

31 OCTOBER AND 1 NOVEMBER 2013

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NATIONAL DISABILITY INSURANCE SCHEME (NSW ENABLING) BILL 2013

Page: 25260

Mr ANDREW CONSTANCE (Bega—Minister for Finance and Services) [4.07 p.m.]: I move:

That this bill be now read a second time.

There are very few pieces of legislation that come before this House that are as serious and as important as this. The National Disability Insurance Scheme (NSW Enabling) Bill 2013 allows transition to occur to ensure that people with disabilities in New South Wales can participate fully in the National Disability Insurance Scheme. At its heart are the individuals, their carers and families who, for many years under successive governments have endured a system of support which was hopelessly inadequate, underfunded, fragmented and—as was established by the Productivity Commission—in need of transformation. There is much to be said in relation to the bill but first I thank the Minister for Family and Community Services for allowing me to lead on the legislation, in light of the fact that I had served as the Minister for Disability Services for 2½ years. I thank the members of the Labor Party who, in a bipartisan way, have worked with the Liberal-Nationals for many years in this State to ensure that people with disabilities were put above and beyond partisan politics.

At the heart of this legislation are people with disabilities. At its heart is the ability for people with disabilities to have choice and control over the services and support they need to ensure their life's aspirations are met. At its heart is the ability for people to live to the potential they and their families want instead of facing barriers that deny them opportunities. Unfortunately, we live in a country where the human rights of people with disabilities, their carers and families have been abused for too long. All too often people with disabilities have had dictated to them what services they can have, when and by whom. And quite often that determines where and how they live and the nature of the life they lead.

Through this reform the Commonwealth working with the States must ensure that those barriers are broken so that people have control over their everyday lives to ensure their life aspirations are met. I can talk chapter and verse about the problems and challenges of the current system. The important aspect here is the need to move a fragmented State-based system to one that is truly national, properly funded and from which restrictions and barriers are removed to enable people to live their lives to their potential. Men and women in the Department of Ageing, Disability and Home Care have worked tirelessly and thanklessly to provide care and support to individuals with disabilities, their carers and families. Those men and women do an absolutely incredible job. In my travels as Minister I learned that they will support this reform for a number of reasons. They know that ultimately the National Disability Insurance Scheme will provide protection and safeguard the fundamental human rights of the people they are charged with looking after.

We cannot thank enough Department of Ageing, Disability and Home Care employees who

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work around the clock in large residential centres and group homes, those who did the design work around this reform and department leadership for making this State the place it should be for people with disability. A number of officials worked tirelessly on this reform, and continue to do so. Under the leadership of Jim Longley, people such as Sam Taylor and Anne Skortas and their respective teams are incredibly important. They did a lot of the design work and got the bill to this place. Of course, we must acknowledge and thank those in the Premier's department who were instrumental in negotiating the Heads of Agreement between New South Wales and the Commonwealth. I particularly acknowledge Rebecca Falkingham and her team, the Director General of the Department of Premier and Cabinet, Chris Eccles, and Professor Ian White, the head of the Prime Minister's office and Commonwealth Cabinet for their work.

Ultimately, political leadership came to the fore. Likewise, it is important to recognise then Prime Minister Gillard and Premier O'Farrell, who jointly signed that Heads of Agreement, which enjoyed bipartisan support. This bill is incredibly important because it facilitates the transition period to get us to the full scale of the National Disability Insurance Scheme. However, I add some caution. It will be challenging reform; not everything will work as everyone would like. Workforce constraints and the individual capacity of someone with a disability to adapt to the changes about which we are talking will take time, flexibility, innovation and patience. It will mean change for those who work in the government disability sector, but it will be tremendous and terrific change. One of the great things about this legislation is that it sets in place a framework to facilitate that change. I do not want to hear words such as "privatisation" being thrown around because that completely undermines everything the National Disability Insurance Scheme is about by adding incorrect connotations.

This contains no cost cutting or means to raise a quick buck. The State Government is investing \$3.1 billion to go directly into the pockets of clients, not towards administration because the Commonwealth will cover that. This \$2.5 billion system will be transformed into a \$6.4 billion system in financial terms. Putting aside the money, the reform ultimately underpins the proposal. The excitement for many of those who work within the Department of Ageing, Disability and Home Care is very much about being able to provide for many years more innovative approaches to support those for whom they have cared. Those Department of Ageing, Disability and Home Care workers also are conscious that this reform means change in their workplace: a new employer at the end of the day. But ultimately, the reform provides for their ability to be innovative, more flexible and more tailored towards the individual, who, for the first time in their lives, will be at the heart of decision-making for individualised planning and funding that, of course, ultimately will determine the very nature of supports they want.

This will be a very exciting opportunity for our country and for those who work in the sector. Attached to this reform is no shortage of employment opportunities. They will be massive. The prediction was that we need an additional 25,000 new employees to work in the disability field in the next five years. That possibly is the biggest constraint for the reform. By the very nature of choice and control with the National Disability Insurance Scheme, it is fitting that we look to what in essence will be underpinned by market-based theory. It is

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time for government to get out of the road and allow the innovations we all want for people with disabilities. Through the Department of Ageing, Disability and Home Care's work some pilot work has been undertaken as well as exciting program initiatives—the Supported Living Fund comes to mind. I have seen firsthand where the lives of families and their carers have been incredibly transformed by the attachment of individualised funding to enable them to choose what they need to transform their lives. This is incredibly exciting.

I acknowledge the bipartisanship of the Legislative Council debate. The Minister for Ageing, and Minister for Disability Services, the Hon. John Ajaka, did an incredible job in debating this issue in the upper House. Unfortunately, some debates encounter misconceptions and it is important that they are addressed. This type of major reform always brings uncertainty for people, so patience will be required in its implementation. When the then Labor Government under John Della Bosca introduced Stronger Together in 2006 there was a sense of relief, particularly within the Department of Ageing, Disability and Home Care. Those who worked within the agency found more flexible and innovative approaches to support people with disabilities.

Pursuant to resolution debate interrupted and set down as an order of the day for a future day.

NATIONAL DISABILITY INSURANCE SCHEME (NSW ENABLING) BILL 2013

Page: 40

Debate resumed from 30 October 2013.

Mr ANDREW CONSTANCE (Bega—Minister for Finance and Services) [4.18 p.m.]: I make some concluding remarks in relation to the National Disability Insurance Scheme (NSW Enabling) Bill 2013. This legislation is designed to protect the fundamental human rights of people with disability and to assist with the transfer from the current fragmented, broken State-based scheme to one that puts the individual at the heart of decision-making. I will touch quickly on the provisions of the bill. The functions of the bill apply to those assets and staff in the government disability sector involved in delivering services under key disability legislation.

Proposed section 5 establishes the purposes for which the transition can be effected, and reflects the dramatic change the National Disability Insurance Scheme will make to the operations of the Department of Family and Community Services. Part 2 provides for how transfer arrangements may be structured and enables government to tailor the right package of services to transfer to the non-government sector. The bill has been drafted to provide flexibility and the types of transactions required to implement the move to the National Disability Insurance Scheme. Flexibility and scale in location and support types ensures that transferring services focuses on good outcomes for people with disability in New South Wales and that absolutely nobody is left behind. These measures include the

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creation of corporate and other entities to package services that can then be transferred to non-government organisations. This will bring together assets in a viable and appealing way for non-government providers.

Transferring this service capacity will necessarily involve transferring staff. A highly experienced and dedicated group of 14,000 employees currently work within the government sector delivering services to people with disability. Those people, their carers and families are grateful for the special expertise and commitment of staff in the sector. The relationship between the workforce and the people it supports cannot be understated. We need staff to remain in these roles and build their careers within the sector as 25,000 additional staff are expected to be needed by mid-2018. If we are to deliver a seamless transition to the National Disability Insurance Scheme, people with disability need an assurance that the relationships they have developed with staff over time—decades in some cases—can continue where possible.

As a result of the launch site an important issue arose in the three Hunter local government areas. It is important to note that when the New South Wales Government negotiated the launch site, first and foremost it was willing to make a significant investment of \$585 million in those three local government areas—I particularly acknowledge the member for Newcastle, Time Owen, and the member for Charlestown, Andrew Cornwell, who are in the Chamber. Over recent weeks the National Disability Insurance Scheme has attracted much attention in the Hunter region, particularly regarding the large residential centre at Stockton. I make it crystal clear that there was no way in the world those Stockton residents could be excluded from the National Disability Insurance Scheme opportunities. If I had done as the former Minister had and excluded those residents there would have been an almighty uproar. That is why those residents are included in the launch site and are being afforded the same opportunities as people with disabilities residing in the care of ageing parents or in supported accommodation or who are by themselves.

If my memory serves me correctly, expenditure per client in that region will increase enormously. This brings me to the next point: the future of Stockton, where more than 400 people have established longstanding, loving and caring relationships not only with other residents, but also with the vital staff at the Stockton Hospital Welfare Association. I am very disappointed that over recent weeks the Public Service Association, in particular, publicly elevated concern about the future of Stockton. I make it crystal clear that I and the Minister in the other place stand by our commitments to the member for Newcastle. The facility's buildings are not up to scratch. The types of services and supports provided by staff to residents are not in question. The Government has always said that it would consult with individual residents and their families. That is what happened with the \$160 million capital investment commitment for Rydalmead and Westmead. Redeveloping the Stockton site is part of the investment process. The department is working through the individual consulting process. The confusion is that in 2018 State government services will transfer to the National Disability Insurance Scheme.

The DEPUTY-SPEAKER (Mr Thomas George): Order! Members who wish to engage in private conversations will do so outside the Chamber.

31 OCTOBER AND 1 NOVEMBER 2013

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Mr ANDREW CONSTANCE: The confusion is that in 2018-19 the State Government will provide all its \$3.1 billion in disability services funds to the Commonwealth as part of our National Disability Insurance Scheme. This means that staff currently providing those services will be transferred to the non-government sector, the community sector or the National Disability Insurance Agency. For large residential centres—in this case Stockton—the Government is committed to consulting and looking at redevelopment options on site. Down the track this means that those responsible for future service provision at Stockton will be part of the National Disability Insurance Scheme change. Ultimately, it means staff will be transferred. I have observed that the devolution process has worked incredibly well at Rydalmere, Westmead and, under the former Labor Government, at Peat Island and the unbelievable Macquarie Hospital Norton Road facility

The Government is not walking away from its commitments; it is making it clear that in changing to the National Disability Insurance Scheme we must work through the consultation process with the member for Newcastle, the member for Charlestown and the member for Swansea, in particular. The future is incredibly bright under the National Disability Insurance Scheme; concerns should not be whipped up unnecessarily, causing fear among people with disability and service staff. Fortunately, Newcastle and Lake Macquarie ultimately will derive enormous benefits from being part of the trial site. I emphasise that this is a trial: Mistakes will be made, but opportunities will be created and aspirations will be met. Stockton residents should also be given that opportunity. The Government will work closely in respect of Stockton. I particularly recognise the member for Newcastle, who has been talking to the Minister and to me as the former Minister to ensure that those commitments remain, particularly as the transition to the National Disability Insurance Scheme takes place. There is no doubt that the transfer of staff will pose challenges. But ultimately 25,000 new jobs will be created in disability services and this legislation is designed to protect staff during the transition.

The member for Sydney raised some concerns. The message given to me by the Minister must be highlighted in this debate. The Government will not tolerate practices by any organisation that exclude people with disabilities, or employees, on the grounds of religion, cultural background, sexual orientation or any other personal circumstances. The arrangements we enter into with providers who are involved in the National Disability Insurance Scheme transition over the next few years will make this requirement crystal clear, as has always been the case under the former Government and this Government. We will continue to work with the Commonwealth and our colleagues in other jurisdictions to finalise a national quality and safeguard framework that embeds the rights of people with disability to live the life they choose in a safe, secure and inclusive environment. We expect the framework to apply progressively for participants in the National Disability Insurance Scheme when the transition commences across the whole of New South Wales by 1 July 2016. Meanwhile, the existing New South Wales safeguards and quality frameworks will continue to apply.

These reforms are difficult and will challenge the union movement, employees and carers, but we must ensure that the capacity exists for individuals with disability so they can participate fully in our community and continue to receive the enormous benefits that will

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be derived from the National Disability Insurance Scheme. There will be teething problems, but the tactics that unions are using are not right. People who are already in a vulnerable position do not need to be caught up in arguments between government and unions. This legislation was needed to start the transfer properly. This is the key point surrounding the staff at Stockton. The future is incredibly bright for any person who works in disability services in this State. The National Disability Insurance Scheme will make their workplaces more innovative and more flexible. The support and services that have otherwise been restricted under the current scheme will be provided in a far more innovative way.

Obviously there are concerns in relation to entitlements, and such things will be part of the transfer process. The Government will have open engagement and discussions. I do not want to see the National Disability Insurance Scheme tarnished because of industrial issues, and nor does the Public Service Association. Everybody in the community will benefit from this scheme. A lot of work still needs to happen to secure the capital investment that is required for those who face challenges regarding accommodation. As I indicated earlier in relation to Stockton, the local members are advocating working with Ministers to ensure that the necessary outcomes are achieved. The people of Newcastle need to stay strong. At the end of the day, the outcomes in terms of devolution and the National Disability Insurance Scheme will be incredible.

I reiterate that we will redevelop Stockton, and we will work with the Commonwealth to do it. It is just one part of the enormous change that this bill will bring to people with disability across the State. It is important legislation that will allow the transition to occur so that the disability system in this State grows from a system worth \$2.5 billion to \$6.4 billion. The Government will work closely with staff and the Commonwealth in the process. We know there will be challenges and teething problems. However, the National Disability Insurance Scheme will bring about enormous changes such as introducing a person-centred approach and people with disability will have their human rights protected. As a result, our State and country will change for the better.

Debate adjourned on motion by Mrs Barbara Perry and set down as an order of the day for a later hour.