighbourhood centres; women's health services; specialist services for First Nations people, migrants, LGBTQIA+ people, people with disability and at-risk children; and a range of other non-profit services are vital to ensuring healthy and resilient communities across our State. The Greens understand that funding these services well will not only increase wellbeing across the State but also, in turn, that this increased wellbeing and resilience will result in fewer people ending up in our hospitals and prisons, lower rates of domestic and family violence, and other benefits. Again, while it should not necessarily be the motivation for funding these vital services, it is widely accepted that the money invested in these services will save the State money in the long run.

The Greens welcome the Labor Government's work so far to increase wages for public sector workers, as well as its efforts to transition more workers to permanent roles. Perhaps I can educate the Leader of the Opposition on what a union is, in the hope that he might become a union man. When money is given out of a budget for additional wages to public sector workers, who are represented by unions, that money does not go to the unions; it goes to the workers. While unions represent those workers and campaign for higher wages, when that money is allocated in the budget it goes into the pockets of workers.

I am sure the Leader of the Opposition actually knows that, yet he states in this Chamber that somehow this money is going to unions or union bosses—whatever his words were. At the same time, he talks about the way the cost of living is hitting people across the State, as though putting money in the pockets of the workers of the biggest employer in New South Wales is not also addressing the cost-of-living crisis. I do not know if he said it just for the lines in a speech, but obviously it is not the case that this money is going to the unions. It is being paid to workers to ensure they are paid a fair wage. The Greens will never allow workers to see their pay go backwards or not have the best fair pay and conditions.

The Greens also welcome the first steps towards reforming our workers compensation system and implementing industrial manslaughter laws. Today I was genuinely pleased to have a Labor government when the House passed those industrial manslaughter laws. It is a clear sign of why we were all so pleased to see Labor replace the Coalition in the first place. We were also pleased to see modest funding in this year's budget for more SafeWork NSW inspections around the ban on manufactured stone. We are greatly concerned that there is still a

huge number of precarious and vulnerable workers in our State yet to see any relief since Labor took office. We are encouraged by the first steps towards pooling leave entitlements for precarious workers—again, that was another good day—but would like to see action taken much more quickly to implement Labor's election promises around the gig economy.

Our suggestions in this regard include bringing the State's cleaners back into government employment; providing full workers compensation benefits to on-demand platform workers; implementing presumptive post-traumatic stress disorder for frontline workers and first responders; extending and improving presumptive cancer legislation for firefighters; including psychosocial harm within upcoming industrial manslaughter laws; ensuring longer term contracts for workers in those community services granted a longer duration of funding; and mandating the presence of the highest levels of workers' and union rights on all worksites where public money is being expended, including the mandatory presence of an enterprise agreement on projects over a certain value.

This whole speech is to say that we are all very relieved to have escaped the grasps of the reckless and feckless Coalition Government's approach to the budget, but this State is doing it tough right now. We are also on the cusp of some really exciting and important changes that we need leadership from this Government on. A steady-as-she-goes approach will simply not be adequate in the face of these challenges.

**The Hon. JOHN RUDDICK (17:59):** I contribute to debate on the Appropriation Bill 2024, the Appropriation (Parliament) Bill 2024 and the Revenue Legislation Amendment Bill 2024 to give the Libertarian Party's response to the 2024-25 New South Wales budget. The best measure of a budget is not the reaction by the media, the markets or even the opinion polls; it is the shrieks of outrage from the whingeing class, the tax-eaters and the special interest groups. A responsible budget will inevitably be met with howls of hyperventilating hysteria from people who want more handouts. The better the budget, the louder the howling. Margaret Thatcher, Nick Greiner, John Howard—in his early days—and recently Javier Milei in Argentina all delivered sound but tough budgets and then the handout brigade took to the streets.

This Mookhey budget will not provoke any outrage. It was politically safe and economically lazy. The most remarkable thing about the budget has been the Treasurer's impressive ability to sell a narrative about the budget that repeatedly contradicts the details within it. It is worth remembering that politicians are exempt from the looming Orwellian "misinformation bill", so the Treasurer is safe from the authorities, but he still must deal with the higher economic IQ of the Libertarian Party and its budget fact checkers. First, the budget deficits have not been caused by a drop in revenue. The Treasurer has pointed the finger at lower GST, but the budget papers clearly show that GST has only dropped by about \$1 billion in the budget year, and this is more than offset by revenue windfalls and new taxes. Total revenue is nearly \$1 billion higher than the Government predicted just six months ago.

Second, there was no spending restraint from the Government in this budget. It showed Olympic levels of political spin. The Treasurer pre-emptively apologised for not spending too much and the media accepted that story, but the budget shows \$3.1 billion in new general spending and \$2.6 billion in new capital spending just in the budget year, and many billions more going forward. Third, the Treasurer claims that the budget has a \$3.6 billion deficit. That is half true. That is the operating deficit, but the more meaningful and important fiscal deficit is nearly five times larger at an eye-watering \$16.8 billion, or nearly 2 per cent of the New South Wales economy.

**The Hon. Damien Tudehope:** Good point.

**The Hon. JOHN RUDDICK:** Thank you. Fourth, the Treasurer claims that debt will rise to 14 per cent of New South Wales' gross State product by 2028. That is, again, half true. That is the net debt figure, which ignores many of the Government's liabilities. The more meaningful and important net financial liabilities will rise to 24 per cent of gross State product. In short, the budget papers clearly show that the Government has increased taxes—though it has increased spending by even more—which has caused a massive and unjustifiable budget deficit. The fact that the Treasurer has been able to spin this as a responsible budget is a remarkable testament to his deft political skills and mastery over a compliant media. There is no doubting that the Treasurer is talented. I just wish he would redirect those talents from political vaudeville to genuine fiscal responsibility.

Having said all of that, a few silver linings in the budget are worth noting. First and foremost, I applaud the Government for having the bravery to embrace large-scale privatisation of government land. I understand that the Government will want to call it something else to avoid the irrational kneejerk reaction against the word "privatisation", but I trust it will be able to spin its way out of that awkwardness. Second, I note that the Government is raiding the NSW Generations Fund to pay for its irresponsible overspending. I do not applaud the overspending but I join the Government in wanting to undermine the Generations Fund. It should be shut down. Third, the move to lighten the payroll tax burden on some GPs is a small step in the right direction, though the payroll tax remains too high in general and there are other industries affected outside of GPs.

Sadly, those few positive steps are more than offset by a laundry list of misguided new overtaxing and overspending decisions. The Government has increased the tax on rentals while claiming it wants cheaper rents, it has more costs for developers while saying it wants more development, and it has hiked licence fees for pubs while claiming it wants better night-life. The dozens of new spending projects are a slow water torture of wasteful spending. The Government should not be squandering \$5 million to explore an Aboriginal treaty, \$10 million to change men's behaviour, \$6 million for swimming lessons for people who cannot speak English, \$21 million on Digital ID and hundreds of millions more pumped into all corners of the bureaucracy. The Government continues to throw more money into its misguided—indeed, bizarre—battle against the sun. The New South Wales Government cannot control the global climate. The billions of dollars we spend each year will not change the temperature, but it will make our State poorer.

My final lament about the budget is what is missing. Following the trend across all States on both sides of politics over the past two or three decades, there is no hint of a serious reform agenda to drive productivity or make government spending sustainable. The Libertarian Party understands that other parties are scared to tackle the big issues for fear of losing votes. That weak and meek approach may help them stay on the political gravy train a little longer, but it will drive our State into fiscal strife and general stagnation. The Libertarian Party has offered a comprehensive agenda of cutting tax to drive productivity, using vouchers to bring competition to health care and education, reclaiming State sovereignty against Federal meddling, and setting up special economic zones in struggling rural areas like Broken Hill. I invite the Government and the Opposition to study these proposals and steal these ideas.

The Libertarian Party's approach is unashamedly aligned with Argentinian President Javier Milei and can be distilled down to the glorious Spanish word "afuera", which means "gone". Allow me to demonstrate the power of that word. The Public Service Commission, afuera. Destination NSW, afuera. Multicultural NSW, afuera. The Environmental Trust, afuera. The Energy Corporation of NSW, afuera. The NSW Education Standards Authority, afuera. The Institute of Sport, afuera. Create NSW, afuera. Aboriginal Affairs, afuera. Women NSW, afuera. Suffice to say, if the Government took this advice then it would receive shrieks of outrage and hyperventilating hysteria from the special interest groups that cannot be sustained without free money—good. That is when the Government will know it has done its job properly.

In conclusion, I reference a former Federal Treasurer whom I am sure all Government members revere: Paul Keating, the finest Treasurer this nation has seen since Joe Lyons in the 1930s. Three weeks after the election of the Hawke Government in 1983, Treasurer Keating wrote to his Cabinet and urged a "substantial reduction in government spending". Spending cuts, rather than revenue increases, would be required to do the heavy lifting. He wrote: "To achieve what is required, we must be prepared to modify substantially—and, in some cases, abolish—programs we have inherited." Hear, hear, Treasurer Keating. Keating would go around the Cabinet room and berate Ministers who had not come up with spending cuts. I doubt that has happened with this Cabinet. I bet all the Ministers came to Cabinet with proposals to increase spending for their departments. I encourage the Treasurer and the Minister for Finance to get on the phone to their mates in the right of the NSW Labor Party, Paul Keating and Michael Costa, and invite them to a private lunch to learn a thing or two about economic reform and political courage.

**The Hon. COURTNEY HOUSSOS (Minister for Finance, Minister for Domestic Manufacturing and Government Procurement, and Minister for Natural Resources) (18:07):** Instead of responding to the contribution of the Hon. John Ruddick, I speak in support of the Appropriation Bill 2024, the Appropriation (Parliament) Bill 2024 and the Revenue Legislation Amendment Bill 2024. The budget outlines the Government's plan to build a better New South Wales by rebuilding essential services, and funds a plan to address the housing crisis. It also outlines how the Government will pay down the historic levels of debt that we inherited. I will resist my instinct to respond in detail to the flawed analysis the former Minister for Finance gave of the excellent budget presented by the Treasurer. Instead, I draw the attention of the House to three key statistics. The State's gross debt next year will be \$9.3 billion less than we inherited. We have done that because we take being fiscally responsible seriously.

I make the point that this Government's expense growth over the forward estimates will be 1.7 per cent while the previous Government's expense growth—not during the COVID years but prior to that—was 5.1 per cent. That shows how careful and prudent this Government is being with its budget. As a result of this careful management, next year and for every year over the forward estimates New South Wales will go into a cash operating surplus for the first time since COVID. These are the careful, measured and deliberate steps that this Government is taking, because Government members understand the privilege that it is to sit on this side of the House and be able to deliver a budget for the people of New South Wales.

It is easy to spend money in good times. The budget shows the Government's true priorities and how to make difficult decisions with limited resources. In the face of a challenging economic environment, a range of

factors have been outside of the Government's control. We on this side have canvassed those at length in the House, including the \$11.9 billion that should have been coming to New South Wales from GST revenues. We have maintained the same fiscally disciplined approach from our first budget to this budget. We have been incredibly restrained on our new spending initiatives.

I particularly highlight one element contained within the cognate bills, and that is the \$188.8 billion bulk-billing support initiative. That initiative is an important cost-of-living measure for families and households. It is the first time that the New South Wales Government has made a direct policy intervention to support bulk-billing. The Government did that because we on this side know how important affordable and accessible health care is for families and households. The initiative is also designed to reduce pressure on our emergency departments. NSW Health tells us that with every 1 per cent reduction across our State we see an additional 3,000 presentations to our emergency departments.

The true cause of the pressure felt by our GPs right now is the previous Federal Government's failure to index the bulk-billing rebate for a decade. The Federal Labor Government is doing its part by tripling those bulk-billing incentives. The New South Wales Government is intervening for the first time because we on this side understand how important affordable and accessible primary health care is in the community. We are exempting the historical payroll tax liabilities that accrued under the previous Government for independent contractor GPs and we are going to provide an ongoing payroll tax rebate for clinics who bulk-bill at an 80 per cent rate in Sydney and a 70 per cent rate for the rest of the State.

I take this opportunity, again, to put on record my thanks. The health Minister, the Treasurer and I have worked incredibly closely on this over many months. I thank the Australian Medical Association [AMA] and the Royal Australian College of General Practitioners [RACGP] for their engagement, and also the many doctors and practice owners who we met with through this process. They were clear about the impact this initiative will make. If it was not passed through the Parliament, clinics would close and patients would be charged up to \$20 to see their doctor.

**The Hon. Damien Tudehope:** We told you that 12 months ago.

**The Hon. COURTNEY HOUSSOS:** I note the interjection from the former finance Minister, who during his time as Minister could not once find the time to meet with the RACGP or the AMA. I withhold my comments. We understand the cost-of-living pressures faced by families. We do not want them to avoid going to see their doctor for important primary health care. Alongside the budget papers, the Government also published the NSW Performance and Wellbeing Framework for public consultation. This is based on the principle of what gets measured gets done. This week in the House I spoke about it at length during question time. The Government believes that the traditional indicators of economic activity are important, but they are ultimately not sufficient. As we on this side work incredibly hard to address so many of the big challenges faced by our State, we want that process to be informed by the right data. We believe in transparency about and accountability for how and why the Government is spending its money.

We have released our eight wellbeing themes and more than 100 indicators for public feedback. They are modelled to work in concert with the Federal Government's Measuring What Matters framework and are also influenced by the broader work that is being done across the OECD. Next year we will publish our Performance and Wellbeing Framework as a separate budget paper. Ultimately, those indicators will reflect our values and priorities to deliver better services for the people of New South Wales.

In closing, I acknowledge and thank the many agencies across the Government and the ministerial offices who helped shape this budget. I particularly thank the Treasury secretary and everyone at Treasury for their professionalism and hard work. I also put on record my thanks to the Premier's office and the Treasurer's office and those fantastic teams, as well as my own team. It has been a gruelling process for months, with long days and late nights and plenty of weekend work. But we want to deliver the best possible budget that we can to rebuild essential services for the people of New South Wales. In my inaugural speech I spoke about the important role that political advisers and party loyalists play. I absolutely believe that the people serving this Government are in the best traditions of that.

Finally, it is a remarkable privilege to be able to do this alongside the Treasurer and his enormous brain. As seen in this budget, he is both fiscally prudent and compassionate. He has the remarkable ability to be across every single detail in the budget but also outline and clearly understand and direct a broader vision and strategy. His approach and this Government's approach towards immediate relief and broader reform is one that will build a long-term Labor government. I thank him for the opportunity to serve alongside him. It is an enormous privilege to be entrusted to deliver this budget for the people of New South Wales. We take that responsibility seriously. We want to manage taxpayer funds fairly and transparently and in accordance with the values and priorities that we were elected to uphold. This budget absolutely does that. I commend the bills to the House.

**Dr AMANDA COHN (18:16):** I endorse and briefly build on the excellent contribution to debate by my colleague Ms Abigail Boyd, The Greens' Treasury spokesperson. The Greens will be supporting the Appropriation (Parliament) Bill 2024, the Appropriation Bill 2024 and the Revenue Legislation Amendment Bill 2024. As The Greens spokesperson for health, including mental health, I welcome a number of measures in the budget that are a step in the right direction. However, they are nowhere near the scale or the urgency that is needed to address a healthcare system in crisis. Despite health being touted as a top priority of this budget, the overall increase in health spending is only 2.97 per cent, which is below OECD. I will say that again. This is a budget that touts health as a top priority, with an increase in health spending below the consumer price index.

The Government appears to have listened to the cries of healthcare workers in hospitals by announcing new staff as well as emergency department pressure relief measures. The Government is right to be addressing health workforce issues—after all, without staff, a hospital is just a building. However, creating 250 positions for workers in hospitals across the State will not deliver sustainable relief for our public healthcare system without real improvements to those workers' pay and conditions. Without this, we will continue to lose these skilled workers, who are in national shortage, to other States and Territories and the private sector. Nurses and midwives deserve a real raise, not just praise.

The budget offers no additional funding for mental health since the mental health inquiry report was released. This is unconscionable. As chair of that inquiry, and as a former regional doctor, I am intimately aware of the crisis that system is operating in right now. It will not see relief based on the underfunding committed in this budget. Our spending on mental health is well below what it should be as a proportion of the burden of disease. Without additional resourcing, people continue to be unable to access the care and support that they need.

I welcome the Government's ongoing investment in several hospital redevelopment projects. What concerns me is that, when those projects take years to complete, the expenditure originally committed by government fails to keep up with rising inflation rates and construction costs. We need health infrastructure projects to be built to meet community need, rather than to cut back projects to fit inside an old funding allocation that will only cost more in the long run. The Greens have identified a broad range of revenue raising opportunities to fund the health care New South Wales communities need, from bringing property and luxury vehicle taxes into line with other States to collecting payroll tax on partners of big consulting firms and increasing levies on gambling companies.

With particular regard to the Revenue Legislation Amendment Bill 2024, The Greens welcome the Government's historic engagement with primary care in New South Wales. The Government has clearly heard that people being able to see a GP when they need to is good for people's health and will reduce the burden on overcrowded emergency departments, and that there is a role for the State Government to play in addressing this. Waiving retrospective payroll tax liability for GPs is a welcome relief that will provide certainty for critical frontline health services that were at risk of closure. We thank the Government for listening to the essential primary health workforce on this matter.

The Greens appreciate that the intent of the Government moving forward by tying payroll tax rebates to bulk-billing is to improve access to primary care for people in New South Wales. However, using this initiative to force GPs to bulk-bill is a misunderstanding of the financial challenges GPs currently face. Let's do the maths. The Medicare rebate for a standard consultation is \$41.40. This is about 40 per cent of the \$102 that the Australian Medical Association has estimated it actually costs to provide quality care. Remember, this fee goes towards far more than just the doctor's time. It has to cover all the operating costs of the clinic, including staff salaries, rent, utilities and other overheads.

By dragging GPs to bulk-bill over 80 per cent in metropolitan areas and 70 per cent in regional areas when we know that the Medicare rebate does not cover the cost of providing quality care, we are essentially leaving it up to GPs to subsidise people's health care out of their own pocket. The Greens firmly believe that primary health care should be free, and that this should include establishing public primary care clinics where GPs are employed as staff specialists. In the meantime, we hope that the Government has heard this feedback from the sector and will advocate to its Federal colleagues for increases to Medicare rebates for primary care. I look forward to the opportunity to contribute further to the take-note debate on the budget in future, both on health and in relation to my additional spokesperson responsibilities.

**The Hon. MARK LATHAM (18:20):** I ~~contribute~~contribute to debate on the Appropriation Bill 2024 and cognate bills. Budgets should be useful for many things. This one, unfortunately, has just a single use: It tells us that as long as Labor is in power, the New South Wales budget will be in deficit and the New South Wales Government will be accumulating debt and paying off an even bigger interest bill. Quite simply, after the achievements and promise of nine months ago, the Treasurer has given up on cost savings. He instead surrendered to excuse-making: blaming the former Government, blaming Canberra, blaming the Commonwealth Grants

Commission and even blaming Donald Trump—a very unusual case of Trump derangement syndrome for which I hope he is seeking treatment.

The best way to judge the fiscal responsibility of the budget is to recognise that most of it is inherited expenditure and the Government's actual policy changes need to be scrutinised in the measures statement at appendix A5 of *Budget Paper No. 01*. The former Government was notorious for giving up on cost savings. In its last two budgets, it made 362 policy changes involving expenditure but only three of them—or less than 1 per cent—were cost savings. Labor's first budget was a refreshing change from the spending splurge. Among 119 policy changes, 60—that is, 33 per cent—were cost savings, netting the new Government \$6 billion.

But this was a one-hit wonder. The Treasurer and finance Minister have waved the white flag and surrendered to the easiest, most indulgent form of budgeting: tax and spend. Among 119 policy changes in the 2024-25 budget, only one is a cost saving—and that is a generous interpretation, with the transfer of responsibilities from the Public Service Commission to the Premier's Department. This is a worse proportion than was delivered by Matt Kean, who is so devastated at losing his title he has decided to quit politics altogether. Deficit budgeting is the last thing the economy needs right now. *The Australian Financial Review* editorial said it all, and very accurately, when it said:

... the NSW Labor government has handed down a bigger-spending expansionary budget that risks stoking inflation and putting pressure on the Reserve Bank to lift interest rates.

Tuesday's budget shows that this year's deficit has blown out to \$9.7 billion. The surplus forecast for the next financial year is now a forecasted \$3.6 billion deficit, with the next three budgets set to stay in the red.

This is despite a \$10.7 billion revenue upgrade over the forward estimates as a booming property market increases stamp duty and land tax receipts, which will be further boosted by a Victorian-style extra slug on property investors. ...

The truth is that NSW doesn't have a revenue black hole. It has a problem with limiting the size of government, with no sign of genuine budget repair that pays down the state's \$189 billion public debt to protect its under-threat AAA credit rating ...

Even if there was a revenue black hole, the extra spending in this budget of \$3.1 billion in 2024-25 and \$11.5 billion over the forward estimates is not the way to deal with it. No wonder that when asked on Wednesday morning, Jim Chalmers failed to endorse the New South Wales Government's fiscal strategy. No wonder the governor of the Reserve Bank said she cannot cut interest rates because demand remains too strong. This exposes this old Labor-style budget for what it is. It is making the cost-of-living crisis worse.

The Treasurer's \$13.3 billion in deficits over two years is adding to demand. It is adding to inflationary pressures and interest rates. It is making the family budget harder to manage. This Government talks a lot about the cost-of-living crisis, but in this budget it has made things worse. Why has the Treasurer stopped his cost savings? I suppose one answer is that, in the last budget, he picked a lot of the low-hanging fruit that was left by Matt Kean, but that is where the pruning stopped.

The rent seekers, the public sector unions and a timid, reform-free Premier have combined to give the Treasurer a new mantra: Give me the easier life of new spending announcements without offsetting cost savings. If we look at the spending spree we see \$10 million for Leichardt Oval, where the Wests Tigers do not want to play more than a handful of games and no-one in Balmain plays rugby league anymore; \$5 billion in a scattergun approach to domestic violence when the true answer lies in longer prison sentences for offenders; \$18 billion in the duplication of Commonwealth functions in GP clinics, child care, the arts, multiculturalism, female labour force participation attempts and climate change.

Matt Kean started this wretched trend in the budget and Labor is refusing to unpick it. Then there is \$109 million for the production of green hydrogen, although nothing has been produced or is likely to be produced by these billionaire rent seekers. Twiggy Forrest is one of the great conmen leeching off government funding when, if he really thought he could save the planet, he would surely put his own money up-front and leave the long-suffering taxpayer alone. We also have a bloated public sector, which means it needs a much larger efficiency dividend in this budget. I have previously given the House and put on the *Notice Paper* the long list of political programs that occupy New South Wales public servants at the expense of doing their real job.

Then we come to this building, of course—one of the worst managed in the history of governance in New South Wales. There is an additional \$12.8 million as the manager of this building continues his long-running audition for *The Block* renovation show. I say to Scott Cam please take him away and give him a slot on your program so we can work in a building without the constant sound of jackhammers and not have to work in a permanent construction site. Fancy getting extra money after his notorious \$20.4 million to replace the roof membrane. After six years of trying, as my colleague can attest, it is still leaking and water is running down into offices on the eleventh floor. I wish him well on *The Block* and I hope he stays there.

Anyone who knows the reformism of the Lang, McKell and Wran Labor governments in New South Wales are all asking what happened to Chris Minns? He is a one-trick pony. The Premier's reform agenda is so limited



it can be summarised in just two words: housing stock. That, of course, is insufficient to drive real economic reform in New South Wales. In this budget, risk capital has been allocated for the Government to build extra housing itself. Would it not be better to first finish projects like the redevelopment of Airds and Claymore where, for 15 years or more, public housing tenants have been living—just like us MPs—in a permanent construction zone?

Not long ago, Labor supported the closure of the New South Wales construction industry because of COVID. Now the Premier thinks he is Bob the Builder. With the New South Wales economy so flat, at just 1.5 to 2 per cent projected growth, this needed to be a budget of economic reform. We needed a leaner, more efficient, work-focused public sector. We needed a budget in structural surplus paying down the \$200 billion of Labor debt. The budget needed to lift all the bans on economic activity, nuclear energy, uranium mining, the night economy, hospitality, tourism and retail sectors and the restrictions on casinos and gaming and, of course, the terrible anti-competitive arrangements for our ports left by the former Government.

The budget needed a lower tax burden to reduce compliance costs for small business. It needed the restoration of stamp duty choice to help home buyers, especially in Sydney. And it needed the elimination of environmental and green tape costs on housing, which incredibly add \$100,000 to the cost of a new home in Sydney and \$50,000 for apartments. That is the housing affordability crisis right there. It is a budget of broken promises and dashed expectations. It is devoid of reform and ambition for our State.

I finish up on a point that the Minister for Finance made about some of the other budget papers. Her consultation paper on wellbeing, that failed Ardern strategy that has now been abandoned in New Zealand, is really just motherhood statements about motherhood objectives with motherhood measures. Unfortunately, what the Government should have done is said that the former Government had outcomes-based budgeting that was inadequate. It could have been improved, but it could at least continue the accountability of that approach and try to improve it. What we have now is an entirely new approach in the last two budgets and no accountability in terms of performance by the New South Wales Government.

The Minister says that in 2025 they will have their new system in place, but it will be three years after that, in 2028, before we can make a judgement about the successes and failures of this Government. So we are going to get a six- or seven-year discontinuity in the way in which the long-suffering taxpayer can judge the performance of the New South Wales Government against its stated goals. Why reinvent the wheel when that discontinuity makes the system farcical?

Then we have the so-called Gender Equality Budget Statement—in fact, 78 pages of gender exclusion. Other than its glossy photographs, it totally omits men in the inequity challenges that they face in education and workplace safety. In the document, men are reduced to mannequin status. They are just shopfront models who pose for photographs.

*[Members interjected.]*

Members opposite scoff. If you have a son who is in the education system realising long-suffering—

**The Hon. Daniel Mookhey:** The scoffing is from the other side.

**The Hon. MARK LATHAM:** The scoffing also came from Government backbench members, who obviously do not understand how boys in the education system are massively left behind girls in terms of attainment. There are other elements of female disadvantage in our society, but at least the so-called gender equality budget should address problems facing females as well as males. The section on workplace safety is all about sexual harassment. It has nothing about men dying in the construction industry or men being injured.

**The Hon. Dr Sarah Kaine:** We just passed a law on industrial manslaughter.

**The Hon. MARK LATHAM:** They are still scoffing about it. If Government members think that female is the only gender in New South Wales, they are so blinkered and so narrow that they do a disservice for 50 per cent of the people in the State. Many of them are men in public housing estates, with the bum out of their pants and doing it really tough. The Labor Party used to care about them. Now, having embraced identity politics instead of socio-economic equity, it could not give two hoots about them. The biggest gender hardship in New South Wales is at the start of life, the way in which boys have fallen massively behind girls in school education—a handbrake on life opportunity. At page 54 is a chapter on increasing workplace safety, with no mention of deaths and injuries in the construction industry or other dangerous fields of work.

The budget papers could be massively improved. In 78 pages, I do not see the problem in giving men a place in gender equity issues other than posing for photographs. Surely at least a couple of pages could be about how the Government might address the way in which boys are massively behind girls in attainment and achievement in the school education system. These are big disappointments. I will not speak any longer than that.

I have made clear my view about the budget. I wish the Treasurer and the finance Minister could go back to the future and rewind nine months to what they did in cost savings and fiscal discipline. Restore that approach, and they will do a lot better next year.

**Ms SUE HIGGINSON (18:31):** I contribute to debate on the Appropriation Bill 2024 and cognate bills. I echo the concerns and comments raised by my colleague Ms Abigail Boyd, who leads for The Greens on all matters relating to Treasury and budgets. I make a preliminary note that we could probably solve the energy crisis if we captured some of the hot air that has been made contributing to this debate.

Like with most budgets, the fact is—as it always is with government to government—that this Government has spent this week crowing over its accomplishments while holding up a smoke-and-mirrors approach to this Parliament, the media and the wider community. This is my third budget since joining this place, the second from this Government, and all of them—to a degree—have been a glossy regurgitation of previous announcements and a papier-mâché creation of top-tier items that disguise any true actual accounting for how the Government is spending the money of New South Wales.

The Minns Government—a government of openness and transparency, in its own words—has once again delivered budget detail that is so shallow, and, frankly, it is a bit neck breaking if we look at the depth of it. In fairness, the good folk in the Treasurer's office are helpful and responsive to questions when we go diving for some actual detail. However, on this, it is just not that transparent. I honestly await a government that genuinely delivers an actual open book budget. That is not to say that there is nothing good in this budget. The Treasurer has delivered a marked improvement over the fanatically neoliberal budgets that were delivered by the members now sitting on the Opposition benches.

The commitment to standalone First Nations cultural heritage protections now having an allocation of funds is more than welcome—it has taken decade upon decade. The process that the money will provide for, which the Minister has generously described to me, is sound and rooted in respect for the complex and nuanced needs of various First Nations communities in a culturally respectful way. There is \$5 million in funding for the treaty process, although whether that is the same \$5 million that was announced last year is not really explored in the glossy brochure. I will flick a text and get confirmation, hopefully, from the wonderful folk who clear those things up. Is it the same \$5 million? Is it a new \$5 million? It is not clear. But, again, Minister Harris has shared with us some detail of that process, and I understand that it is both a good process and one that will, by necessity, take as much time as is needed.

The very modest \$3.5 million that has been committed to progressing the Closing the Gap implementation is, frankly, incredibly underwhelming, with the priority reforms of data connectors and business growth being small fry in the work that this State must do. I know that many aspects of Closing the Gap are being actioned through other portfolios and expenditures but, seriously, the treacle-slow movement on that critical work is disheartening. First Nations people in New South Wales are not just being left behind daily or falling through the gap, we are continuing to kick them down the gap. A small increase in funding for the Law Enforcement Conduct Commission in both employee expenditure and capital expenditure is positive, if modest. I hope the commission does not go too far over budget from having to sue the NSW Police Force through the courts just so the police will release the operating documents that led to and facilitated the death of unarmed women.

The provision of an additional \$50 million for Legal Aid is good. An analysis of how many more children aged 10 to 14 will require Legal Aid over the next 12 months would help inform whether or not that increase is meaningful and commensurate. On that thread, no money or mention was given to actually preventing children aged 10 years to 14 years from being subjected to the criminal justice system. The words "raise the age" are still not on the lips of the Government despite the rest of Australia moving forward with what nearly all legal and professional experts agree is fundamentally necessary action. That the Attorney General is still claiming that he is waiting for the Council of Australian Governments to move on that is becoming more absurd with each new State and Territory that forges ahead with reform.

Turning to the environment and the natural world in which we live, and upon which we rely for every act, the Government is woefully underspending and underinvesting. As I have said before, the environment is as far from a niche issue as can be found. I know that some members and even Ministers agree with that, but New South Wales has still only committed a bare 1.6 per cent of its entire budget to protecting our environment that is under siege from decades-old developments; rapacious water pollution and theft; reckless and barely regulated pollution by pesticides, herbicides and fungicides; immoral and criminal corporations making a quick buck from spreading asbestos across playgrounds and schools; and apparently endless breaches of native forest logging laws. Honestly, I could go on and on. That 1.6 per cent cannot address even a meaningful fraction of the threats that are lined up against our environment. It is not an environment that we own; it is an environment that we are the custodians of, that we cannot live without and for which future generations require our diligence.

Our declining environment is being smashed by deforestation and land clearing—something that is being exercised in equal parts by both the Forestry Corporation and dinosaurs in the agribusiness sector. Those obsolete models for land management must be turned over and that will require significant investment on the part of the Government—something that there is no trace of in this budget. I would welcome the Minister for Agriculture to correct me, but there does not appear to be any money in this budget that outlines the structural shift from native forest logging to a dedicated farm forestry program. There does not seem to be a program for retraining loggers to become conservationists. It does not have community support packages or any acknowledgement that economic diversification will be essential for some regions. It is a genuine mistake for the Government to continue to walk blindly into a sustainable native forestry future; it just does not exist. It is a fallacy being sold by snake oil salespeople in The Nationals and the industry will collapse catastrophically unless we plan for it now.

I note that a reduction in the value of native hardwood and escalating court actions were among the reasons for the \$58 million reduction in estimated dividends from the Forestry Corporation provided in both the budget papers and the Treasurer's answer to my question yesterday. To address the second issue first, here is a hot tip for the Forestry Corporation: If it wants to avoid court costs and legal fees, it should stop breaking the law. It is not hard. It should also drop its current application to the High Court. The issue of the shrinking value of native hardwoods is pretty simple too. The native hardwood resource—a heartless description for what is actually our precious public native forests—has been declining for decades.

Harvest cycles are well below the 30-year fantasy that the Forestry Corporation trots out every time it is asked. Trees are getting smaller, or at least they are not getting as big as they used to be before we cut them down and shred them for toilet paper. Frankly, it is unfathomable that in 2024, after the climate-fuelled fires and floods we have been through, we are still logging the public forest estate. Just for the carbon benefit that we could provide, the economics on it are grade one maths. The Treasurer should just do the work, end native forest logging and get the economic return for the State.

I also reflect on the capital expenditure that has been budgeted for the native forests that were supposed to be the Great Koala National Park. Of the total capital expenditure set down for the park—some \$29 million—about \$1.5 million was spent in the past nine months. All that bought us was a community focus group. This year a further \$3 million is budgeted to be spent. I cannot say I know precisely what costs will be associated with the creation of the new park on the Mid North Coast, but I do know it will be more than \$3 million. I genuinely hope I am wrong, but I am shocked by the idea of another year of forestry vandals logging the heart out of the Great Koala National Park promised by this Government while the community and the Government watch the ecological decline of those unique landscapes, taking our poor, iconic koalas further down the slippery slope towards extinction. I will leave my comments there, but I look forward to budget estimates and drilling down into what this budget really means for environmental and social justice in New South Wales.

**The Hon. DANIEL MOOKHEY (Treasurer) (18:42):** In reply: I thank all members who contributed to debate, including the Hon. Damien Tudehope, who I listened to for 40 minutes. At the end of it I came to the conclusion that he probably did not like the budget. I think he made that point clear. I tried to follow most of his arguments and they can all be summarised with a famous Lewis Carroll quote: If you don't know where you're going, any road will take you there.

Whether it is my good friend's insistence that we immediately return the budget to surplus at the same time he is pledging more spending, or whether it is him excoriating us for insufficient investment in infrastructure at the same time he is complaining about debt, at some point all those contradictions will need to be reconciled and we know how they will be reconciled by those opposite. They will be reconciled with the promise of more privatisation and more wage caps, because that is fundamentally the only fiscal strategy my good friend knows. Ms Abigail Boyd needs to return my friendship bracelet. I will take her scorn about my absence of revenue measures, but to call into question my musical taste is just a low blow.

**Ms Sue Higginson:** And the hoodie.

**The Hon. DANIEL MOOKHEY:** My fashion sense and my music taste—it is just outrageous. I demand an apology. With respect to the contribution of the Hon. John Ruddick, may he continue his campaign to abolish the entire New South Wales Government in budget number three. I will have more to say about my good friend the Hon. Courtney Houssos during the third reading. Dr Amanda Cohn brings great expertise in her advocacy, but her advocacy is more like a Christmas wish list than a serious policy platform. But nevertheless I always learn something when I listen to the good doctor and I will continue to listen to her advocacy.

Clearly, the Hon. Mark Latham likes my old stuff better than my new stuff. He was a fan of the debut album, but he did not sign up for the second. If the first budget was *A New Hope*, the second one is clearly *The Empire Strikes Back*. Look forward to budget three, *Return of the Jedi*. I respect the advocacy of Ms Sue Higginson. I always set a test for myself: If 2 per cent of her words are praise, I will take that. I think 2 per cent

of her words were praise and 98 per cent were not. In keeping a similar ratio, I thank her for her contribution. I am looking forward to the Committee debate. I suggest that the House endorses these bills at the second reading stage.

**The DEPUTY PRESIDENT (The Hon. Emma Hurst):** The question is that these bills be now read a second time.

**Motion agreed to.**

#### **In Committee**

**The CHAIR (The Hon. Rod Roberts):** We are dealing with the Appropriation Bill 2024, the Appropriation (Parliament) Bill 2024 and the Revenue Legislation Amendment Bill 2024. There being no objection, the Committee will deal with the Appropriation Bill 2024 as a whole. The question is that the Appropriation Bill 2024 as read be agreed to.

**Motion agreed to.**

**The CHAIR (The Hon. Rod Roberts):** I now move to the Appropriation (Parliament) Bill 2024. There being no objection, the Committee will deal with the Appropriation (Parliament) Bill 2024 as a whole. The question is that the Appropriation (Parliament) Bill 2024 as read be agreed to.

**Motion agreed to.**

**The CHAIR (The Hon. Rod Roberts):** I now move to the Revenue Legislation Amendment Bill 2024. There being no objection, the Committee will deal with the Revenue Legislation Amendment Bill 2024 as a whole. I have two sheets of Opposition amendments: amendment No. 1 on sheet c2024-106A and amendment No. 1 on sheet c2024-107.

**The Hon. DAMIEN TUDEHOPE (18:48):** I move Opposition amendment No. 1 on sheet c2024-106A:

#### **No. 1 Transfers between funds**

Page 5, Schedule 2, proposed section 10.3B. Insert after line 11—

(3A) This section does not apply to a Fund within the meaning of the *Long Service Corporation Act 2010*.

The amendment would ensure that any transfer of assets out of any of the three funds established under the Long Service Corporation Act 2010 can take place only in accordance with the provisions of that Act. Without the amendment, the effect of new section 10.3B in the Government Sector Finance Act 2018 would be to empower the Treasurer of the day to transfer assets out of the long service leave funds, regardless of the provisions of the Long Service Corporation Act 2010.

That Act has significant provisions designed to ensure the integrity of those funds and the use of their assets only for legitimate purposes associated with the fundamental goal of the funds—namely, to make long service leave payments to workers in the building, cleaning and community services sector. These provisions could have been overridden by proposed section 10.3B (2), which states that subclause (1)—which empowers the Treasurer to make transfers out of a fund—"has effect despite a provision of another Act placing limitations on payments out of a relevant fund". The bill already appropriately exempts the NSW Generations (Debt Retirement) Fund [DRF] from the operation of new section 10.3B. This protects transfers out of the DRF by a Treasurer to use for some purpose not permitted by the NSW Generations Fund Act 2018.

The money in the three long service leave funds is not the Government's money; it belongs to the workers and contractors for whom levies have been paid into the funds and invested to ensure that those workers and contractors can access long service leave. This makes it completely inappropriate to give the Treasurer an unconstrained power to access the money in those funds and transfer them into a government fund. The Government has claimed that the intention of the provision is to add another mechanism that can be used to maximise the investment profits for all funds covered by section 10.3B. The Opposition does not question the intention of the current Treasurer. However, we make laws without knowing the intentions of any future Treasurer—I hope to be one of them.

The Opposition is not opposed to investing the assets of the three long service leave funds in the NSW Master Fund, which is a State Government fixed unit trust, if the trustee of those funds receives expert advice that this would be a prudent investment decision and if the trustee agrees to this investment in accordance with the trustee's duty under the Long Service Corporation Act 2010. The amendment before the Committee will ensure that the trustee retains sole authority to permit the transfers out of the funds and remains bound to permit any such transfer only in accordance with the provisions of the Long Service Corporation Act. The Opposition has been pressing for information about the details of the plans of the NSW Master Fund—or OneFund as the Government is calling it—since the idea was first floated by the Treasurer several months ago. However, despite

these efforts, the details of the funds to be invested in the NSW Master Fund were not revealed until Tuesday in the budget papers.

If this amendment is passed—I understand the Government will be supporting it—the Opposition will remain open to a future amendment, provided it fully preserves the integrity of the long service leave funds and the statutory role of the trustee. I thank the Treasurer for the manner in which he has examined this issue. I understand the arguments he put forward about the potential enhancement of the benefits that might be contained for the purposes of the fund. However, the principles remain the same. I extend my appreciation to the Treasurer's staff and Treasury officials who sought to engage with the Opposition on the issue we raised. I commend the amendment to the Committee.

**The Hon. DANIEL MOOKHEY (Treasurer) (18:52):** The Government will support the amendment. We think it is a reasonable compromise in which principles can be respected and practical change can take place. Funds management is a very important part of the Government's and the Treasury's functions, given we manage more than \$113 billion worth of funds. That is a very serious responsibility. It is important that we try as much as possible to work in a manner that is bipartisan and with comity between the Houses. I acknowledge the shadow Treasurer and his staff for their engagement on this issue. As the shadow Treasurer pointed out, I have indicated that in future, having demonstrated how the organisation works and having an opportunity to hear directly from the trustee of the long service levy funds, we may wish to pursue a change to that position. But it is a reasonable compromise to judge it in practice before we determine that. Therefore, the Government does not object to the Opposition amendment.

**The CHAIR (The Hon. Rod Roberts):** The Hon. Damien Tudehope has moved Opposition amendment No.1 on sheet c2024-106A. The question is that the amendment be agreed to.

**Amendment agreed to.**

**The Hon. DAMIEN TUDEHOPE (18:53):** I move Opposition amendment No. 1 on sheet c2024-107:

**No. 1 Land tax thresholds**

Page 7, Schedule 4, lines 1–23. Omit all words on the lines.

The Treasurer has encouraged me to speak quickly in relation to this amendment. However, the amendment is substantive and I expect the Government will not be accommodating of it. The amendment seeks to omit schedule 4, in its entirety, from the bill. The amendment would stop the attempt by the Treasurer to add a further \$1.5 billion to the \$88 billion which his budget states is expected to be received in transfer duty and land tax over the next four years due to skyrocketing property prices in New South Wales. Schedule 4 to the bill seeks to freeze the threshold for land tax at the 2024 level of \$1.075 million until at least 2027, and possibly forever. Freezing the land tax threshold while land prices continue to increase year on year has the direct effect of capturing smaller landowners in the land tax net.

If schedule 4 is passed today, in January 2026 there will be unexpected tax bills landing in letterboxes across New South Wales. The average value of land went up 10 per cent from 2023 to 2024. Assuming schedule 4 passes and average land values go up by 10 per cent from 2024 to 2025, let us look at the effect on a retired widow with an investment property with land value of \$1.068 million, which generates her a small income from rent. In 2024 the retiree would pay no land tax. In 2025 the land would be valued at \$1.175 million—\$100,000 over the frozen 2024 threshold. Sometime in January 2026 that retiree will be looking through the contents of her letterbox and will be startled to find a letter from Revenue NSW enclosing a land tax bill for \$1,700. She would say, "Thanks, Minister for Finance. Well done. The Treasurer has got you to do his dirty work of collecting tax from retired widows during a cost-of-living crisis!"

As part of the cognate bill, with his first budget the Treasurer managed to grab an extra \$250 million in land tax by correcting an historic error by the Valuer General. That act of governmental greed pales into insignificance in comparison to this six times greater tax grab. Every tax has direct financial consequences for those it is levied on. Every tax also has ripple effects through the whole community. Real Estate Institute of New South Wales [REINSW] CEO Tim McKibbin has said the Government's plan to let the inevitable increase in property values do the work of increasing taxes will end up hurting renters. He stated:

Given the high cost of holding a residential property, adding to the tax burden will only place additional pressure on investment returns, leaving landlords two undesirable options. They can either pass the extra cost onto tenants or sell their investment property, taking more homes out of an undersupplied rental market.

This move ... is a tax grab by stealth and at a time when we desperately need to encourage investment in residential property, increasing tax will have the complete opposite effect.

Stephen Fenn from Urban Taskforce Australia said, "Simple economics say if there's an increased bill, they're going to pass it on". In the example of the retired widow hit with an unexpected \$1,700 land tax bill, it is likely

that the family renting from her will be faced with a \$1,700 annual rent rise. That equates to \$33 a week in extra rent, all going to the Treasurer's coffers. I hope the Minister for Housing is listening and will support this amendment. Mr McKibbin from REINSW has also explained the impact on small businesses with a commercial tenancy. He said:

... removing land tax indexation will have severe ramifications for commercial tenancies. Landlords will pass on the additional land tax to the tenant and with businesses already doing it tough, many will find the higher costs too much to bear.

In April 2024 CreditorWatch identified the 10 areas of Australia with the biggest risk of increasing business bankruptcies over the next 12 months. Small businesses are often operating on narrow margins and any significant increase in one of their costs can be enough to tip them over the edge. An increase in commercial rent could spell the end of a small business owner's efforts to stay afloat.

Included in those 10 high-risk areas for small businesses and business bankruptcies are, in order, Merrylands, Guildford, Bringelly, Green Valley, Canterbury, Bankstown, Auburn and Fairfield. The amendment will have an effect in the real world. It will save some tenants from a crippling rent increase. It will help keep some rental properties on the market and available to house those in need of a home to rent. It may save some small businesses in Western Sydney from bankruptcy, and I am sure that as a result of my cogent arguments the Treasurer will agree. I urge all members to support the amendment.

**The Hon. DANIEL MOOKHEY (Treasurer) (18:59):** The Treasurer certainly agrees that the shadow Treasurer was wisely brief in his contribution, and I express my gratitude to him for that. With respect to the arguments that he makes, firstly, last time I checked the tax statistics there were about 1.2 million property investors in New South Wales, of which 180,000 pay land tax—so 84 per cent pay nothing as it is. That is because the threshold currently is \$960,000, and it will rise in 2024-25 to \$1,075,000 on unimproved land value excluding the primary residence. That means a portfolio of properties needs to be owned that in aggregate terms, excluding the primary residence, has \$1.075 million worth of value, of which there are only about 180,000.

Secondly, to the extent that those 180,000 are troubled in the manner that the shadow Treasurer describes, the part that he seems to exclude from his analysis is that most of those people claim negative gearing and most of them claim it on their marginal income, which means about 45 cents back. That is what happens when it interacts with the Federal system. Thirdly, all the Government is doing in this particular bill is taking the active prerogative of a government to change the threshold just like we do for payroll tax, which is exactly the change that Mike Baird introduced 11 years ago to the week.

**The Hon. Chris Rath:** But you promised no new taxes.

**The Hon. DANIEL MOOKHEY:** I hear the contribution of my good friend the Opposition Whip. I like what he said. He asked me whether I was going to be raising any new taxes. When Mike Baird did this, he described it as relief for businesses and a structural efficiency to the tax base. I know that my good friend the Hon. Chris Rath is a fan of Mike Baird. I know he is Mike Baird's biggest cheerleader, almost as much as he cheers on his friends at PremierState. But if it is good enough for Mike Baird to do it for payroll tax, then the faux outrage from him and his colleagues is just that—faux outrage.

The shadow Treasurer makes a good point about rent. I would take his genuine, heartfelt concern about rent more seriously if the shadow planning Minister sitting behind him was not trying to kill the additional supply the Government is trying to build to lower rents. To my economically inclined friends in the Coalition, it used to be the case that the Liberal Party would champion supply delivered by the private sector as its principal response to most challenges.

When I say that the Liberal Party used to champion that, the Liberal Party was founded on that principle. I got out the quite excellent lectures Robert Menzies gave about the forgotten people when he was extolling home ownership. At that point he was railing against the concept of public housing and he made the point that the Liberal Party believes in home ownership and people's right to own a home. The shadow Treasurer's claims in this debate would be far more credible if he took the advice of his party founder and not his shadow planning Minister, who is trying to block the capacity to build more housing.

All the amendment does is align this particular tax to every other tax in New South Wales. It introduces Mike Baird's changes to payroll tax and applies them to land tax. It affects about 3 per cent of the New South Wales population in general and it respects them as well by making sure that they continue to have access to the most generous land tax arrangements in the country by a country mile. Much to the chagrin of my good friend Ms Abigail Boyd, they will continue to have such access.

I heard what my good friend Tim McKibbin said at the Real Estate Institute and I saw what Katie Stevenson said at the Property Council. Tim made the point that it will just lead investors to go to other States. They will go to other States and pay more tax—quite a bit more tax. I respect their advocacy on many levels, but that point just

ain't true. If people wish to invest in Wodonga rather than in Albury, they will pay tax on every dollar of their aggregate holding that is above \$75,000, as opposed to \$1,075,000. All the Government is doing is proposing that we get the right as a Parliament to make decisions around the future of the tax threshold, which is the exact same argument made by Mike Baird 11 years ago to the day. The exact same argument was backed by Liberal members 11 years ago on payroll tax when they were sitting on the Government side of the Chamber.

If it was fine for Mike Baird to do it for payroll tax, do not worry about what the shadow Treasurer claims about land tax. It is a balanced measure that demonstrates one part of our response to the housing crisis. It is the policy that allows us to make investments. Every dollar is going back into solving the housing crisis, including expanding and funding the biggest ever expansion of social housing and affordable housing in New South Wales history, with half of that stock going to the victim-survivors of family violence. Therefore, I suggest that the Committee keep the bill as it is.

**Ms ABIGAIL BOYD (19:06):** On behalf of The Greens, I indicate that we will not support the Opposition amendment. I wish this was an attack on investors. I really wish that it was something that would make investors go, "You know what? Let's leave more houses in New South Wales for people to call their home." That is not what this is. This is something that is, unfortunately, a steady-as-she-goes, efficient reworking of something, but with hardly any impact on anything. I would love it if it was something different—if it was some massive revenue-raising measure that we would then use to help in other ways for people who are doing it really tough. I also wish that this was part of a holistic package of tax and other reforms, such as rental reforms or putting limits on the amount that landlords could raise rents by, or that it was part of a real plan for how we deal with the housing crisis. Unfortunately, that is not what this is.

I do not want to impugn the reasons that the amendment might have been moved. Evidence has borne out now that the argument that putting greater costs on landlords or business somehow impacts the rest of us negatively is just not true. Trickle-down has been completely debunked. The idea that we cannot put an additional cost on really wealthy people because then they will do this bad thing and make it more expensive for people at the bottom does not have to hold true. That is what responsible government is for. That is why The Greens continue to call for a cap on how much landlords are able to lift rent, in the same way that we call for a super profits tax when companies take all of that goodwill from government, all of those subsidies and everything else, including a lack of regulation, and make super profits at the expense of everyone else. I think the days of protecting the more powerful and more wealthy people in our society are coming to an end. I hope they are coming to an end. This amendment is not an attack on investors; it is something very boring, unfortunately, and we do not support it.

**The Hon. DAMIEN TUDEHOPE (19:09):** There is a fundamental difference between Mike Baird and this Treasurer. Mike Baird was good; this one is colourful. The Treasurer came into office having personally made a promise: no new taxes. This is a new tax being imposed on people. If people have not been paying it before but they now are going to be paying it, it is a new tax as a result of the decision made by this Treasurer. It is not so much a question of the Government's right to impose these taxes as it is a question of the Treasurer's integrity in relation to the promise that he made to the people of this State at the election. That underpins what this new tax is about and what it will do in circumstances where it will be passed on to renters, which will have an impact on rents. It appears the only people who do not agree with that are The Greens, but every other property organisation seems to say—

**Ms Abigail Boyd:** We are not a property organisation.

**The Hon. DAMIEN TUDEHOPE:** All the key property organisations say that this tax will be passed on to renters or, alternatively, investors will leave the market and reduce the stock of rental properties. In circumstances where we do have a rental crisis, as everyone seems to accept—and everyone has seen the queues that form outside rental properties when one becomes available—this just adds to the problem. In circumstances where the Government had an increase of \$88 billion in transfer duty, this \$1.5 billion extra grab is mean and petty compared to the rivers of gold that have been flowing into revenue. The Government has squandered that. Instead of reducing debt and the amount of interest that is being paid on debt, it is seeking to incur more debt. The fact is this tax has been raised on the basis of a broken promise. That is the fundamental reason for the Committee to reject it.

**The Hon. JOHN GRAHAM (Special Minister of State, Minister for Roads, Minister for the Arts, Minister for Music and the Night-time Economy, and Minister for Jobs and Tourism) (19:12):** I make a brief contribution. The Hon. Damien Tudehope suggests that this is a new tax. Land tax has been imposed in New South Wales since 1895—

**The Hon. Damien Tudehope:** He promised no increase.

**The Hon. JOHN GRAHAM:** You were saying this is a—

**The Hon. Damien Tudehope:** No increase in taxes.

**The Hon. Daniel Mookhey:** Point of order: The shadow Treasurer has been heard twice in silence. The Minister has only been speaking for 25 seconds. Perhaps he could be heard in silence too.

**The CHAIR (The Hon. Rod Roberts):** The Minister will continue.

**The Hon. JOHN GRAHAM:** The fact is that before this measure, people were paying the same amount of tax as they will be after this measure.

**The Hon. CHRIS RATH (19:12):** I was not going to speak on this amendment, but I have been triggered. Before the last election the Treasurer said no to new or increased taxes, and here we are with the Government messing around with thresholds. Government members are essentially gaslighting us. They are gaslighting the people of New South Wales. They are saying an increase in royalties is not a tax; changing thresholds, so people are paying more land tax, is not a tax; all of the other secret taxes that have been reported in the media over the past few days—the revenue grab from this Government—are not taxes. I do not know how Government members define "tax". They clearly do not use the definition in the *Oxford English Dictionary* that I read out yesterday in the private members' business debate. I do not know how they define tax, but they are essentially gaslighting us. The Treasurer should admit that he broke his pre-election promise of no new or increased taxes. He has an opportunity to rectify it now by voting in favour of the amendment. He should put his money where his mouth is.

**The CHAIR (The Hon. Rod Roberts):** The Hon. Damien Tudehope has moved Opposition amendment No. 1 on sheet c2024-107. The question is that the amendment be agreed to.

**The Committee divided.**

Ayes ..... 12  
Noes ..... 18  
Majority.....6

#### AYES

Carter  
Farlow  
Farraway  
Franklin

Latham  
Martin (teller)  
Merton  
Mitchell

Rath (teller)  
Taylor  
Tudehope  
Ward

#### NOES

Banasiak  
Boyd  
Buckingham  
Cohn  
D'Adam  
Donnelly

Fachrmann  
Graham  
Higginson  
Houssos  
Hurst  
Kaine

Mookhey  
Moriarty  
Murphy (teller)  
Nanva (teller)  
Primrose  
Suvaal

#### PAIRS

Fang  
MacDonald  
Maclaren-Jones  
Munro

Sharpe  
Jackson  
Buttigieg  
Lawrence

**Amendment negatived.**

**The CHAIR (The Hon. Rod Roberts):** The question is that the Revenue Legislation Amendment Bill 2024 as amended be agreed to.

**Motion agreed to.**

**The Hon. DANIEL MOOKHEY:** I move:

That the Chair do now leave the chair and report the Appropriation Bill 2024 and the Appropriation (Parliament) Bill 2024 without amendment, and the Revenue Legislation Amendment Bill 2024 as amended.

**Motion agreed to.**



### Adoption of Report

**The Hon. DANIEL MOOKHEY:** I move:

That the report be adopted.

**Motion agreed to.**

### Third Reading

**The Hon. DANIEL MOOKHEY (Treasurer) (19:22):** I move:

That these bills be now read a third time.

Budgets take a lot of work, and those who have engaged in them—and I know the shadow Treasurer has—know how much work goes into them. This Government has delivered two budgets in the past nine months. It is a huge amount of work and a huge responsibility, which we have taken very seriously. We approach the task with great humility, because deciding how to spend the people's resources is a very important function of government, and recognise the sacred nature of the task.

In commending the bills to the House for the third time, I acknowledge that this budget took place under difficult conditions. I am not talking about the fiscal conditions. The logistics of the budget preparation took place at the same time as the State was responding to some horrific events in our community. Both terror and tragedy were the backdrop to it, as well as personal loss for key members of the Government, including the Premier. I acknowledge the leadership of the Premier at that time, who literally put the State before his family. Members should not forget that occurred in the course of budget preparation 2024-25. I also thank and pay tribute to the Premier's staff—who at that time played such a supportive role to the Government—my office and the Expenditure Review Committee [ERC]. As always, they performed a magnificent job under difficult circumstances.

I pay tribute to members of the ERC, as well as Cabinet members. ERC members spent hours and hours working collegially as we made a lot of budget decisions. I also acknowledge the special role played by the offices of ERC members and their chiefs of staff. They played a big role in allowing a lot of those budget decisions to be made. Equally, I acknowledge the Premier's Department, under the leadership of Simon Draper. I thank him and his team for the excellent advice we got. The newly formed Cabinet Office and its 200 staff, led by an exemplary public servant in Secretary Kate Boyd, provided excellent advice to the ERC and the Cabinet, as it always does. It also facilitated many of the meetings and conversations that needed to happen in a manner that was thoroughly professional.

I pay tribute to the Treasury, the department I have the honour to represent in this place, and its leadership by one of Australia's most able public servants, Michael Coutts-Trotter. I thank the deputy secretaries to the Treasury—Liz Livingstone, Sonya Campbell, Joann Wilkie and Marina van der Walt—and the teams they lead. Treasury staff are very hardworking and, let us be clear, we made them work very hard throughout this entire budget process. There are about 600 to 800 of them, and I pay tribute to them for doing a magnificent job under a lot of pressure. I also pay tribute to Nageb Al-Malah and his team, staff of the Hon. Courtney Houssos. Our offices work very well together, which needs to happen between a finance Minister and a Treasury office. It was her chief of staff's first budget under this Government, but you would never be able to tell. He was totally unflappable, which also says a lot about his boss.

The Hon. Courtney Houssos said some very nice things about me, but I will say some even nicer things about her. She is consistently, dare I say, perhaps underrated by those on the opposite side of the Chamber. As always, she somehow emerges as the big victor without anyone noticing how she did it. Though she is a fastidious, deadly finance Minister, there is no problem you can ask her to solve that she does not solve effortlessly. The bulk-billing initiative, worked on alongside the health Minister, is a good example of that. At a personal level, the opportunity as a Treasurer to work in such tight partnership with a finance Minister is not necessarily common in government. I have been happy to have that relationship in budgets one and two. Let us do it again next year.

Finally, I pay tribute to my office. My chief of staff, Michael Buckland, has lived and breathed two budgets. I thank Anna York, my policy director, and the team she leads. No-one anywhere wants to have a fight with Anna; anyone who does knows never to do it again. I also thank Stephen Fitzpatrick and his team in my office. Many members know Jimmy Bai, who leads the parliamentary operation in my office. I am fortunate and blessed to have such a hardworking team of people, and I am really grateful to them for the work they have put in for the past 15 months as we have dealt with so many big challenges as well. We are all exhausted. I am glad that we put more money into the health system because the staff in my office will be the first users of it! Most of them are sick. To the ones who are currently still here, I really am very grateful for the work you have done.

I thank the shadow Treasurer and members of the Opposition. I know that budgets are also very hard for those in opposition, and I know I made it harder for them. I promise to make it just as difficult for them next year. But I appreciate the shadow Treasurer's engagement and that of his staff, as well as that of the other members of Parliament. I commend the bills to be read a third time.

**The PRESIDENT:** The question is that these bills be now read a third time.

**Motion agreed to.**

**The PRESIDENT:** I shall now leave the chair. The House will resume at 8.00 p.m.

#### *Committees*

### **JOINT STANDING COMMITTEE ON NET ZERO FUTURE**

#### **Establishment, Membership and Deputy Chair**

**The ASSISTANT PRESIDENT (The Hon. Peter Primrose):** 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 House agrees with the Legislative Council's resolution relating to the appointment of a Joint Standing Committee on Net Zero Future.
- (2) Ms Liza Butler, Ms Trish Doyle, Ms Liesl Tesch, Mr James Griffin and Mr Michael Regan be appointed to serve on the committee as the members of the Legislative Assembly.
- (3) Ms Liza Butler be appointed as deputy chair of the committee.
- (4) A message be sent informing the Legislative Council of this resolution.

Legislative Assembly  
20 June 2024

GREG PIPER  
Speaker

#### *Bills*

### **ENERGY SECURITY CORPORATION BILL 2024**

#### **In Committee**

**The CHAIR (The Hon. Rod Roberts):** There being no objection, the Committee will deal with the bill as a whole. I have three sheets of amendments: The Greens amendments Nos 1 to 16 on sheet c2024-094C, The Greens amendments Nos 1 to 3 on sheet c2024-112 and amendments Nos 1 and 2 of the Hon. Mark Latham on sheet 092. I call the Hon. Taylor Martin first, to move the amendments on behalf of the Hon. Mark Latham.

**The Hon. TAYLOR MARTIN (20:05):** On behalf of the Hon. Mark Latham: By leave: I move amendments Nos 1 and 2 on sheet 092 in globo:

1. Page 12, Line 20

Insert:

- (5) For the avoidance of doubt, gas peaking plants are classified as a complying investment and technology for the purpose of this Act.

2. Page 12, Lines 36 and 37

Delete:

37(2)(b) and 37(2)(c).

I will be brief because these amendments are very simple. Amendment No. 2 removes references to nuclear power in the bill. Either New South Wales is technology agnostic or it is not. Drafting the bill to explicitly exclude nuclear power not only is antagonistic but also would mean having politicians pick winners. It would be excluding the clean, reliable and emissions-free power that is a source of energy for many other G20 nations, except for ours, for historic reasons. I urge members to be truly technology agnostic and support the amendments.

**The Hon. JOHN GRAHAM (Special Minister of State, Minister for Roads, Minister for the Arts, Minister for Music and the Night-time Economy, and Minister for Jobs and Tourism) (20:06):** The Government opposes both of these amendments. We oppose amendment No. 1 because we have articulated that the aim of the bill is to support clean, reliable renewable energy and storage. Regarding amendment No. 2, energy

security is an urgent task that needs to be dealt with now. The Government will be implementing its renewable energy plan and the bill, as it is, is essential to that.

**The Hon. NATALIE WARD (20:07):** I thank the Hon. Mark Latham for moving these amendments and for his input on the bill. He has been quite vocal and his views are clear. The Opposition is unable to support the amendments, however, because it is clear what the fund will be focused on and that does not include gas. The Government should get on with existing gas projects as quickly as possible because the clock is ticking. This fund, however, is not the place for gas investments.

**Ms ABIGAIL BOYD (20:08):** The Greens will not support these amendments either. I will pick up on two things. In relation to the nuclear point, I make it very clear that nuclear is neither renewable nor clean. The idea of tech neutrality when dealing with something that is inherently dirty and has waste attached to it that needs to be buried somewhere for tens of thousands of years is not equivalent to other renewable energy sources. Of course it should not be included in the bill. It is not about tech neutrality. Perhaps it is about neutrality of renewable tech, but nuclear is not a component of that. Amendment No. 1 causes me great concern. The Greens will be moving an amendment to actively exclude from the bill gas peaking plants as some sort of clean technology. We have been assured by the Government that this will not be the case but will look for an assurance again that public money is not used for fossil fuels.

**The CHAIR (The Hon. Rod Roberts):** The Hon. Taylor Martin, on behalf of the Hon. Mark Latham, has moved amendments Nos 1 and 2 on sheet 092. The question is that the amendments be agreed to.

**Amendments negatived.**

**Ms ABIGAIL BOYD (20:09):** I move The Greens amendment No. 1 on sheet c2024-094C:

**No. 1 Objects of Energy Security Corporation**

Page 3, clause 6. Insert after line 17—

- (b1) to create high-quality, safe and secure local jobs,
- (b2) to provide broad social and economic benefits for the communities in which the Corporation invests, including, for example, the procurement of local jobs and content,

The Greens seriously considered pushing for this legislation to be sent to an inquiry so that these issues could be adequately fleshed out. It has not been made clear to me why this bill must be passed today at all costs or why it was brought to the House so urgently. This is a \$1 billion fund. The bill has been introduced in a real rush, and neither The Greens nor any of our stakeholders—of which we have a huge number when it concerns energy legislation—were given the respect of early consultation or an opportunity to improve the structure of the corporation early on. The Greens have scrambled to put together the amendments necessary to bring the bill to the shape it should have had from the outset. We have worked in good faith to make the process as painless as possible for the Government.

Ultimately, these are very important issues that deserve proper ventilation and a genuine response. The Greens are looking for a genuine response to the issues raised. We raise them not only as members of The Greens but also on behalf of a multitude of stakeholders, including unions. I hope that their concerns are given the respect that they deserve. This amendment relates to the objects of the Energy Security Corporation. It should not be controversial. The Greens have crafted a number of amendments to be moved later that relate to ensuring that worker rights are respected and enhanced, for all the reasons I mentioned in my contribution to the second reading debate regarding the lessons learnt from the Clean Energy Finance Corporation.

The objectives are the guiding principles of the corporation to which, when all else fails, the board can look to work out what to do. At the very least, the objectives should include the creation of high-quality, safe and secure local jobs, while also providing broad social and economic benefits for the communities in which the corporation invests—including, for example, the procurement of local jobs and content. I note the strong advocacy of the Australian Manufacturing Workers' Union when it comes to that local content. If we will not adopt all the well-thought-out and consulted-on best practice labour principles that The Greens will raise, the very least we can do is set this entity up from the beginning to not repeat the mistakes of the Clean Energy Finance Corporation. I commend the amendment to the Committee.

**The Hon. JOHN GRAHAM (Special Minister of State, Minister for Roads, Minister for the Arts, Minister for Music and the Night-time Economy, and Minister for Jobs and Tourism) (20:13):** The Government opposes the amendment. We thank The Greens for their cooperation and the way that they have dealt with their foreshadowed amendments, but we make no apology for moving rapidly on this bill. The legislation is required given the changes that the State needs to make. The corporation is designed to finance clean energy projects. The Government believes that those projects will lead to job creation and broad economic benefits for

communities. The Government will provide guidance to the corporation on employment, social and economic matters through the investment mandate. That is the vehicle that will be used to convey those measures. Currently, the ability to do that is flagged under clause 26 (2) (h), which provides that the investment mandate may specify "the public policy goals and societal benefits being considered in investment decisions".

**The Hon. NATALIE WARD (20:14):** I appreciate the intent behind The Greens amendment. Sadly, I am unable to say that the Opposition will support them at this time. The Government has given an assurance that guidance will be provided to the corporation on jobs and investment, and we will stand with The Greens to hold it to account on its undertaking. We are clearly for that every step of the way through the investment manifesto. For those reasons, we are unable to support the amendment.

**Ms ABIGAIL BOYD (20:15):** I reiterate that the transition to renewables must be not only fast but also fair. We cannot make the mistakes that the Clean Energy Finance Corporation has made. The Greens feel incredibly strongly about the amendment, as do many of the unions we have consulted with. We are disappointed that the other parties will not be supporting it.

**The CHAIR (The Hon. Rod Roberts):** Ms Abigail Boyd has moved The Greens amendment No. 1 on sheet c2024-094C. The question is that the amendment be agreed to.

**The Committee divided.**

Ayes .....5  
Noes .....22  
Majority.....17

**AYES**

Boyd (teller)  
Cohn

Faehrmann  
Higginson

Hurst (teller)

**NOES**

Buttigieg  
Carter  
D'Adam  
Donnelly  
Farlow  
Farraway  
Franklin  
Graham

Houssos  
Kaine  
Martin  
Merton  
Mitchell  
Moriarty  
Murphy

Nanva (teller)  
Primrose  
Rath (teller)  
Suvaal  
Taylor  
Tudehope  
Ward

**Amendment negatived.**

**Ms ABIGAIL BOYD (20:22):** By leave: I move The Greens amendments Nos 2 and 3 on sheet c2024-094C in globo:

**No. 2 Membership of Board**

Page 5, clause 13. Insert after line 25—

(5A) At least 1 Board member must be a worker representative nominated by Unions NSW.

**No. 3 Eligibility for appointment to Board**

Page 6, clause 14. Insert after line 2—

(2) Subsection (1) does not apply to the Board member nominated by Unions NSW under section 13(5A).

Can I withdraw the amendments? I wanted to note them but not move them.

**The CHAIR (The Hon. Rod Roberts):** The member may seek leave to withdraw the amendments.

**Ms ABIGAIL BOYD:** I seek leave to withdraw The Greens amendments Nos 2 and 3 on sheet c2024-094C.

**Leave granted.**

**Amendments withdrawn.**

**Ms ABIGAIL BOYD (20:24):** By leave: I move The Greens amendments Nos 1 and 2 on sheet c2024-112 in globo:

**No. 1 Membership of Board**

Page 5, clause 13. Insert after line 25—

(5A) Of the Board members appointed under this section—

- (a) I must be a worker representative nominated by Unions NSW, and
- (b) I must be nominated by a body that represents employers in New South Wales.

**No. 2 Eligibility for appointment to Board**

Page 6, clause 14. Insert after line 1—

(j1) community and employment matters,

I thank members for their patience. Effectively, the purpose of the amendments is to create a tripartite board structure. The Greens were surprised not to see this originally, because it is part of Labor's platform. At the moment the board is effectively a bunch of bankers and financial types. When we look at the types of skills that the board is intended to have, it is banking and finance, economics, financial accounting, venture capital et cetera. There is some reference to the environment, energy, law and governance, but there is notably no representative of the working people of New South Wales. The Greens are seeking to include that representation on the board.

Our withdrawn amendments on sheet c2024-094C only required that at least one board member be a worker representative, nominated by Unions NSW. The amendment underneath that on both sheets is then just saying that that particular worker representative does not need to have banking and financial qualifications, obviously—they may well do, but they do not need to. I understand that that will not be accepted by the Government or by the Opposition. Instead, we have moved the alternative amendments. In addition to doing what we have just asked for, the amendments on sheet c2024-112 also add a body that represents employers in New South Wales. I would have thought that we had already represented the big end of town, with all of those bankers sitting on the board. Either way, our biggest objective is to make sure that there is a worker representative, so we are happy to instead move amendments Nos 1 and 2 on sheet c2024-112.

**The Hon. JOHN GRAHAM (Special Minister of State, Minister for Roads, Minister for the Arts, Minister for Music and the Night-time Economy, and Minister for Jobs and Tourism) (20:27):** The Government will support the amendments. This board is important. It is responsible for making key investment decisions. The bill already requires board members to have substantial experience or expertise, professional credibility and significant standing in at least one relevant field. We also recognise that it will operate in a sector that is changing rapidly, creating potentially enormous opportunity for the State. The Government thinks that it is appropriate to have both employers and workers represented on the board. For those reasons, we will support the amendments.

**The Hon. NATALIE WARD (20:27):** The Opposition will not support the amendments. The mandating of two board appointments is not supported by the Opposition. This is a serious entity and it should be given the opportunity to deliver on its mandate, and that is best done by appointing a board of eminent professionals. To have a board member of a \$1 billion corporation appointed by Unions NSW and to have another member nominated by an employers' body thrown in as a token at the last minute does not cut it for us. Having a union body nominate an appointment that represents employers in New South Wales diminishes the ability of the corporation to identify, for itself, the best possible candidates. That opportunity has not been afforded to other important stakeholder groups.

The Opposition also notes that this has been a last-minute addition to the legislation and is not contained in the original documents. In our view, this is an attempt to muddy the waters. Throwing in a token employment opportunity for a Unions NSW representative does not cut the mustard for us. This is a serious organisation. If the entity is meant to be independent, then let it be totally independent. For those reasons, we do not support the amendments.

**Ms ABIGAIL BOYD (20:29):** I thank both members for their contributions and apologise for implying that the Opposition is supporting the amendments when it is clearly not.

**The CHAIR (The Hon. Rod Roberts):** Ms Abigail Boyd has moved The Greens amendments Nos 1 and 2 on sheet c2024-112. The question is that the amendments be agreed to.

**The Committee divided.**

Ayes ..... 16

Noes ..... 11

Majority.....5

## AYES

Boyd  
Buttigieg  
Cohn  
D'Adam  
Donnelly  
Faehrmann

Graham  
Higginson  
Houssos  
Hurst  
Kaine

Moriarty  
Murphy (teller)  
Nanva (teller)  
Primrose  
Suvaal

## NOES

Carter  
Farlow  
Farraway (teller)  
Franklin

Martin  
Merton  
Mitchell  
Rath (teller)

Taylor  
Tudehope  
Ward

## PAIRS

Jackson  
Lawrence  
Mookhey  
Sharpe

Munro  
Fang  
Maclaren-Jones  
MacDonald

**Amendments agreed to.**

**Ms ABIGAIL BOYD (20:38):** By leave: I move The Greens amendments Nos 4, 5, 7, 8, 10, 15 and 16 on sheet c2024-094C in globo:

**No. 4 Committees**

Page 7, clause 17. Insert after line 1—

- (4) Despite subsections (1)–(3), the Board must establish a committee to advise the Board on the development and enforcement of best practice labour principles for projects in which the Corporation makes, or proposes to make, an investment, including, but not limited to, best practice principles relating to the following—
- (a) industrial relations,
  - (b) work health and safety,
  - (c) trainee and apprenticeship numbers,
  - (d) local content and procurement.

**No. 5 Content of Investment Mandate**

Page 9, clause 26(1). Insert after line 11—

- (a1) must have regard to best practice labour principles, including, but not limited to, best practice principles relating to the following—
- (i) the promotion of secure work,
  - (ii) gender equality,
  - (iii) collective bargaining,
  - (iv) work health and safety,
  - (iv) First Nations participation, and

**No. 7 Board to prepare investment and risk policies**

Page 10, clause 29(1). Insert after line 29—

- (c1) the impact of the Corporation's investments on First Nations peoples,
- (c2) environmental, labour, social and governance matters the Corporation must consider in relation to the Corporation's investment functions,

**No. 8 Compliance with investment and risk policies**

Page 10, clause 31. Insert after line 38—

- (3) The Corporation must take active measures to ensure—

- (a) the Corporation complies with the Investment Mandate and investment and risk policies in relation to all of its investments, and
- (b) the ongoing compliance by each investment entity with best practice labour principles.
- (4) For subsection (3), **active measures** may include the following—
  - (a) requiring periodic written declarations from a relevant entity attesting to its compliance,
  - (b) entering into a memorandum of understanding with the regulator to provide additional resources to ensure the active inspection and investigation of reported breaches,
  - (c) other matters the Board considers necessary to ensure ongoing compliance with best practice labour principles by relevant entities.
- (5) The Corporation must make available a publicly accessible form for submitting to the Corporation allegations of non-compliance with best practice labour principles by an investment entity.
- (6) If the Corporation receives an allegation of non-compliance with best practice labour principles by an investment entity, the Corporation must—
  - (a) if the allegation is made by a health and safety representative for a worker at the investment entity—investigate the allegation and, if appropriate, secure assurances and a commitment from the entity that the alleged breach has been resolved, or
  - (b) if the allegation is made by a member of the public—provide a response to the allegation, including a statement of how the Corporation has resolved or otherwise dealt with the allegation and the reasons for the response.
- (7) In this section—
 

**health and safety representative** has the same meaning as in the *Work Health and Safety Act 2011*.

investment entity—

  - (a) means an entity in relation to which the Corporation exercises its investment function (the **primary entity**), and
  - (b) includes—
    - (i) a subsidiary of the primary entity, and
    - (ii) a labour entity contracted or subcontracted by the primary entity.

**regulator** has the same meaning as in the *Work Health and Safety Act 2011*.

#### No. 10 Complying investments

Page 12, clause 34

- (8) Insert after line 8—
  - (b1) in projects that deliver broad social and economic benefits for the communities in which the investments occur, and
  - (b2) in businesses that comply with best practice labour principles,

#### No. 15 Best practice labour principles

Page 26. Insert after line 6—

##### Schedule 3A Best practice labour principles

Schedule 3, definition of "best practice labour principles"

<b>Best practice principle</b>	<b>Example subject areas related to best practice</b>
Work health and safety (WHS) systems and standards health	<p>A demonstrated history of, and commitment to, compliance with work and safety laws, considering, for example—</p> <ul style="list-style-type: none"> <li>(a) the organisation's history of adverse findings, penalty infringement notices, warnings, infringements and penalties under the <i>Work Health and Safety Act 2011</i> and other related legislation, over the past 10 years, and</li> <li>(b) the organisation's history and registration of workers compensation, including policy number, and</li> <li>(c) the organisation's processes and procedures governing workforce consultation on WHS matters, and</li> <li>(d) the levels of knowledge and experience in the use of digital engineering to reduce WHS risks relevant for the project, and</li> </ul>

- (e) work health and safety management plans in place that specifically focus on managing risks rather than the consequences of risks, and
- (f) the organisation's management of sites and site establishment, including, for example—
  - (i) preparatory works, including security, site clearances, comprehensive WHS site inductions for workers and site amenities, and
  - (ii) access to, and egress from, sites and labour movement on sites.

<b>Best practice principle</b>	<b>Example subject areas related to best practice</b>
Industrial relations	<p>A demonstrated history of, and commitment to, positive industrial relations, considering, for example—</p> <ul style="list-style-type: none"> <li>(a) the organisation's plan for the management of industrial relations for the project, and</li> <li>(b) the organisation's adoption or provision of best practice industrial relations for employees and contractors in the workplace, including, for example—               <ul style="list-style-type: none"> <li>(i) administration—how the organisational structure for the project affects labour productivity, including the identification of staff and reporting lines, and</li> <li>(ii) risk assessment—how industrial relations risks the project may face are identified and how those risks will be managed, and</li> <li>(iii) subcontractor management—how the organisation manages subcontractors and subcontractors' employees, including the selection and mobilisation of subcontractors, trade packages, labour hire and apprentices, and</li> <li>(iv) conditions of employment—how terms and conditions of employment are established, and</li> <li>(v) recruitment of direct labour—how direct labour will be attracted, recruited and retained depending on the size, scope and location of the project, and how issues relating to skills shortages, interstate and offshore sourcing of labour, training and competency assurance will be addressed, and</li> <li>(vi) performance metrics—how labour performance is measured to ensure projects are on track, and</li> <li>(vii) employee participation—how employee issues are heard, addressed and resolved in accordance with the relevant industrial instruments or policies, and</li> </ul> </li> <li>(c) any history of declarations or non-compliance under the <i>Fair Work Act 2009</i> of the Commonwealth in the last 5 years, including—               <ul style="list-style-type: none"> <li>(i) convictions for offences, and</li> <li>(ii) enforceable undertakings, and</li> <li>(iii) infringement notices.</li> </ul> </li> </ul>
Commitment to apprentices and Trainees	<p>A demonstrated history of, and commitment to, training, including the engagement of apprentices and trainees, considering, for example—</p> <ul style="list-style-type: none"> <li>(a) the organisation's compliance with the Infrastructure Skills Legacy Program, and</li> <li>(b) the number of apprentices and trainees to be employed as part of the project, and</li> <li>(c) specific training and development plans that will be provided in relation to the work, and</li> <li>(d) the organisation's history of supporting the delivery of nationally endorsed building and construction competencies, and</li> </ul>



- (e) other practices or programs used by the organisation to improve opportunities for apprentices and trainees, including training and advancement.

No. 16 **Best practice labour principles**

Page 27, proposed Schedule 3. Insert after line 6—

*best practice labour principles* means the best practice principles set out in Schedule 3A.

Again, I covered most of this in the second reading debate, so I will not reiterate what I said. Unfortunately, there was no opportunity for public input in relation to this particular fund and corporation. But, based on the feedback and submissions made by several unions to other equivalent funds, particularly the Clean Energy Finance Corporation [CEFC], it was made clear not just that the use of labour standards as a guiding light for those corporations when they are making investments is necessary but also that the enforcement and compliance piece is lost if we do not include what is in these amendments.

We have gone to great lengths to set out in the amendments exactly what best practice labour principles would look like—again, to avoid the disastrous outcomes that we are now seeing from the CEFC. We have also set out that the corporation must take active measures to ensure the ongoing compliance with those labour principles, as well as the other principles and investment mandate guidelines. It must take active measures to, for example, require periodic written declarations from relevant entities attesting to their compliance with those best practice labour principles, or enter into memorandums of understanding with the regulator to ensure active inspection et cetera. The amendments are to insure against the horrible situation we have, where money was handed out by the CEFC to these projects, and workers are being treated incredibly poorly, using public money, in situations where they cannot complain to the Government. That does not happen in New South Wales. That is why we are moving the amendments, and I commend them to the Committee.

**The Hon. JOHN GRAHAM (Special Minister of State, Minister for Roads, Minister for the Arts, Minister for Music and the Night-time Economy, and Minister for Jobs and Tourism) (20:40):** I indicate at the outset that the Government does not support these particular amendments moved by The Greens. In relation to amendment No. 4, the Government regards it as inappropriate and unnecessary to include this extra obligation. As I have indicated, the Government may direct the corporation on these matters through the investment mandate and has committed to doing so. While amendment No. 5 touches on important principles, the Government's view is it is best dealt with through alternative amendments that are being proposed.

The Government does not support amendment No. 7 on the basis that another amendment will include consideration of environmental, social and governance local content and First Nations participation. The matters raised are important, but we on this side think they are best addressed elsewhere in the bill. In relation to amendment No. 8, the bill already creates obligations to ensure compliance with the investment mandate and the investment and risk policies. I have already placed the Government's views on those on the record. In relation to amendment No. 10, again we think those matters are dealt with elsewhere in the bill, particularly in light of the amendments that the Government will support.

We do not consider amendment No. 15 to be necessary. Clause 26 of the bill already allows the Government to require the corporation to consider matters when making investment decisions through the investment mandate. I note the work that Minister Houssos is leading, particularly in relation to domestic manufacturing and establishing the Jobs First Commission. That is also relevant to the Government's considerations in opposing that amendment. In relation to amendment No. 16, the Government does not think the definition should be included in the Act because clause 26 already allows the Government to act in that matter.

**The Hon. NATALIE WARD (20:42):** I do not have the benefit of a spreadsheet like the Hon. John Graham, but I have a note which I will attempt to deal with briefly. The Opposition is also unable to support the amendments. I will speak briefly to some of them. In relation to amendment No. 4, in the Opposition's view there is no need for a subcommittee. That would be captured in the normal routine of the environmental, social, and governance [ESG] business and investments being made by the corporation. It is a noble cause but not one that is necessary.

In relation to amendment No. 5, the ESG is a funder, not a part of the day-to-day operations of the company. This oversight is given in making prudent and sensible investments in what are supposed to be leading Australian businesses. The Opposition supports the Government's position on amendments Nos 7 and 8, so I do not need to repeat those. In relation to amendment No. 10, an imposition on the corporation that would hinder or limit its investment remit is not something that the Opposition is attracted to and, therefore, we on this side cannot support that amendment. We cannot support The Greens amendments Nos 15 and 16 for the reasons articulated by the Government.

**The CHAIR (The Hon. Rod Roberts):** Ms Abigail Boyd has moved The Greens amendments Nos 4, 5, 7, 8, 10, 15 and 16 on sheet c2024-094C. The question is that the amendments be agreed to.

**Amendments negatived.**

**Ms ABIGAIL BOYD (20:44):** I move The Greens amendment No. 3 on sheet c2024-112:

**No. 3 Content of Investment Mandate**

Page 9, clause 26 (1). Insert after line 11—

- (a1) must have regard to environmental, social, and governance principles, best practice labour principles, skills and training, local content procurement, and First Nations participation.

The Greens amendment No. 3 was referred to by the Minister and the Deputy Leader of the Opposition in their contributions to debate on the previous amendments. This amendment is what The Greens would view as a compromise for all of the amendments that we have put forward. It will ensure that when a Minister gives an investment mandate to the corporation about the exercise of the corporation's investment function, it must have regard to environmental, social and governance principles, best practice labour principles, skills and training, local content procurement and First Nations participation. This goes a long way to addressing some of the concerns of The Greens.

The Minister of the day is relied upon to include the right information in the investment mandate. The procurement guidelines and processes are working their way through government policy at the moment. I sincerely hope they make their way into documents that we can all see, and I hope they are used across government departments, agencies and corporations. That will bolster the strength of worker participation, ethical conduct and the impact of the investments made by the corporation. I commend the amendment to the Committee.

**The Hon. JOHN GRAHAM (Special Minister of State, Minister for Roads, Minister for the Arts, Minister for Music and the Night-time Economy, and Minister for Jobs and Tourism) (20:46):** The Government will support the amendment. It is the view of the Government that the amendment builds on the existing provisions in the bill that facilitate the investment mandate. For that reason we support it.

**The Hon. NATALIE WARD (20:46):** The Opposition supports the amendment. It is clear to the Opposition that having regard to environmental, social and governance principles, best practice labour principles, skills and training, local content procurement and First Nations participation would be expected and would be a matter of good governance for any major corporation in Australia. The Opposition expects that and it is good to include it in the bill. The Opposition commends The Greens for the amendment and will support it.

**The CHAIR (The Hon. Rod Roberts):** Ms Abigail Boyd has moved The Greens amendment No. 3 on sheet c2024-112. The question is that the amendment be agreed to.

**Amendment agreed to.**

**Ms ABIGAIL BOYD (20:47):** By leave: I move The Greens amendments Nos 6, 12, 13 and 14 on sheet c2024-094C in globo:

**No. 6 Content of Investment Mandate**

Page 9, clause 26 (2). Insert after line 18—

- (c1) the types of equity interests the Corporation may acquire,
- (c2) the types of entities in which the Corporation may acquire equity interests,

**No. 12 Requests for payments from ESC Fund into Operational Fund**

Page 14, clause 41. Insert after line 11—

- (5) If, in the Corporation's opinion, the uncommitted balance of the ESC Fund is not sufficient to achieve the Corporation's objects during a particular period, the Corporation may, by written notice, ask the Treasurer to pay an additional amount of money, in accordance with section 39, into the ESC Fund in advance of the Corporation making a request for the amount under subsection (1).

**No. 13 Corporation must realise equity interests in particular circumstances**

Page 16. Insert after line 15—

**52 Corporation must realise equity interests in certain circumstances**

- (1) This section applies if—
  - (a) the Corporation holds one or more equity interests in an entity, and
  - (b) the Corporation becomes aware of the fact that—

- (i) because of one or more of the activities being carried out by the entity, the investment in the entity is not longer a complying investment, or
  - (ii) one or more of the activities of the entity are being carried out in breach of work health and safety laws, or
  - (iii) one or more of the activities of the entity are being carried out in breach of best practice labour principles, including principles set out in any of the following or as prescribed by the regulations—
    - (A) the Investment Mandate, or
    - (B) the Corporation's investment strategy, or
    - (C) guidelines issued by the Board.
- (2) The Corporation must, as soon as practicable after becoming aware of that fact, realise the Corporation's equity interests in the entity.

#### No. 14 Complying investments

Page 22, proposed Schedule 1, clause 9(1)(b), line 39. Omit "a conflict". Insert instead "an actual or perceived conflict".

These amendments provide more accountability on the investments that are made by the corporation. The amendments are about the types of interests the corporation may acquire and the types of entities in which the corporation may invest. Amendment No. 12 provides that, for example, if the corporation decides there are some fantastic investments it would like to make but it has run out of money in the fund, it may request additional money from the Treasurer. Payment would be at the Treasurer's complete discretion, but there would be transparency around that request having been made and the reasons it was refused or approved. Amendment No. 13 provides that the corporation must realise equity interests in certain circumstances, including where the activities of the entity are being carried out in breach of the investment mandate of the fund. Amendment No. 14 is a product of my having sat for so long on the committee inquiry into the use of consultants. It requires there be no actual or perceived conflict. I commend these amendments to the Committee.

**The Hon. JOHN GRAHAM (Special Minister of State, Minister for Roads, Minister for the Arts, Minister for Music and the Night-time Economy, and Minister for Jobs and Tourism) (20:51):** I indicate at the outset that the Government will not support these amendments. Amendment No. 6 is both unnecessary and duplicative. The matters contained in the amendment are already contained in the following subclauses of the bill: "clarification of types of technologies, projects and businesses that are eligible for investment" is covered in clause 26 (2) (b); "making capital investments" is covered in clause 26 (2) (c); and "types of financial instruments in which the corporation may invest" is covered in clause 26 (2) (d).

The Government does not support amendments Nos 12, 13 and 14. In relation to amendment No. 12, there is nothing in the bill as drafted that would stop the corporation making requests as contemplated by the amendment. In relation to amendment No. 13, the bill already provides a compliance process through clause 34 (2), which requires the board to inform the Minister about proposed actions to address noncomplying investments. Clause 34 (3) also gives the Minister the discretion to direct the board to take action to address the noncompliance. The Government regards amendment No. 14 as unnecessary, on the advice it has received, as there is no practical difference between the proposed amendment and the current drafting.

**The Hon. NATALIE WARD (20:52):** The Opposition will also oppose these amendments. In relation to amendment No. 6, we are in alignment with the Government that this is already set out in the proposed legislation. In relation to amendment No. 12, while I have some sympathy for including that the corporation may "by written notice ask the Treasurer to pay an additional amount of money", as I think that is something that at times should be mandated, the Opposition is not able to go the whole hog and support the amendment. Asking the Treasurer for additional funding is something that the corporation may wish to do and is able to do anyway. In relation to the other amendments, I have to say it is curious that in this case "an actual or perceived conflict" is something that is elevated. I have been vocal in this place about perceived conflicts. I do not think that is a surprise to anyone. Nonetheless, for the reasons articulated by the Government, the Opposition cannot support that amendment on this occasion. It breaks my heart—but watch this space.

**The CHAIR (The Hon. Rod Roberts):** Ms Abigail Boyd has moved The Greens amendments Nos 6, 12, 13 and 14 on sheet c2024-094C. The question is that the amendments be agreed to.

#### Amendments negatived.

**Ms ABIGAIL BOYD (20:54):** I move The Greens amendment No. 9 on sheet c2024-094C:

#### No. 9 Investment function

Page 11, clause 33. Insert after line 16—

- (4) In exercising its investment function, the Corporation will preference investments that result in the Corporation—
- (a) holding a majority financial stake in a project, or
  - (b) having equity in a project, and

This amendment seeks to ensure that the corporation will preference investments that result in the corporation having a majority financial stake in the project or at least an equity stake in the project. In my contribution to the second reading debate on the bill, I talked about the election, when there were a lot of woolly words about how a Labor government would use public money to create a publicly owned energy system with poles, wires and assets. From the privatisation of our energy assets—particularly coal-fired power stations—we have learnt about not only the economic impact on the State but also the impact of basically tying our own hands when it comes to trying to lead an orderly transition. It is much harder to do when dealing with private operators than if the State had retained control.

I thought that on this side of the Chamber we had all learnt the lesson that privatising our energy assets was a bad idea, and The Greens were heartened when the Labor Government said it was happy to be investing in publicly owned renewables, but nothing in this bill gives effect to that promise. In fact, the bill goes the other way: We could well see public money being used to guarantee, support and bolster private investment only in our renewables. There will always be a balance between bringing the private sector in to do things quickly and having direct government investment. But the idea that we would set up a \$1 billion fund and then not seek to make it publicly owned in terms of the investments that it makes is quite astounding to me and completely against what I thought Labor members had been saying about energy network privatisation when they were in opposition.

The Greens think this amendment is quite a modest proposal in that it does not require only a public stake to be held; it just says that the corporation will preference such investments. But unfortunately, from what I understand, the amendment is a step too far for Labor. That is incredibly disappointing. The Greens will not stop advocating for 100 per cent publicly owned renewable energy in our State.

**The Hon. JOHN GRAHAM (Special Minister of State, Minister for Roads, Minister for the Arts, Minister for Music and the Night-time Economy, and Minister for Jobs and Tourism) (20:58):** The Government does not support the amendment. The corporation's legislated object is to accelerate investments. In the view of the Government, it is up to the board how investments are structured to meet this objective. A requirement for the corporation to have a major stake in a project would limit the scope of the corporation's potential investments. It would have the perverse effect of slowing down the transition. As I have indicated, the Government does not apologise for moving rapidly on this matter. We have no choice. To put a handbrake on the corporation's ability to accelerate the transition is not a desirable outcome in the view of the Government.

**The Hon. NATALIE WARD (20:58):** I will be brief. The Opposition cannot support this amendment. It will come as no surprise that the Coalition believes that exploring capital opportunities anywhere is a priority. But we also support the Government's view that this should move rapidly. For those reasons, we oppose the amendment.

**Ms ABIGAIL BOYD (20:59):** I note that when I gave the original instruction to the amendment, I pointed out that this is a preference only, and the answers I got back from the Minister were that "We don't want to have a handbrake on investment" et cetera. Given the way that this corporation has been set up, given all of its other objects and obligations to try to kickstart or accelerate the renewables transition in our State, all this amendment is doing is including something where, all other things are equal, if there is a chance for public ownership then they might take that instead. It is just saying, "We will have a preference for that." The fact that this Labor Government cannot even do that is really concerning when it comes to its supposed commitment to publicly owned essential goods and services.

**The CHAIR (The Hon. Rod Roberts):** Ms Abigail Boyd has moved The Greens amendment No. 9 on sheet c2024-094C. The question is that the amendment be agreed to.

**The Committee divided.**

Ayes .....5  
 Noes .....22  
 Majority.....17

AYES

Boyd (teller)  
 Cohn

Faehrmann  
 Higginson

Hurst (teller)

## NOES

Buttigieg	Kaine	Primrose
Carter	Martin	Rath (teller)
D'Adam	Merton	Ruddick
Donnelly	Mitchell	Suvaal
Farlow	Moriarty	Taylor
Farraway	Murphy	Tudehope
Graham	Nanva (teller)	Ward
Houssos		

**Amendment negatived.**

**The CHAIR (The Hon. Rod Roberts):** There should be one amendment left. I invite Ms Abigail Boyd to move that amendment.

**Ms ABIGAIL BOYD (21:07):** I move The Greens amendment No. 11 on sheet c2024-094C:

**No. 11 Prohibited technologies**

Page 12, clause 37. Insert after line 38—

- (2A) An investment by the Corporation must not directly finance—
- (a) the extraction of coal or natural gas, or
  - (b) the construction of pipeline infrastructure primarily for the extraction or transport of natural gas, or
  - (c) the logging of native forests.

It is not at all clear from the bill exactly what the technologies are that an investment can be used to finance. I have sought explanation from the Minister's office. I have been given some explanation. But it is not compelling in terms of assuring me that this \$1 billion of public money could not be used, for example, for the types of projects that the amendment moved by the Hon. Mark Latham related to. That was in relation to continuing to keep gas in particular as part of our energy mix. By all means there would be a period where coal and gas is part of our energy mix, but the idea that public money would be used to fund coal and gas projects is something no member would think this corporation should do.

The amendment we have drafted is actually an amendment moved to the Clean Energy Finance Corporation [CEFC] legislation by my colleague Adam Bandt in the Federal Parliament. He moved this successfully, and it has been included in the legislation. All it does is say that the corporation must not directly finance the extraction of coal or natural gas, or the construction of pipeline infrastructure primarily for the extraction or transport of natural gas, or the logging of native forests. We made this amendment exactly the same as the one that was passed in the Federal Parliament and is now part of the CEFC legislation—on which, we are told, this bill was modelled. Its omission from this bill is notable. If there is any doubt at all about whether this could result in public money financing coal and gas or the continued logging of native forests, Labor ought to put it completely beyond doubt by adopting this amendment and making sure that it simply cannot happen. I commend the amendment to the Committee.

**The Hon. JOHN GRAHAM (Special Minister of State, Minister for Roads, Minister for the Arts, Minister for Music and the Night-time Economy, and Minister for Jobs and Tourism) (21:10):** As I have indicated, the Government does not support The Greens amendment. Amendments to prevent the corporation financing coal projects, natural gas projects and the logging of native forests are not required. It is already clear that coal and natural gas projects are not consistent with the corporation's objectives, for the reasons I articulated when we dealt with other amendments about such projects. The bill will support investment in clean energy and enabling technologies. That means renewables and enabling infrastructure like storage and grid reliability projects. As has been indicated publicly and in the other place, the purpose of the corporation is not to invest in fossil fuels like coal and gas.

**The Hon. NATALIE WARD (21:11):** The Opposition is unable to support The Greens amendment for the reasons outlined by the Government.

**Ms SUE HIGGINSON (21:11):** I support the amendment. I commend my colleague Ms Abigail Boyd for going over the draft bill with her laser-like eyes and bringing forward an amendment that makes perfect sense. It is a reasonable amendment. To suggest that such projects could be or would be interpreted as being completely inconsistent with the corporation's objectives is a bit fanciful. Right now in New South Wales, Cape Byron Power

is burning native vegetation, generating power and calling it clean, green power. So the Government is wrong, legally, politically and certainly ethically.

Absolutely and fundamentally, Government members cannot stand here tonight and say that it will not happen. We make something not happen by writing it into the laws we make. The Government says that the bill does not include native forests and coal and gas. That may be the purpose of the bill, but it could happen. Let us hope we are not arguing about it later in this place or someone is not arguing it in the courts because Labor did some sloppy drafting, had some fanciful belief and did not listen to The Greens, who—thank goodness—were stating the obvious, giving the proper interpretation and doing precisely what the Australian Parliament has sensibly done.

But New South Wales will not do it because we are the State of coal and gas and of logging our native forests. Not only are we logging our public native forests, but also we are logging the public native forest that will become the Great Koala National Park. I fully support my colleague's amendment and commend it to the Committee. I just hope that I have somehow convinced my colleagues in this place to support The Greens amendment.

**Ms ABIGAIL BOYD (21:14):** I thank members for their contributions. I make two comments. The astute reader of *Hansard* who reads this debate years into the future may see that, in my tiredness, I have mentioned the Clean Energy Finance Corporation instead of the Energy Security Corporation at some points. I hope that they view me generously in the future on that point. I also thank Ms Sue Higginson. One of the great parts of being in a Greens team like we have in the upper House is that when one of us gets a little bit tired and unable to form our words in the way we may like, another one steps in and gives us the pep that we need to put our arguments.

Like everything that my colleague Ms Sue Higginson said, this is a no-brainer. It is quite concerning that Labor members cannot stand up and say, "Of course." Even if they believe there is no room in the bill for this to happen, they could at least put in this provision to put it beyond doubt, not just for this Government but also for a future government that may not have the same policy settings. It would ensure that we do not end up investing our public money in these dirty industries. I commend the amendment to the Committee.

**The CHAIR (The Hon. Rod Roberts):** Ms Abigail Boyd has moved The Greens amendment No. 11 on sheet c2024-094C. The question is that the amendment be agreed to.

**The Committee divided.**

Ayes .....5  
Noes .....22  
Majority..... 17

#### AYES

Boyd (teller)  
Cohn

Faehrmann  
Higginson

Hurst (teller)

#### NOES

Buttigieg  
Carter  
D'Adam  
Donnelly  
Farlow  
Farraway  
Graham  
Houssos

Kaine  
Martin  
Merton (teller)  
Mitchell  
Moriarty  
Murphy (teller)  
Nanva

Primrose  
Rath  
Ruddick  
Suvaal  
Taylor  
Tudehope  
Ward

**Amendment negatived.**

**The CHAIR (The Hon. Rod Roberts):** The question is that the bill as amended be agreed to.

**Motion agreed to.**

**The Hon. JOHN GRAHAM:** I move:

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

**Motion agreed to.**

### Adoption of Report

**The Hon. JOHN GRAHAM:** I move:

That the report be adopted.

**Motion agreed to.**

### Third Reading

**The Hon. JOHN GRAHAM:** I move:

That this bill be now read a third time.

**Motion agreed to.**

## ELECTORAL FUNDING AMENDMENT BILL 2024

### Second Reading Speech

**The Hon. JOHN GRAHAM (Special Minister of State, Minister for Roads, Minister for the Arts, Minister for Music and the Night-time Economy, and Minister for Jobs and Tourism) (21:25):** I move:

That this bill be now read a second time.

As members may be aware, the Electoral Funding Amendment Bill 2024 was passed by the Assembly on Tuesday, with no amendments proposed by members during the debate on the bill in the other place.

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

#### Leave granted.

The bill proposes amendments to section 84 of the Electoral Funding Act 2018 in relation to payments from the Administration Fund.

Firstly, the bill clarifies that the scope of administrative expenditure which may be claimed from the Administration Fund does not exclude expenditure which may be met from a member's electoral allowance.

Secondly, the bill inserts a positive regulation-making power for the regulations to prescribe expenditure that can be claimed from the Administration Fund.

The Administration Fund is established under part 5 of the Electoral Funding Act 2018 and is managed by the NSW Electoral Commission. One of the objects of the Act is to "provide for the effective administration of public funding of elections, recognising the importance of the appropriate use of public revenue for that purpose." Division 2 of part 5 of the Act deals with "administrative funding" for parties and independent members.

The purpose of the Administration Fund is to reimburse eligible political parties and independent members of Parliament for specified administrative and operating expenditure incurred in a quarterly period, up to a capped amount.

Section 84 of the Act sets out what is included and what is excluded from the scope of administrative expenditure and operating expenses which are claimable from the Administration Fund. Relevantly, section 84 (1) (b) (ii) excludes administrative expenditure for which a member may claim a "parliamentary allowance" as a member.

Independent members of the Legislative Assembly have sought legislative clarity and certainty in relation to the exclusion in section 84 (1) (b) (ii) of the Electoral Funding Act 2018, which precludes claims from the Administration Fund for expenditure for which a member may "claim a parliamentary allowance". I thank members again for raising this matter with the Government.

The bill intends to provide clarity to stakeholders, including independent members of Parliament and the NSW Electoral Commission as to the operation of the exclusion in section 84 (1) (b) (ii) of the Act.

Elected members of Parliament are entitled to an electoral allowance and other additional entitlements under the Parliamentary Remuneration Act 1989. The Parliamentary Remuneration Tribunal determines the amount of the electoral allowance and other additional entitlements that are available to members of Parliament pursuant to the provisions of its annual determination. The tribunal made an annual determination on 15 June 2023, effective 1 July 2023, under sections 10 (2) and 11 (1) of the Parliamentary Remuneration Act 1989. The determination provides that the electoral allowance is intended to be used by members to pay for expenses incurred in the efficient performance of a member's parliamentary duties. It sets out the circumstances upon which the additional entitlements, including the electoral allowance, may be used for parliamentary duties. For example, for activities undertaken in representing the interests of constituents but excluding activities of a direct electioneering or political campaigning nature. The determination also specifies particular items which the electoral allowance and other entitlements should not be used to fund.

The determination also lists, for the first time, the following non-exhaustive list of the types of expenses which may be met from the electoral allowance:

- leasing or purchasing a motor vehicle and additional vehicle equipment expenses;
- telephone, internet, office and equipment expenses which are not met by the Parliament;
- member and staff travel expenses not compensated for by the Parliament and/or the Sydney, travel and communications allowances;

- expenses incurred in communicating with constituents not compensated for by the communications and travel allowances; and
- staff expenses incurred in addition to those borne by the Parliament.

Relevantly, the determination also provides that "Nothing shall prevent the use of the electoral allowance for legitimate electorate expenses which might also fall within the categories of expenses such as those covered by the communications allowance, the general travel allowance and the skills development allowance."

But the determination does not specify all the types of parliamentary and electoral expenses for which the electoral allowance is intended to be used. This is reflective of the fact that the amount of members' allowances differs as does the size and locations of members' electorates.

The tribunal's determination also provides for additional entitlements including the Sydney allowance, communications allowance, committee allowance, general travel allowance and the skills and development allowance.

On 13 December 2023, following the publication of the tribunal's determination, the NSW Electoral Commission published a new statutory guideline setting out its approach to assessing claims for expenditure for which a member may claim a parliamentary allowance and thereby expenditure which is not permitted to be claimed from the fund.

The bill addresses concerns raised by independent members with the Government that they can no longer claim certain items of administrative expenditure from the Administration Fund where that expenditure may also be met by the electoral allowance, being an allowance that is paid monthly and that is not a "claimable" allowance.

The intent of the bill is that the exclusion in section 84 (1) (b) (ii) will not preclude claims for payment of administrative expenditure from the Administration Fund where that expenditure may also be met by a member's electoral allowance, payable under part 3 of the Parliamentary Remuneration Act 1989. The aim is to provide certainty and clarity for stakeholders who are both making and determining claims for payment from the Administration Fund.

Moving to the details in schedule 1, clause 3, to the bill, and to the amendment to section 84 (1) (b) (ii) of the Electoral Funding Act 2018.

The bill proposes to amend the exclusion in section 84 (1) (b) (ii) of the Act to clarify that the reference to a "parliamentary allowance" does not include expenditure for which an electoral allowance is payable under the Parliamentary Remuneration Act 1989. Independent members have requested that this clarity is urgently required to ensure they can continue to claim certain administrative expenses from the Administration Fund. The amendment will apply retrospectively from 1 April 2023 to enable members to re-submit claims that may already have been determined.

I know turn to schedule 1, clauses 1, 2 and 4 to the bill. The bill inserts a new regulation-making power at section 84 (1) (a) (xi) of the Act to provide:

- that the regulations can prescribe expenditure that can be claimed from the Administration Fund; and
- a transitional provision allowing a regulation prescribing types of administrative expenditure for a period before 1 July 2024, to take effect on or from 1 April 2023.

The Act currently allows regulations to be made which specify expenditure which cannot be claimed from the Administration Fund at section 84 (1) (b) (iv). The positive regulation-making power proposed by the bill will provide flexibility to identify administrative expenditure which should be covered by the Administration Fund but which may not clearly fall within the existing categories under section 84 (1) (a).

The transitional provision at schedule 1, clause 4, to the bill expressly allows such regulations to be made with retrospective effect, limited to 1 April 2023.

I note that the Legislation Review Committee has considered the bill and published its report in the *Legislation Review Digest Report No. 15/58*, dated 18 June 2024. The Committee noted the retrospective application of the amendments in the bill would not adversely impact rights or liberties. The Legislation Review Committee also considered whether the regulation making power is an appropriate delegation of power. The regulation-making power would allow the identification of administrative expenditure which should be covered by the Administration Fund but which may not clearly or explicitly fall within the existing categories under section 84 (1) (a). It is not intended to be opening a door for payment of inappropriate matters from the Administration Fund and I note that it mirrors the existing regulation power in section 84 (1) (b) (iv), which permits the regulations to specify expenditure which cannot be claimed from the Administration Fund.

The Government is seeking to progress the bill urgently in the June sittings of Parliament to enable commencement in time for the new financial year.

Department staff to thank: Sarah Roebuck and Christine Collins.

I commend the bill to the House.

## Second Reading Debate

**The Hon. SUSAN CARTER (21:26):** I indicate that the Opposition supports the Electoral Funding Amendment Bill 2024. In the Roman Republic, those elected to public office were expected to fund the necessary work out of their own pockets. Julius Caesar famously spent his wife's entire inheritance throwing games and celebrating extravagant religious festivals as a minor official to buy the goodwill of the people so that he could be elected consul at the next election. We have wisely walked away from a system where private wealth can buy power and we only expect the privately wealthy to offer themselves for public service. We now provide public funding for elected members of Parliament to do the work required of them. This prevents a situation in which votes and election results can be bought with personal wealth. More importantly, it levels the playing field because



it means that someone does not need to be rich to be a member of Parliament. This equality is a strength of our democracy. The third benefit is that we do not bankrupt our partners by being MPs, as Julius Caesar certainly did.

One aspect of the public funding in our State is a fund called the Administration Fund. That is the fund with which this bill is concerned. In particular, the bill proposes amendments to section 84 of the Electoral Funding Act 2018, which governs this fund. That Act is substantial legislation, and section 84 defines expenditure that can and cannot be made from the Administration Fund. Section 86 of the Act talks about the establishment of the Administration Fund. Section 87 and other sections deal with different rules around whether people are representatives of a political party, in which case there is a certain allocation for them from the Administration Fund. But allocations are not only made through political parties. Provision is also made for Independent members. This is important in ensuring that voters are not forced to choose only between major parties and are free to elect whomever they choose.

The bill particularly deals with a ruling by the Parliamentary Remuneration Tribunal that has caused issues for Independent members of Parliament, and it seems to remedy the situation. The bill amends section 84 (1) (a) of the Act to enable the relevant Minister to prescribe by regulation matters that can be properly the subject of funding from the Administration Fund. The second amendment is to section 84 (1) (b) (ii) and qualifies an exclusion provision that Independent members have reported is creating difficulties for them. Indeed, Independent members have asked for this change. Members are talking about the use of public funds, so when considering any changes it is important that there is clear regulation and oversight of the use of those funds. It is also important that the funds can be used for their intended purpose, including ensuring that Independents, as well as members of political parties, have adequate means to participate in the political process.

The central issue with which the bill is trying to deal is the ruling that suggested that matters covered by an electoral allowance could not be funded out of the Administration Fund. That would constrain members from using the Administration Fund for things like communication, travel and so on, which have always been subject to the use of the fund and are proper expenditure in the course of a parliamentarian's duties. Although members of parties would not typically use it, it is an important levelling of the playing field for the parliamentary representation of Independents. The bill intends to solve that problem.

It is important to note that the bill does not open the door for matters that are private expenditure to be paid out of the Administration Fund. That would not be a desirable public policy outcome. But it does allow expenditure in the performance of public duties to be paid out of the Administration Fund and resolves any issues that arose as a consequence of the Parliamentary Remuneration Tribunal's ruling. In those circumstances, it seems entirely appropriate to the Opposition that the changes be made, and so the Opposition supports the bill. All members want to see full transparency and clarity and ensure that public funds are being properly used. The bill provides an architecture for that to take place into the future, which is a desirable outcome in the public interest.

We must appreciate the unique heritage and privilege that we have here in New South Wales. Ancient Rome and even the modern United States do not have bodies similar to the NSW Electoral Commission or the Australian Electoral Commission. That is unfortunate because it leaves election results and processes open to public criticism and may lead to the undermining of confidence in democracy as people begin to make the claim that the process is rigged or that politicians are only in it for themselves.

I emphasise our unique heritage. We do not have such problems in Australia because we do have those independent commissions, and if the tribunal makes a ruling that may have unintended consequences then we can come to Parliament, openly discuss the matter and make the necessary changes. All those components of our electoral and democratic systems breathe life into a much more transparent democracy, of which we should all be proud.

We abolished the property qualification decades before it was done in the United Kingdom, and we were one of the first countries to extend suffrage to women. This country has a proud democratic history, but it is maintained only by vigilance. The bill is part of that. Independents came to the Government and said, "We have a problem". Now, in this open forum and recorded in *Hansard*, we are debating that problem and if and how it should be fixed. It is just another example of how our democracy works. We should all be proud of that and do everything we can to maintain it. I commend the bill to the House.

**Ms CATE FAEHRMANN (21:32):** On behalf of The Greens, I speak in support of the Electoral Funding Amendment Bill 2024. I am the first to acknowledge that electoral funding is a pretty dry topic, but it is incredibly important. I do not think the Hon. Susan Carter believes it is dry. In fact, after hearing her contribution, I think it may have been good to speak to her in our office and get some of her enthusiasm for the bill before us. It is of interest.

I am a member of the Joint Standing Committee on Electoral Matters, and I firmly believe in the fairness and transparency of electoral funding. They are two of the key objectives of the Electoral Funding Act. The bill amends that Act to do two things. The first is to clarify that claims for payment from the Administration Fund may be made for administrative expenditure that could be met by a member's electoral allowance. The second is to provide that the regulations can prescribe expenditure that can be claimed from the Administration Fund. The purpose of the Administration Fund is to reimburse eligible political parties and Independent members of Parliament for administrative and operative expenditure incurred. Members are also entitled to an electoral allowance and other additional entitlements under the Parliamentary Remuneration Act 1989.

Section 84 (1) of the Electoral Funding Act sets out what is included and excluded from the scope of administrative expenditure, and the operating expenses that are claimable from the Administration Fund. However, Independent members have raised concerns that the scope of section 84 (1) (b) (ii) of the Act is uncertain. That section excludes administrative expenditure for which a member may claim a parliamentary allowance as a member. In 2023 an annual determination of the Parliamentary Remuneration Tribunal had the practical effect of preventing Independent MPs from being able to draw on their public electoral funding provided in the Administration Fund. This creates an uneven playing field between Independent members and those with a party affiliation. I am sure the situation sits uncomfortably with most members because it is against the core objective of fairness.

The present situation of uncertainty also sits uncomfortably against the core objective of transparency. There is a clear public interest in clarifying the expenditure that can and cannot be claimed as administrative expenditure under the Act. The bill applies retrospectively to the date of the determination, being 1 April 2023, ensuring that Independent members have not missed out historically from drawing on electoral funding. Further, the ability to provide that regulations can prescribe for expenditure that can be claimed from the Administration Fund provides flexibility to add further clarity, where needed, to items that should be covered by the fund but might not currently fall within those categories in section 84 (1) (a). The Government has said that it consulted with Independent members of Parliament and officers of the New South Wales Electoral Commission staff agency in the course of preparing the bill and that they are supportive of the amendments. The Greens support the bill.

**The Hon. JOHN GRAHAM (Special Minister of State, Minister for Roads, Minister for the Arts, Minister for Music and the Night-time Economy, and Minister for Jobs and Tourism) (21:35):** In reply: I thank members in this House and in the other place for their contributions.

**The ASSISTANT PRESIDENT (The Hon. Peter Primrose):** The question is that this bill be now read a second time.

**Motion agreed to.**

### Third Reading

**The Hon. JOHN GRAHAM:** I move:

That this bill be now read a third time.

**Motion agreed to.**

## RESIDENTIAL (LAND LEASE) COMMUNITIES AMENDMENT BILL 2024

### Second Reading Speech

**The Hon. MARK BUTTIGIEG (21:36):** On behalf of the Hon. Penny Sharpe: I move:

That this bill be now read a second time.

I am pleased to introduce the Residential (Land Lease) Communities Amendment Bill 2024. The bill amends the Residential (Land Lease) Communities Act 2013 to improve the regulatory framework for residential land lease communities.

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

### Leave granted.

A statutory review of the Act was completed in 2021.

The review made a total of 48 recommendations.

This bill implements 21 of those recommendations, with the Government continuing work on the remaining recommendations.

The amendments in the bill are generally aimed at:

- making home owners', operators' and other residents' rights and obligations clearer;

- increasing certainty for consumers;
- improving the law in relation to electricity pricing;
- reducing disputes between operators and home owners; and
- improving life in communities for all parties.

I want to draw the attention of the House to an amendment that was passed in the Legislative Assembly.

One of the key reforms in the bill is to limit operators to using a single element to calculate a site fee increase under the fixed method.

This change will improve clarity and certainty about such fee increases.

It will allow home owners to more accurately predict and plan for their site fee increases.

The statutory review recommended a transition period of three years for operators to comply with this new requirement.

However, the amendment has reduced this period to 12 months so the bill now requires operators to review and update all existing agreements that use more than one element to calculate a fixed method site fee increase within 12 months of the bill's commencement.

If a variation agreement or new compliant agreement is not entered into within the 12 months, the bill provides that the "by notice" method of site fee increase will become the default method.

The "by notice" method of site fee increase can be challenged at the NSW Civil and Administrative Tribunal, providing further protections and recourse for residents.

This bill is a first step in the long journey to improve residential land lease community laws.

It is disappointing the former Government sat on its hands for years while these communities and industry stakeholders were crying out for action.

This Government is taking action.

This bill implements 21 of the 48 recommendations the review made.

The legislative reform in this bill will address some of the most pressing issues in residential land lease communities.

The Government will continue to engage with stakeholders on the remaining proposals.

By bringing this bill to the House, we are making some important changes now.

But we recognise that more time is needed to consult on the remaining reform proposals so that we get those changes right.

The bill will benefit operators and residents in residential land lease communities as it will:

- make site fee increases using the "fixed" method easier to understand and predict for home owners,
- require site fee increases made using the "by notice" method to include more information about the reason for the increase,
- improve home owners' enjoyment of their home by, for example, allowing them to make certain minor changes to their homes without operator consent,
- introduce a new price cap for electricity charges in communities with embedded networks for electricity so residents and operators have more certainty about energy prices,
- bring greater transparency to communities by, for example, requiring operators to give information to residents about proposed developments in the community that may impact them,
- reform voluntary sharing arrangements so they continue to provide a flexible way to buy a home while minimising any potential exploitation of vulnerable home buyers, and
- ensure fair outcomes for home owners who face termination due to reasons outside of their control.

I now turn to the provisions of the bill.

Under the Act, operators may increase site fees using one of two methods – the "by notice" method or the "fixed" method.

When entering into a site agreement, the operator and home owner will agree to use one of these two methods to increase site fees.

One of the biggest issues that stakeholders raised during the statutory review was about site fee increases using the fixed method.

There were concerns about how some operators are using complex calculations with multiple components to increase site fees under this method.

For example, calculations have been seen to include any positive change in the Consumer Price Index, plus a fixed percentage amount, plus percentage increases in operator costs since the last fee increase, plus a fixed dollar amount.

This makes it difficult for home owners to understand how much their site fees will increase in the future, putting increased uncertainty and pressure on the household budget.

The Government has been clear that its top priority is helping people across New South Wales with cost-of-living pressures.

The bill makes an important change to ease the burden on residential land lease community home owners and improve transparency so that they know exactly what they must pay when their site fee increases.

The bill will limit operators to using a single element to calculate a site fee increase under the fixed method.

This change will improve clarity and certainty about such fee increases.

It will allow home owners to more accurately predict and plan for their site fee increases.

The single element could be, for example, a percentage of the aged pension, a fixed percentage amount or an increase in proportion to variations in the Consumer Price Index.

The bill will also require operators to review and update all existing agreements that use more than one element to calculate a fixed method site fee increase within 12 months of the commencement of these amendments.

This means that home owners who now face complex fixed method calculations for site fee increases will benefit from the bill's reforms.

Updating existing site agreements will need home owners and operators to agree on a new way to increase site fees.

If a variation agreement or new compliant agreement is not entered into within the 12 months, the bill provides that the "by notice" method of site fee increase will become the default method.

The "by notice" method of site fee increase can be challenged at the NSW Civil and Administrative Tribunal, providing further protections and recourse for residents.

I know what a difference this change is going to be for residents in certain communities.

My esteemed colleague in the other place, the member for Gosford, has been actively advocating for this change for constituents who I know have directly experienced the difficulties caused by complex calculations using the fixed method of site fee increase.

I also recognise the importance of the operators who run residential land lease communities.

The New South Wales Government wants operators to thrive as they are a fundamental part of flourishing communities.

The Government understands that operators will need time to implement the changes to the fixed method of site fee increases.

As such, the bill gives operators a 12-month transition period.

The bill also limits the number of times site fees can increase under the fixed method to once per year. This limit does not extend to increases tied to the age pension. Site fee increases tied to the age pension will be limited to twice per year.

This change aligns with the existing 12-month limit for "by notice" site fee increases.

It gives certainty to home owners about how often their site fees can increase.

Further, the bill will require that a site fee increase using the "by notice" method include more information about the reason for an increase.

Where a site fee increase is due to higher costs for specific items, the operator will need to provide information in the notice including the item details, how much these costs have gone up since the last fee increase and details of how the operator has apportioned the costs for these items when calculating the increased site fees.

The bill also implements recommendation 18 of the statutory review to stop the NSW Civil and Administrative Tribunal from considering the value of the land on which the community is located when deciding if a site fee increase is excessive.

The value of such land is not relevant to site fee increases and should not be a factor the tribunal can consider when deciding these matters.

Another critical reform in the bill addresses a key issue about electricity charging in communities with electricity embedded networks.

The sector has been appealing for a solution to this issue for many years.

Embedded networks are private energy networks for services such as electricity, hot and chilled water, and gas.

Many residential land lease communities use an embedded network for their electricity needs.

The community operator is usually responsible for the supply of electricity through the network.

Residents generally cannot choose to get their electricity from someone else.

Given this lack of consumer choice, it is critical that these consumers are protected from excessive prices and understand the pricing in a clear and transparent way.

Electricity charging in communities with embedded networks is complex, time consuming and uncertain for operators and home owners.

Currently, the Act limits the utility charges an operator may charge home owners.

In 2018 the NSW Court of Appeal, in the case of *Silva Portfolios Pty Ltd trading as Ballina Waterfront Village & Tourist Park versus Reckless*, held that an operator cannot charge a home owner more than the operator has been charged for electricity that the home owner consumes.

This has meant that operators cannot recover their administrative and maintenance costs for their embedded networks as they can only pass on electricity usage charges to residents.

It has also meant that the way electricity bills are worked out has become:

- complex;
- time consuming for operators to administer; and

- hard for home owners to plan for and understand.

To make matters worse, these issues have led some operators to outsource the operation of their electricity embedded network to third party electricity retailers.

Due to a current gap in the law, such third party providers can charge residents as much as they want for electricity and are not bound by the current Act's limits on utility charges.

The statutory review recommended that further work should be undertaken to look at introducing a new price cap for what operators or third parties can charge residents for the supply and use of electricity in communities with embedded networks.

The bill implements this price cap with the support of all key stakeholders consulted on the bill.

This approach will ensure that residents in communities with embedded networks are not paying excessive electricity charges when compared with residents in communities without an embedded network.

It will also have numerous other benefits. These include:

- reducing the complexity of billing for operators;
- allowing operators to recover the costs of maintaining their embedded networks; and
- giving residents much-needed clarity and certainty about how much they can expect to pay for their electricity.

The NSW Independent Pricing and Regulatory Tribunal will set the median market price.

The supporting regulation will require IPART to determine this price every 12 months and give notice of this to the Commissioner for Fair Trading. The commissioner will then have to publish the required information on a publicly available website, making it accessible for operators and third parties.

This reform may impact the existing low rates some residents pay. As such, the statutory review also recommended considering measures to address any pricing impacts on customers due to the new cap.

The bill sets out two such measures.

Firstly, at least once a year, the electricity supplier for the community must give written notice of the charges they pay for their electricity supply to residents.

Secondly, at least once every two years, the electricity supplier will need to review and compare their electricity supply contract with at least one other comparable offer from another electricity retailer.

If the contract period is more than two years, then the supplier will need to review the contract after its expiry, before a new one is entered into. The supplier will also need to give each resident written notice of their review.

I recognise that IPART has recently considered the regulation of embedded networks in New South Wales. It has made several recommendations about electricity charging in embedded networks in the report it published in April.

IPART's recommendations overlap with the electricity charging provisions in this bill to some degree.

Some may ask why the Government is introducing the electricity reforms now.

The electricity pricing reforms in this bill are a stopgap measure until broader industry regulation for electricity pricing is implemented.

It is necessary to proceed with these reforms now as stakeholders have been calling for change for several years thanks to the inaction by the former Government.

The reforms are needed to address the difficulties operators and residents face.

This situation has now become urgent. They cannot wait any longer.

It has been made clear to stakeholders that the measures in this bill related to the electricity pricing of embedded networks are temporary until the Government implements broader industry regulation for electricity pricing.

Stakeholders understand and support the Government's approach.

I acknowledge that my esteemed colleague, the Minister for Climate Change and Energy, will lead the Government's response to IPART's recommendations and their implementation.

I turn now to the new utility billing provisions in the bill. These provisions are in line with recommendations 24 and 25 of the statutory review.

Currently, the Act does not have any specific requirements about what information an operator must include on residents' utility bills, or how often such bills are to be issued.

Feedback to the review suggested that the lack of rules has led to inconsistent billing arrangements across communities. This has created uncertainty for residents, which again impacts their ability to properly budget.

For electricity and gas billing, the bill introduces provisions so the entity issuing the bill, such as an operator, must comply with the relevant national energy rules.

These rules are the National Energy Retail Rules for retailers or the Australian Energy Regulator's Exempt Selling Guidelines for exempt sellers.

For billing for all other utility types, the bill details the minimum information to be set out in bills and that bills must be issued to home owners and tenants at least once every three months.

These requirements are consistent with those that apply to electricity and gas billing.

These changes will give home owners and tenants more clarity and certainty about their utility bills.

A key benefit of living in residential land lease communities is the communal environment.

Residents can get to know each other and support each other. They can share the benefits of facilities that they may not otherwise have access to on their own—for example, pools, tennis courts or libraries.

However, due to the shared nature of communities, the Act needs to strike the right balance between individual home owners' rights and those of the community and operator.

The review of the Act identified opportunities to give home owners more freedom to enjoy their home without detriment to the community or operators.

An example of this is home owners being able to make certain minor alterations and additions to their home without the operator's consent.

Section 42 of the Act currently generally restricts a home owner from changing the exterior of the home except with the operator's written consent, or as allowed under their site agreement.

This bill will mean home owners can now add window locks, screens, shutters and door screens without the operator's consent. This streamlines the process for home owners and reduces operators' administrative burden of having to approve minor changes.

The bill also provides a regulation-making power to allow other minor alterations to be included in the regulation. Any such change will only be made if they strike a good balance between the rights of home owners, other residents and operators.

The Government will closely consult with key stakeholders on any such proposed changes.

The bill also strengthens residents' freedom to enjoy their home by clarifying that operators are only to enter a home in certain situations, such as with the resident's consent, or in an emergency if necessary to avert danger to life.

It will also clarify that operators can only ask home owners to fix significant dilapidation of a residential site where the home owner has caused it. This is in line with recommendation 33 of the statutory review.

It is important that residential land lease community laws properly protect home owners and enable them to make informed decisions.

At the same time, I acknowledge the key role that operators play in the growing residential land lease communities sector.

Flexibility and minimising unnecessary red tape are important to support the viability and growth of these communities in New South Wales. There are a number of reforms in the bill that balance these different considerations and aim to improve overall outcomes for home owners and operators.

Increased transparency between home owners and operators encourages cooperative relationships and reduces the number of disputes.

In line with the statutory review recommendations, the bill introduces small changes to operators' obligations relating to information sharing.

These added obligations are proportionate and aim to limit impacts on operators as much as possible.

For example, the statutory review found that communities will benefit from more transparency from operators about development proposals and applications that operators are pursuing.

As such, the bill will require an operator who is seeking to lodge a development application or planning proposal that may affect the residential land lease community to give written notice to all potentially affected residents.

Operators must give written notice to potentially affected residents at least 30 days before lodging their proposal. The notice is required to also have a brief summary of the proposal.

Residents deserve to know of any changes proposed to the community that may impact them, not only because this might affect existing features and amenities of the community, but also because there may be impacts on day-to-day living—for example, construction in a community.

However, to limit operators' administrative burden, the provision only makes operators give notice of proposals they actually intend to lodge.

The bill also makes changes to the voluntary sharing arrangement provisions of the Act.

Currently, the Act allows voluntary sharing arrangements where a prospective home owner can agree to pay the operator:

- an entry fee;
- an exit fee;
- deferred site fees; or
- a portion of the capital gain or sale amount when the home is sold.

These arrangements give flexibility to operators and prospective home owners to negotiate agreements to buy a home that can be tailored to the prospective home owner's individual financial situation.

However, the statutory review found that operators' ability to charge entry and exit fees could be excessive and act as barriers to the uptake of voluntary sharing arrangements.

The bill removes the ability of operators to charge entry and exit fees under these arrangements.

The bill also introduces a measure to improve transparency for prospective home owners entering voluntary sharing arrangements.

It will require operators to give prospective home buyers written information about the costs of a voluntary sharing arrangement and the costs of a "rent-only" agreement.

"Rent-only" site agreements only require home owners to pay site fees to the operator for the site. In contrast, voluntary sharing arrangements allow home owners to pay operators in other ways. For example, under such an arrangement, a home owner could pay a smaller site fee and part of any capital gain they get when they sell their home.

This will mean that prospective home buyers can better understand the options they have and their financial implications to make fully informed decisions.

There is another aspect of the bill that I want to draw everyone's attention to as it is a key protection for communities in light of our State's recent experiences with extreme flooding and fire.

As we are all aware, these events have been devastating for the people of New South Wales in affected communities.

The bill strengthens the emergency procedure requirements to ensure communities can properly respond to extreme weather events and other emergencies.

Section 37 of the Act currently requires operators to have emergency evacuation procedures in place and to take reasonable steps to ensure all residents are aware of the procedures.

The bill will require operators to test these procedures at least once a year and keep records of these tests.

I understand that many community operators already test their emergency procedures. Introducing this requirement only formalises the obligation for many operators.

This will ensure that all communities have emergency procedures that are up to date and ready to deploy when needed. The amendments will also ensure residents are aware of the procedures.

As I have said consistently, the Government is committed to properly balancing the rights and responsibilities of home owners and operators.

The Act clearly sets out when an operator can end a site agreement.

The restrictions on when an operator can do so are important because an operator ending a site agreement has considerable consequences for a home owner.

If an operator ends an agreement, the home owner will need to move, which is highly disruptive. But operators must be able to end agreements where needed so they can operate their communities effectively.

The statutory review generally found that the termination provisions in the Act are working well. But the review sets out some changes to ensure fairness to home owners.

Section 127 of the Act allows an operator to terminate a site agreement because the site is not allowed to be used as a residential site under relevant laws such as planning law.

But the operator has to pay the home owner compensation if the home owner did not know this at the time they entered the site agreement with the operator.

The review found there are situations where an operator has taken action that resulted in a residential site not being allowed to be used. But because this happened after the agreement was entered, operators do not have to pay compensation to home owners.

The bill fixes this loophole to ensure operators are held responsible for their actions and have to compensate affected home owners, irrespective of when the site agreement was entered into.

The bill also amends section 127 of the Act to extend the period to vacate a residential site from 90 days to 120 days after home owners receive a termination notice.

This applies where the termination notice is due to the residential site not being lawfully useable for the purposes of residence. This supports home owners to find a different place to live by giving them more time to do so.

Lastly, the bill removes section 128 of the Act. Section 128 allows an operator to end a site agreement if the residential site has not been used for at least three years as the place of residence of the home owner or another person permitted to live there.

This change is in line with review recommendation 48 and means home owners will not be pushed out of a community where they have met their obligations.

The Residential (Land Lease) Communities Amendment Bill 2024 before the House implements some of the key recommendations of the statutory review of the Act.

I thank all of the key industry and community stakeholders and members of the public who have made valuable contributions to these reforms. In particular, I want to thank the:

- Caravan and Camping Industry Association;
- Affiliated Residential Parks Residents Association;
- Tenants' Union of NSW;
- Public Interest Advocacy Centre;
- Independent Park Residents Action Group; and
- Energy and Water Ombudsman NSW.

This bill is the first step in delivering changes to improve residential land lease community laws for the benefit of all involved parties: operators, home owners and other residents.

It will support the continued growth of residential land lease communities in New South Wales by ensuring the regulatory framework is modern and has the flexibility and balance needed to operate effectively.

The Government looks forward to continuing to work with stakeholders to progress the remaining statutory review recommendations.

I commend the bill to the House.

### Second Reading Debate

**The Hon. SCOTT FARLOW (21:37):** I lead for the Opposition in debate on the Residential (Land Lease) Communities Amendment Bill 2024 on behalf of the shadow Minister for Fair Trading, Work Health and Safety and Building, Tim James. I indicate the Coalition's support of the bill. The Liberals and The Nationals acknowledge Labor's support of aspects of the Coalition's reform work that was aimed at maintaining the regulatory standards for land lease communities and operators. The reforms are aimed at enhancing the rights and protections of home owners in residential land lease communities. The bill originates from the statutory review of the Residential (Land Lease) Communities Act 2013, which was initiated in 2020 under the leadership of then Minister Kevin Anderson, the member for Tamworth.

I will put a few clear facts on record. The review aimed to ensure that the Act's objectives continued to meet contemporary standards. A 47-page discussion paper was released and the review generated 350 submissions and 100 survey responses over two rounds of public consultation. The final 54-page report of the statutory review was published in November 2021 and contained 48 recommendations. The review confirmed that the legislation was functioning effectively, with over half of the residents reporting a positive living experience in those communities. However, 48 recommendations were made to further enhance the legislation's impact on those communities.

Much was said by the Minister for Better Regulation and Fair Trading and members opposite about the previous Government's urgency or, they might submit, lack thereof in implementing the findings of the statutory review. I say once again that there were 48 recommendations, hundreds of submissions and a lot of work to get through. The Government has now taken well over a year when the work had already been done. It has opted for the easy approach and left out 27 of the 48 recommendations. When the Minister speaks of taking action, I assume that he means delayed, lazy Labor policymaking.

It should be noted that at no stage over the course of 12 years did those opposite seek to amend or update the legislation. I urge the Government to proceed with the remaining recommendations because they reflect the wishes of the land lease communities. With more than 500 communities across Australia and over 40,000 individuals occupying homes, residential land lease communities play a crucial role in housing diversity in New South Wales. As cost-of-living pressures mount on working families, the housing crisis shows no signs of getting better and with an 11 per cent drop in building approvals under Labor, an increasing number of individuals are seeking accommodation in land lease communities.

Some 95 per cent of those communities are located in regional and rural New South Wales, and the bill significantly impacts areas such as the Central Coast and the Shoalhaven. The bill proposes to make a variety of amendments that include 21 of the 48 recommendations made by the review. It proposes to make changes to voluntary sharing arrangements in site agreements whereby home owners will no longer have to pay entry and exit fees to the operator. Operators must first offer a rent-only site agreement to new residents before offering an agreement that includes a voluntary sharing arrangement. Operators must also provide information to new residents about the cost of both the rent-only option and the voluntary sharing arrangement. The bill mandates that community operators must test emergency evacuation procedures at least once per year and maintain a record of those tests, ensuring enhanced safety and preparedness for all residents.

Entry to a home on a residential site is now restricted to three specific conditions: with the home owner's consent, in life-threatening emergencies or under an order from the tribunal. The Coalition agrees that the provisions enhance the privacy and security protections for residents. Home owners now have more freedom to make minor modifications to their homes without needing the operator's consent. However, it is the Coalition's view that the alterations must not invade the privacy of neighbouring homes. Issues have been raised by various stakeholders regarding the site fee increase being reduced to a single factor. The Caravan and Camping Industry Association NSW has highlighted the importance of a two-factor site fee increase to allow operators to be fairly compensated for community upgrades. In addition to the site fee increases, it was recommended by the statutory review that operators have a transition period of three years from the commencement of the proposed amendments to identify and modify all existing site agreements that employ multiple elements in calculating fee increases.

Further, some of the amendments in the bill focus on ensuring fair electricity charges for home owners and tenants in residential communities with embedded networks. The bill establishes guidelines to prevent excessive



charges, requiring operators to provide written notice of electricity fees and periodically review contracts. Additionally, it sets limits on late payment fees and mandates compliance with billing regulations. Provisions for a review within three years have been included for those measures to ensure that they remain effective and relevant. Understandably, there is a concern that land banking is happening with respect to those precious sites. I encourage the Minister to tackle and address that concern in the second tranche of reforms to come.

The Coalition broadly supports the amendments to the Residential (Land Lease) Communities Act 2013 that emphasise increased safety and privacy for home owners. I thank the various stakeholders for their engagement with the Coalition and their advice during the consultation process, including the Affiliated Residential Park Residents Association, in particular Gary Martin; the Caravan and Camping Industry Association NSW, in particular Bob Browne; and the Tenants' Union of NSW. I commend the bill to the House.

**Ms CATE FAEHRMANN (21:42):** On behalf of The Greens, I speak in support of the Residential (Land Lease) Communities Amendment Bill 2024. The bill amends the Residential (Land Lease) Communities Act to implement a number of reforms recommended by a statutory review of the Act completed in 2021. Land lease communities offer an important alternative housing model, particularly in the current housing crisis in this State. They generally offer a more affordable method of owning a home, where a person purchases the home but rents the land where the home sits from a community operator. There are about 500 land lease communities in New South Wales, with 95 per cent of those located in rural and regional New South Wales. The Central Coast, Shoalhaven, Port Macquarie and Ballina local government areas host many of the State's land lease communities. About 40,000 people in New South Wales live in a land lease community. Those residents have been calling out for reform for quite some time now.

The Act was introduced in 2013 and commenced in November 2015. Section 187 of the Act requires that it be reviewed as soon as possible after the first five years of its commencement to ensure the policy objectives of the Act remain valid and the terms are appropriate. The review was open for public consultation and received 386 submissions. Of those, 365 submissions were home owners or advocates, and nine were from operators or operator advocates. A report of that review was released in March 2021.

The majority of responses indicated that the objects of the Act remained relevant. However, it was clear from that review that there are gaps in the implementation of those objects. It has also become clear that the objectives of the Act have been achieved at differing levels. For example, facilitating growth of the sector has been successful. There has been a growth in the number of residents, sites and communities since the Act was introduced. However, there remain issues with the implementation of objectives, such as the improvement of governance of communities and the protection of home owners from bullying, intimidation and unfair business practices.

The Tenant's Union, in its submission to the review, noted that operator conduct is one of the most common complaints raised with them and the most difficult to resolve. In its view, provisions within the Act that were introduced to facilitate the objective of improving governance, including rules of conduct and mandatory education briefing for new operators, have failed. They similarly expressed concerns that the Act has failed to deliver on the objective of enabling home owners to make informed choices. The Combined Pensioners and Superannuants Association has also expressed the view that the Act in its current form favours operators over home owners.

Many residents living in land lease communities made submissions to the review. A key area of concern raised by residents was about site fees. Many commented on their experiences of unexplained and unjustified rises in site fees over and above the consumer price index. Given that these communities often house seniors and other vulnerable members of the community, it is not surprising that the affordability of living in the community was a key concern. Specific concerns of residents included that there is no capping mechanism on site fee increases; that fees do not always reflect the standard of facility maintenance and that there are vast differences between villages over the standard of resources and maintenance; that fees should reflect the location of villages; and that there was a lack of transparency in operator's costs.

The review heard that these communities are no longer an affordable option for those on fixed, limited incomes such as the aged pension. For example, many residents living in Sanctuary Lennox, especially women, are of the generation where superannuation has not been available. Each time the rent increases, life becomes more difficult. The current site fees make up about 34 per cent of their income. That percentage of income paid as site fees has increased from 20 per cent to 34 per cent in four years. The ability to maintain their homes and gardens is reduced, as these jobs are often performed by paid contractors at the home owners' expense. Accordingly, they are being priced out of the market, with nowhere else to go.

The communities have also spoken about a widening chasm between home owners and operators. Home owners are often elderly and on limited incomes, with no or little access to advocates and legal advice. Often,

their only asset is their home, which they cannot pack up and take with them when community living becomes too expensive or difficult. Accordingly, they are vulnerable and will agree to changes rather than enter into conflict with the operator. It is for these reasons that this review was so important and that residents and their advocates are relieved that some of these reforms are finally going ahead.

The review made 48 recommendations that relate to entering into a community, living within a community and the termination of living agreements. The bill covers 21 of those 48 recommendations, including important issues such as a simplification of the fixed method of site fee increases to limit the number of variables that can be used in the calculation to a single variable; limiting the number of site fee increases for those using the fixed method to once per year, or twice per year where linked to aged pension increases; a requirement for further information to be provided to home owners who are subject to site fee increases by notice, including the specific cost increases that have led to the fee increase, how much those costs have increased and how they are being apportioned; and the clarification of confusion around the method of calculation used by operators who provide electricity through an embedded network, noting that, through litigation, it was uncovered that some operators were overcharging home owners for electricity usage and, in some cases, making huge profits from onselling electricity.

The bill also provides for home owners to make minor alterations, such as to window locks, screens and shutters, without requiring operator consent. The present situation means that if an operator refuses to provide such consent, the owner has to resort to the tribunal to seek approval for those types of minor alterations, which is an unacceptable situation. Other recommendations covered by the bill include the requirement to regularly test emergency procedures in communities and to ensure that an operator may enter a site only, as opposed to entering a home, unless in an emergency where entry to the home is needed to avert danger to life.

I acknowledge that the Government has carried out extensive consultation with a number of stakeholders on the amendments in the bill. I have spoken with some of those stakeholders, including the Tenants' Union and the Public Interest Advocacy Centre, which are both supportive of the bill. Of particular concern to stakeholders is the provision of electricity to residents—in particular, the use of embedded networks. An embedded network is a private electricity network. The entity providing the electricity buys it in bulk from an energy provider, such as EnergyAustralia or Alinta Energy, and then onells electricity to residents. The operators of embedded networks are known as "exempt onsellors". They are not an authorised retailer and are not subject to the same requirements as authorised retailers in providing energy. That has led to a situation in New South Wales where consumers in embedded networks do not have the same level of protection and service as those not living in an embedded network.

Safety and supply issues are common experiences for residents on embedded networks. In some communities, the infrastructure is ageing and full of rust. Residents cannot shop around for a better deal on electricity. Some residents receive low amperage and can only use a limited amount of electricity at one time. The bill introduces a price cap for electricity charges in communities with embedded networks, which is no more than the daily supply charge or consumption rate of the median market offer made by the community's network service provider. It also requires operators who operate embedded networks to provide better disclosure of charges payable. Price caps and better disclosure are good things; however, I note that The Greens' support for the bill is support for it as a first step.

The Government has told us that there will be a second tranche of reforms, and it is important that the remaining 27 recommendations are not forgotten. Those include the requirement to prepare a mandatory sale information sheet to provide better disclosure to prospective owners about the process, pricing and fees; to enable the transfer of site fees rather than the fair-market-value test, which often causes an unjust increase in site fees; to undertake further work to consider barriers associated with enabling the installation of sustainability infrastructure such as solar panels; and to clarify that operators are responsible to ensure a site is safe, in a reasonable condition and fit for habitation, and that operators are responsible for maintaining infrastructure that forms part of the structure of the site and cannot be removed. For those reasons, The Greens support the bill. I look forward to the urgent implementation of the remaining recommendations in the second tranche of reforms.

**The Hon. BOB NANVA (21:52):** I speak in support of the Residential (Land Lease) Communities Amendment Bill 2024. Residential land lease communities are crucial in offering diverse housing options to the people of New South Wales. They cultivate a sense of community, nurture close bonds among residents and encourage cooperative living. While those communities serve a significant purpose, residents should also have the freedom to enjoy their homes within those communities. To support the balance, the Residential (Land Lease) Communities Act 2013 regulates the relationship between operators and people who live in residential land lease communities. A statutory review of the Act was completed in 2021, with the review report tabled in Parliament in November 2021.

The review found that the Act generally remains valid and fit for purpose, but it also made 48 recommendations to improve the Act's effectiveness. The former Government failed to introduce any legislation to implement the recommendations of the review despite residents and stakeholders calling for change for some years. The Government has listened, however, and acted. The bill implements 24 of the 48 recommendations of the statutory review. It is the first stage of the Government's plan to improve residential and lease community laws in New South Wales. One element of these reforms aims to give greater autonomy to residents who desire to customise their living spaces, without hindering operators' capacity to effectively oversee their communities. That is why I welcome this bill.

**Debate adjourned.**

*Special Adjournment*

### **SPECIAL ADJOURNMENT**

**The Hon. JOHN GRAHAM:** I move:

That this House at its rising today do adjourn until Friday 21 June 2024 at 12.01 a.m.

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

**The House divided.**

Ayes .....16  
Noes .....8  
Majority.....8

#### **AYES**

Buttigieg  
Carter  
D'Adam  
Donnelly  
Farlow  
Graham

Houssos  
Kaine  
Merton  
Moriarty  
Murphy

Nanva (teller)  
Primrose  
Rath (teller)  
Suvaal  
Tudehope

#### **NOES**

Boyd  
Cohn  
Faehrmann (teller)

Higginson (teller)  
Hurst  
Martin

Roberts  
Ruddick

**Motion agreed to.**

*Business of the House*

### **SUSPENSION OF STANDING AND SESSIONAL ORDERS: HARD ADJOURNMENT**

**The Hon. JOHN GRAHAM:** I seek leave to suspend standing and sessional orders in order to continue sitting so that we may progress the business of the House.

**Leave not granted.**

**The PRESIDENT:** According to standing order, it being 10.00 p.m. proceedings are interrupted.

*Adjournment Debate*

### **ADJOURNMENT**

**According to standing order, members made the following statements.**

#### **NUCLEAR ENERGY**

**The Hon. TAYLOR MARTIN (22:03):** I address one of the main criticisms of the Federal Coalition's plan to build seven zero-emission nuclear power stations, which was announced yesterday. For some of the older anti-nuclear activists of the 1980s who are still around, I can appreciate that 2037, or 13 years into the future, may well seem like a long way away. The truth is that 2037 is much closer than we think, and good, visionary infrastructure projects take a lot of time and effort to build. We cannot let complexity be a vice in this instance. We do not have to look far for infrastructure projects that have taken some time to get off the ground. Yet we are glad that somebody had the vision to proceed with those projects that took quite a long time to build. Look at the

Sydney Harbour Bridge, a project that was first proposed in the 1800s and was delayed further when this House voted against it in 1916. Construction finally started in 1923, and it took eight years to build. Of course, there were naysayers at the time. No steel arch bridge that tall or that long had ever before been built, nor had any bridge that wide. Now we cannot imagine Sydney without it.

Just look down Martin Place at the new Sydney Metro. The idea of a new north-south railway line through the Sydney CBD linking north-west and south-west Sydney was first proposed by Bob Carr in 2005. It took the election of a Coalition Government—coincidentally also 13 years ago—to come up with a viable plan to build the line. When it opens in the next couple of months it will transform our city, and soon we will not be able to imagine Sydney without it. Look at the Western Sydney airport currently being built, a project that was on the drawing board for a long time, with the land originally purchased in the 1980s. Once again, it took a visionary Coalition Government in 2014 to come up with a plan to build the airport. The airport will open up new areas of our city to employment, housing and industry, and it will not take long for us to wonder how our city was without it.

The best time to bring nuclear energy into the mix would have been in the 2000s when it became clear that it was going to be environmentally and economically challenging to replace our ageing coal-fired power fleet with any new form of power generation. Over the next decade I think we will regret that we did not make a decision to do it closer to the turn of the millennium, but it is better to start now than never. In my time as a member of this Chamber I have met so many young, smart and enthusiastic people working in the nuclear science and technology space who I know are keen to get into that industry here at home, rather than continue the nuclear industry brain drain abroad. There is a bipartisan commitment that Australia's next generation of submarines will be nuclear powered. Within the next two decades, Australia is going to have a nuclear workforce in this country—only the size of that workforce now remains a debate. If we are investing in a military nuclear workforce, it makes sense that we also invest in a civilian nuclear workforce.

Members know that I had an order for papers yesterday regarding a new high school at Medowie in the electorate of Port Stephens. It was on the agenda, and I agreed to defer that call for papers after securing some commitments from the Government regarding that project. The Government has committed to that school being ready for students in term 1 of 2027. If all goes to plan, the first students at that school will be able to graduate year 12 in 2032. They will perhaps spend four or five years doing an engineering degree, maybe at UNSW, which specialises in nuclear engineering and physics, and they may well join our future nuclear workforce in the Hunter in 2037.

It is easy when you are a member of this place to find a reason to say no to anything and everything. That is especially true when it comes to something as complex and divisive as nuclear energy, with all of the anti-nuclear baggage that has come with decades of debate. But maybe those who are against it can take a step back, re-examine the technology that is available overseas and would be available here if these proposals were to move forward, and dream a bit bigger for the generations that will come after us.

## INTERNATIONAL LAW

**The Hon. CAMERON MURPHY (22:08):** When we hear leaders in Australia and around the Western world talk about the rules-based international order, what they are referring to is international law and its institutions—things such as the law of the sea, international human rights laws, the International Covenant on Civil and Political Rights, treaties, conventions and trade agreements, along with the institutions that legislate, enforce and uphold international law, such as the United Nations, the World Trade Organization, the International Court of Justice [ICJ] and the International Criminal Court [ICC]. They are the rules and the tribunals that interpret, enforce and provide the order. It is a good thing that we have rules that protect the relationship between nations and, more importantly, sometimes protect people from their own nations.

However, I am concerned that that concept is being undermined and eroded by the very nations who shout about it the loudest. The United States [US] and its allies are always ready to raise international law when it comes to the so-called freedom of navigation missions into the South China Sea or in relation to the illegal Russian invasion of Ukraine. But we see those same nations undermining international law of the ICC and the ICJ when it suits them. Let us look at some examples. The attempt to extradite Julian Assange to the United States is the first one. The US has spent over a decade trying to prosecute an Australian journalist under draconian US laws for exposing American war crimes despite his actions having taken place outside the United States.

In response to the publishing of war crimes, former US Secretary of State Hillary Clinton said Assange should "answer for what he has done", while Chuck Schumer, who is now the US Senate Majority Leader, tweeted that he hoped Assange would "soon be held to account for his meddling in our elections". Assange has spent more than a decade incarcerated while the United States has been attempting to extend its territorial jurisdiction beyond its borders and hold journalists potentially anywhere in the world subject to its national security laws. It is a circumstance in which one of our so-called friends, the US, has continued to persecute one of our citizens—despite

the calls by our Prime Minister for it to end and despite calls to US President Joe Biden for it to end. Contrast that with criticism of China. Australian journalist Cheng Lei was released after three years of incarceration by China. We are still waiting to get Julian Assange back from our so-called friends the United Kingdom and the US after more than a decade.

A second example is states, including the US and Israel, undermining the important work of the ICC when it comes to prosecution of individuals in Israel for genocide. In response to the recent actions of the ICC in seeking warrants against Israeli Prime Minister Benjamin Netanyahu and defence Minister Yoav Gallant for their roles in potential crimes against humanity, US President Biden immediately sought to undermine and threaten the ICC's integrity. In a statement Biden said:

The ICC prosecutor's application for arrest warrants against Israeli leaders is outrageous.

US Secretary of State Blinken went even further, stating:

... the United States has been clear since well before the current conflict that the ICC has no jurisdiction over this matter.

In an extraordinary step, Blinken in the following days signalled that he would be willing to work with conservative American lawmakers to place sanctions on ICC officials and court staff. It is incredible that the nation that paints itself as the great upholder of the rules-based international order is willing to threaten the officials who uphold that very order alluded to simply for doing their job by attempting to hold to account those who enable war crimes.

The US and its allies are the first to support the ICJ and ICC when it rightly prosecutes individuals for breaches of international law in Africa or for the illegal actions of Russia against Ukraine, but they will immediately seek to distance themselves, undermine or even threaten those same institutions when they uphold the same duties against the United States' allies. It calls into serious question the commitment of the West to international law and the legitimacy of the US's espoused international order. It is difficult to treat statements that the international rules-based order is paramount seriously when those states that call for it the loudest fail to support it universally. [*Time expired.*]

#### THE HON. BRONNIE TAYLOR

**The Hon. SAM FARRAWAY (22:13):** This was meant to be my colleague the Hon. Bronnie Taylor's adjournment speech slot, but after her big news today I said I would take it on the proviso that I could talk about whatever I like—which we do during the adjournment debate—and I would like to talk about Bronnie tonight. The Hon. Bronnie Taylor has been such a fantastic mentor, colleague, politician and good friend to so many in this Chamber and in The Nationals' party room. It is an absolute honour to be able to call Bronnie one of my good friends.

I will focus on the achievements of the Hon. Bronnie Taylor in her time as one of the most senior Ministers in the former Coalition Government. One of the things that I and many across regional New South Wales will remember Bronnie for is the establishment of the Regional Health portfolio. It was the first time in this State's history, to my knowledge, that we had a dedicated regional health Minister. Funding of \$883 million over four years implemented the Rural Health Workforce Incentive Scheme. The primary aim of that scheme, and the way Bronnie set it up and structured it, was to attract and retain staff in rural and regional New South Wales by improving the way clinicians are incentivised in the bush and regional areas.

Funding of \$150 million boosted the Isolated Patients Travel and Accommodation Assistance Scheme, also known as IPTAAS. Anyone in the bush or members who have constituents in rural and remote New South Wales will know that IPTAAS is an important scheme for families. It gives a greater incentive for staff to provide access to care for those who live remotely. Alongside some of my other colleagues like the Hon. Sarah Mitchell, Bronnie was instrumental in implementing the school nurse program, which ensured that no student or family slipped through the cracks. Today more than a hundred nurses are in schools across New South Wales. Bronnie also oversaw the historic blueprint to empower women, allocating a substantial \$4.6 billion to boost their workforce participation.

Today, Bronnie mentioned that she received an email from recipients of those grants, thanking her and the former Government for implementing a policy that is making a difference. I am sure all members—including Bronnie and those across the political divide—would agree that that is why we do this job. It is to make a difference in the daily lives of the people we represent, and to make society a better place. Bronnie will have a lot to say in her valedictory speech, but I take the opportunity to highlight some of her significant achievements. One that was very close to Bronnie's heart was the establishment of the State's first ever suicide prevention strategy. There was also the big one: the establishment of Tresillian centres across regional New South Wales, ensuring every parent had access, regardless of their location. Those are the highlights. I could go on and on.

Bronnie never looks for accolades. She does not know that I am making this speech; she may have already left for the night. But I make it because when we have a true champion in this House, in this Parliament, in the party room or as a colleague, we should give them a shout-out, irrespective of politics and even across the political divide at times. Bronnie deserves a shout-out. She has been instrumental in empowering women in the National Party to step up and participate in policy debate and politics, to become politicians and to serve the public. Another big thing she has done is empower men to support more female participation in the National Party. She has been instrumental in bringing our party together in the party room, including many men, and empowering more female participation and cohesion. The way to have sustained and far more effective female participation in politics is to empower the men to get behind the women. Bronnie can be forever proud of doing that in the NSW Nationals.

### RAIL, TRAM AND BUS UNION CAMPAIGNS

**The Hon. MARK BUTTIGIEG (22:18):** I update the House on recent campaigns run by the Rail, Tram and Bus Union [RTBU] branch in New South Wales. Following a decade of advocacy from the RTBU, Sydney Trains workers are now allowed to wear shorts to work again. With incredibly high temperatures during the summer and many staff members working outside, the shorts ban considerably impacted workers' comfort.

Then transport Minister Gladys Berejiklian instated a blanket ban on shorts over 10 years ago when RailCorp was disbanded and when Sydney Trains was established along with NSW Trains. Since then the RTBU has been fighting to overturn the shorts ban. The recent win followed a decision in the Fair Work Commission triggered by the RTBU and the Australian Manufacturing Workers Union [AMWU]. The RTBU and the AMWU argued that the blanket ban on shorts was unfair, because in many circumstances wearing shorts posed no safety risk to workers. In my view it is safer for workers to wear shorts due to the extreme heat conditions we experience in New South Wales. The *Sydney Trains and NSW TrainLink Enterprise Agreement 2022* also included an amendment to allow workers to wear shorts as long as it did not impact safety.

In 2023 there were five meetings scheduled specifically to discuss the terms of the circumstances in which workers could wear shorts. I note that where it poses a safety issue, train workers will still need to wear long pants. I congratulate the RTBU and the AMWU for this win for Sydney Trains workers. I particularly thank the workers and union representatives who made statements to the Fair Work Commission, which aided in the positive result for the AMWU. Members of the AMWU included Mr David White; Mr Keith Lane, whom I note is the State President of the AMWU NSW branch; and Mr Luke Warwick-Smith. Members of the RTBU included Ms Bronwyn Kelly, Mr Kerry Williams, Mr Michael Sullivan, Mr Ricky Keehn and Mr Steve Hatcliffe. I recognise also the RTBU's director of organising, Toby Warnes, who contributed significantly to the campaign. RTBU NSW Secretary Alex Claassens said to *The Daily Telegraph*:

This is an important win for workers who just wanted the right to wear an appropriate uniform.

The RTBU has also undergone industrial action this month over unsuccessful wage negotiations with private light rail operator Transdev. The breakdown has come after over 1½ years of negotiations. The action included trams running slower than usual, no overtime work and no uniforms. The RTBU is advocating for more sick leave for workers and a higher pay rise. I acknowledge the advocacy of RTBU NSW tram and bus division secretary David Babineau. I note also that light rail workers in New South Wales have not undergone industrial action for years. I echo the words of transport Minister Jo Haylen, who said that the Government wants good faith and efficient negotiations to take place.

Finally, I congratulate Alex Claassens on becoming the RTBU's national secretary. I thank outgoing national secretary Mark Diamond for his contribution over almost four years in the role, including during the pandemic. I congratulate incoming RTBU State secretary Toby Warnes. The union has won important campaigns on behalf of its members over many years. The Labor Government takes the approach that it will sit down and talk with unions to work through the issues. I encourage Transdev to do that with the union. It is a very reasonable and responsible union that wants outcomes for members and employers so that people can get on with their lives and their jobs and work in a safe, healthy, well-paid environment.

### THE RULE OF LAW

**The Hon. SUSAN CARTER (22:23):** In *Henry V*, Shakespeare has Dick the Butcher famously state that when seeking to improve the country, the first thing we do is kill all the lawyers. It is interesting to reflect on what our society might be like if we had followed that counsel. No lawyers may sound superficially attractive, but it also means no rule of law and, in turn, no equality of all under the law. It means no open legal system with a requirement that the laws be known and knowable by all. We want disputes to be decided by legal processes, not the gun, the sword or the status of the person bringing the complaint.

If it is hard to imagine that a society ordered by the rule of law could exist without a legal system and without lawyers to craft and support it, it is terrifying to imagine a society predicated on mass murder, even if it

is of the legal class. Happily, we have been wise enough to eschew the advice of Dick the Butcher and have established our society firmly based on the rule of law and the common law. It is often observed that the Romans were great engineers. Everywhere they went, they built bridges and roads and aqueducts. The British spent centuries exploring systems of government and legal organisation. They developed the common law, predicated as it is on the rule of law, and brought that with them everywhere they went, including to the infant colony of New South Wales.

These foundation concepts are what the jurist Blackstone described as part of the "birthright" of every British citizen, and they are concepts by which we still order our society today. This firm commitment to the rule of law is why, in February 1788, not even a month after the arrival of the First Fleet in Sydney Harbour, the very first criminal court was convened here to determine if and what punishment should be meted out to certain convicts. The process was imperfect, and we would not recognise this as a criminal court today, but importantly, from the very origins of colonial life there was an attempt to act according to the rule of law rather than rely on martial law, brute force or some other source of power.

This year we are celebrating the bicentenary of the proclamation of the Charter of Justice in New South Wales. It provided for the creation of the Supreme Court of New South Wales and the admission of barristers and solicitors to serve the people of the colony, and to serve that court. This was a major step in consolidating the rule of law as a guiding principle and in significantly improving the process of justice and access to justice. Interestingly, we still wrestle with those issues today. Although our legal system is not perfect and does benefit from regular revision and review, we should not overlook the strength that a foundation on the rule of law gives to our society.

At its simplest, the rule of law means that we are ruled by the law rather than by other sources of power. We have the enormous benefit of living in a representative democracy, where people exercise authority not simply because they are rich or strong or highborn or well educated, and we are all equally bound by the same laws. There is no partiality towards a particular caste, religion or social or cultural group. The cry of "Don't you know who I am?" falls on deaf ears because who you are is subject to the same lawful authority as everyone else in society.

The rule of law is a power-limiting mechanism, which can trace its origins perhaps to the example of King Canute but certainly to the Magna Carta. This Great Charter contained an innovative enforcement mechanism that allowed the barons to confiscate the property of the king should he act outside its requirements. Again, it was not a perfect legal system, and one that we would query today, but a base on which the idea of restraint of power was able to develop—an idea further tested and refined in the Civil War of the seventeenth century.

We have not arrived at our legal system by accident but through years of contest and experimentation, and we are fortunate heirs to this legal tradition. Sometimes we think that tradition is a shackle. We worry about being bound by what was handed down to us and looking to the past. The error is to think that progress and tradition are enemies. The founders of this nation were progressive, building on what came before. We cannot have progress without tradition, and we should be grateful for the tradition we inherited.

**The DEPUTY PRESIDENT (The Hon. Emma Hurst):** The House now stands adjourned.

**The House adjourned at 22:28 until Friday 21 June 2024 at 00:01.**