

**Bill introduced on motion by Mr Mike Baird.**

**Agreement in Principle**

**Mr MIKE BAIRD** (Manly—Treasurer) [4.48 p.m.]: I move:

That this bill be now agreed to in principle.

This is yet another bill that delivers on an election commitment by the O'Farrell Government: to support and encourage growth in regional New South Wales. The bill provides for a new Act to implement a key element of the Government's action plans: to make Sydney liveable again and to provide a regional kick-start. The Regional Relocation (Home Buyers Grant) Bill 2011 introduces a \$7,000 grant for families and individuals who relocate from the metropolitan areas of Sydney, Newcastle and Wollongong to regional New South Wales. The grant will be available to a person who purchases a home in regional New South Wales to be used as the applicant's principal place of residence, and sells his or her former home in the metropolitan area. The scheme will therefore assist with two complementary objectives: encouraging population growth in the regions and reducing population pressures in Sydney.

The grant will be payable after settlement of the purchase of the home, and will compensate families for some of the substantial transaction costs involved in relocating. Eligibility for the grant will be subject to a number of criteria: The applicant must be an Australian citizen or permanent resident; the value of the property purchased in regional New South Wales must not exceed \$600,000; and the former home must have been sold within 12 months before, or be sold within 12 months after, the purchase of the home in regional New South Wales.

These criteria are consistent with those applying to the stamp duty concession for empty-nesters, which has already been extended by the O'Farrell Government to apply to homebuyers aged over 55 years. In fact the Regional Relocation Grant scheme complements the empty-nesters concession in helping to free up housing stock in Sydney.

The bill provides that the metropolitan area includes local government areas in the Sydney statistical division plus the local government areas of Newcastle and Wollongong. This is the same definition as applies to the payroll tax rebate under the Government's Jobs Action Plan. Once again, the Regional Relocation Grant complements another Government initiative—in this case supporting people relocating to the regions where the Jobs Action Plan delivers assistance for 40,000 new jobs created in regional New South Wales. However, the Government acknowledges that not all parts of regional New South Wales want to encourage rapid population growth. Councils in regional areas that are concerned about local population pressures will have the choice of opting out of the scheme.

The bill provides for any such council area to be excluded by regulations under the Act. The grant will apply to the purchase of a home between 1 July 2011 and 30 June 2015 and a maximum of 40,000 grants will be payable. It is estimated that the scheme will provide assistance to approximately 7,000 applicants each year. The scheme will be promoted by the Department of Trade and Investment, Regional Infrastructure and Services in conjunction with other regional assistance schemes, but will otherwise be administered by the Office of State Revenue. Adverse decisions by the Chief Commissioner of State Revenue will be subject to review by the Administrative Decisions Tribunal.

The Government is committed to policies that assist and encourage whole-of-state growth. The Regional Relocation Grant, together with our policies ensuring that regions get their fair share of jobs growth and infrastructure spending, will give regional New South Wales the kick-start it deserves. The grant will work together with policies such as the empty-nesters stamp duty concession to facilitate better use of housing stock and, importantly, reduce population pressures in Sydney. A grant of \$7,000 provides a very real benefit to families relocating within New South Wales, promotes growth in regional New South Wales and, obviously, reduces congestion pressures within Sydney. I commend the bill to the House.

**Mr MICHAEL DALEY** (Maroubra) [4.52 p.m.]: I lead for the Opposition, which will not oppose the bill, but, as was the case with other legislation passed through this place last week amidst great fanfare from the Government, this is not a measure that is going to drive growth and it is not going to assist the economy of the State. It gives assistance—not encouragement—to a person who lives in one part of the State in moving to another part of the State.

I should contrast the initiative in this bill with some of the real initiatives that the former Government gave to people who were building or purchasing homes and relocating. There were grants of up to \$7,000 for first home owners, stamp duty exemptions worth up to \$17,990 and benefits under the Home Builders Bonus. In fact, over the previous decade New South Wales homebuyers received more than \$7.25 billion in benefits. This included 471,800 grants worth over \$4 billion and stamp duty exemptions worth over \$3 billion. These were measures that drove economic growth. People moving into or building new homes drove economic growth. In this scheme the Government will give away possibly more than \$280 million after administration costs are factored in—40,000 payments at \$7,000 a pop is \$280 million, plus administration costs.

I note that the opening words of the Treasurer when introducing the bill were that it was a bill to encourage growth in regional New South Wales. There are areas in Wollongong that the Government might consider to be regional. I do not know why the Government wants to encourage people to leave the Wollongong area. The Government wants to encourage people to move out of the Hunter Valley and Newcastle area as well. This bill will not encourage a single person to do anything. What it will do is give them a handout when they are embarking upon an activity that they were otherwise going to do, which is to move. Is the Government really suggesting that there are people in New South Wales who, for reasons which are more likely to be employment or family reasons, or people who have finished their working life in Sydney, are going to relocate to a quieter location in the bush and that the crux of their decision to do so will be a \$7,000 handout from the Government?

I think that is too far a stretch. People will move anyway. This bill will give them assistance, which will come at a cost to taxpayers of up to \$280 million. We have heard some strange propositions put forward by Government members in the past week or so. The member for Murrumbidgee, the Minister for Education, made the startling admission in this place—in fact he lamented—that if it were not for the fact that the former Labor Government had scandalously and scurrilously paid unworthy nurses, teachers, policemen, firemen and all those government workers wages commensurate with their contribution to the State the Coalition Government could have done so much—it could have built classrooms and things like that.

We now have a Government that is willing to gift \$280 million to people for something they

are going to do anyway. I think it is worthy for regions that people in metropolitan areas decide to make a life in those regions. I have thought about it myself, perhaps retiring in a few years and taking my family up to the little farm in Kempsey where my dad came from. I note the member for Oxley is here. My grandfather came from the South Coast—he was born in Wollongong. But why would I be worthy of \$7,000 of hard-earned taxpayer funds for wanting to relocate my wife and family in the bush?

**Mr Brad Hazzard:** Point of order: We cannot see why he should punish the regions, so we will put a special exemption into the Act to make sure that he gets nothing.

**The DEPUTY-SPEAKER (Mr Thomas George):** Order! That is not a point of order.

**Mr MICHAEL DALEY:** I regret that I have inadvertently injected some humour into this debate, because \$280 million is not an amount to be laughed at. This Government is throwing it away for reasons that I do not believe can be readily justified.

**Mr Andrew Stoner:** Aren't you the people who wasted \$500 million on the Rozelle metro?

**Mr MICHAEL DALEY:** You are about to waste \$280 million to do what? To give a gift to people to do something they would have done anyway. This is an indulgence on the part of the Government and I, for one, believe that \$280 million could be better spent, but the Opposition will not oppose the bill.

**Mr ANDREW STONER** (Oxley—Deputy Premier, Minister for Trade and Investment, and Minister for Regional Infrastructure and Services) [4.59 p.m.]: The member for Maroubra's bizarre contribution to the debate reminded me of the bloke with two wooden legs who is caught in a house fire—he did not have a leg to stand on. He said the bill is a waste of money, yet the Opposition will not oppose it. The Regional Relocation (Home Buyers Grant) Bill 2011 will implement a key element of the Government's Regional Kick-Start Plan and is a key part of the Government's 100 Day Action Plan. Already more action has been taken by this Government—and there will be more during the Government's first 100 days—than was taken in 16 years of Labor government.

The Liberal-Nationals Government stands for balanced population and economic growth across the entire State. We understand that what is good for city areas is also good for country areas, and vice versa. When a government governs for the whole State and provides economic stimulus for regional New South Wales, city areas benefit, and vice versa. The Government's Regional Kick-Start Plan is one of the most innovative decentralisation policy initiatives this State has had for many years. It will result in the New South Wales Liberal-Nationals Government creating new jobs, building much-needed infrastructure and bringing additional people to regional areas of New South Wales.

Population projections released by the former Government forecast a 31 per cent population growth in Sydney over the next 25 years compared to less than half that rate, just 15 per cent, for regional areas of New South Wales. Labor is quite happy to see Sydney's population blow out to six million by 2036 despite congestion, crowded public transport, air quality issues and some of the most expensive housing on the planet. At the same time, Labor has been happy to let regional New South Wales languish, with static or even negative population and economic growth. The Government's Regional Kick-Start Plan will create jobs, build infrastructure and bring in the people. This bill is all about bringing in the people. The O'Farrell-Stoner

Government is proud to introduce regional relocation grants.

The bill represents the third part of the Government's Regional Kick-Start Strategy. It will provide a \$7,000 grant to families or individuals who relocate from metropolitan areas, which have been defined as Sydney, Newcastle and Wollongong, to regional areas of New South Wales. The grant will be payable after settlement of the purchase of a home and will compensate families for some of the substantial transaction costs involved in relocating. Eligibility for the grant will be subject to a number of criteria. First, the applicant must be an Australian citizen or permanent resident. Second, the value of a property purchased in regional New South Wales must not exceed \$600,000. I might add that \$600,000 would buy a very nice home indeed in most regional communities of the State.

Third, the applicant's former home in the metropolitan area must have been sold within 12 months before, or must be sold within 12 months after, the purchase of a home in regional New South Wales. The bill provides a definition of metropolitan area to include local government areas in the Sydney statistical division, plus the local government areas of Newcastle and Wollongong. That is the definition that applies to the payroll tax rebate under the Government's Jobs Action Plan. The Government's Jobs Action Plan complements the regional relocation grant by providing for payroll tax rebates for up to 40,000 new jobs that are created in regional New South Wales. People who relocate and decide to make a sea or tree change will have jobs to go to. As a result of the Restart NSW Fund Bill 2011, there also will be a substantial investment in infrastructure in New South Wales.

This Government is all about genuine decentralisation by building infrastructure, creating jobs and bringing in people. Indeed, that is what this bill is all about. Importantly, the bill provides for local councils and regional areas that are concerned about local population pressures to be able to opt out of the scheme. If a particular local government area does not want to attract more people as a result of incentives such as relocation assistance grants—for example, some highly populated local government areas on the North Coast—they will be able to opt out. Mr Deputy-Speaker, as you represent the Lismore electorate you would know that regional communities are a great place in which to live and work because they have clean air, fresh produce which includes some of the best available food and wine, friendly people, affordable housing and affordable costs of living.

**Mr Steve Cansdell:** And good local members.

**Mr ANDREW STONER:** And good members of Parliament, as the member for Clarence points out. By providing assistance with the costs of relocating, the Government will assist Sydney families to make the move and experience the many benefits of living in a regional area while at the same time providing for balanced population and economic growth across the entire State. Simply stated, this is good policy from a good Government. This bill delivers on yet another election commitment by the Liberal-Nationals Government to support and encourage growth in regional New South Wales. Unlike Labor members, Government members are about governing for the regions as well as for metropolitan areas of our great State. I commend the bill to the House.

**Mr RYAN PARK (Keira)** [5.06 p.m.]: My major concern with this bill, to which the Opposition reserves the right to move amendments, is that the Wollongong local government area is encapsulated by it. I represent a community in which there are lower rates of development and higher unemployment rates than we would like. I doubt that the

Government's proposal to give people \$7,000 to flee Wollongong is evidence based. While I am sure no-one sets out to do that, we would want to reach the stage of encouraging people to leave regional areas. I am sick and tired of people in this place thinking that Wollongong is an extension of Sydney. It is not. It has its own fair share of challenges and difficulties. I do not want to see legislation that refers to the Wollongong local government area as a metropolitan area. While I understand that Wollongong may be geographically close to Sydney—approximately 90 kilometres away—I cannot allow Wollongong to be put into the same category as Sydney when it comes to economic stimulus measures.

This matter concerns me greatly. The Opposition reserves its right to move amendments. I certainly will discuss this bill with the Wollongong community and other Labor members to ascertain their views. Based on a preliminary reading of this bill, I would need to be convinced why I should encourage and support provision of an incentive that encourages people to leave the area I represent when we have been trying very hard to develop the local economy, assist local businesses to expand and increase the population so that the future of the Wollongong electorate is sustainable.

I am prepared to examine and discuss it. I reiterate that we reserve our right to move amendments to this bill. I hope the Treasurer can explain why Wollongong is categorised this way. I am sure the member for Kiama also has concerns about this bill. When the bill reaches the other place we will look more closely at it. I do not want to be told time and again that the Wollongong local government area is caught in the same stimulus category as Sydney. The Wollongong local government area has different needs and challenges and must be treated differently.

**Mr CLAYTON BARR** (Cessnock) [5.10 p.m.]: I echo the remarks and sentiments of the member for Keira that the Regional Relocation (Home Buyers Grant) Bill 2011 identifies Wollongong as a metropolitan area. Similarly, Newcastle also is identified in the bill as a metropolitan area. More importantly, the bill refers specifically to the Newcastle local government area. Possibly that does not include the Lake Macquarie local government area but those two areas border each other. It probably does not include the Port Stephens local government area or the Maitland local government area. In effect, if I interpret the bill correctly, someone could move literally 100 metres down the road out of one local government area into another and this Government will pay them \$7,000. Of course, as this is a last-minute bill, we have not had an opportunity to digest it fully, but it strikes me as a little vague on that particular aspect.

The Minister earlier said that the regulations may declare the Newcastle local government area to be an area for which the relocation grant is not available. I seek clarity on that issue because I cannot understand a Government paying \$7,000 to someone who moves 100 metres down the road. Calculating the numbers in my head—I stand to be corrected by the Treasurer—I am a little surprised by the \$7,000 incentive as I recall the 4 per cent real estate agent fees payable on the sale of a house. On a property sold for \$600,000, the 4 per cent agent's fee would be about \$24,000 and moving fees would be approximately \$15,000. The chance for someone to spend \$39,000 to get \$7,000 sounds a little like investing in a horse racing syndicate. I foreshadow that amendments will be moved to this bill, particularly in respect of the Newcastle local government area being included as metropolitan by definition.

We do not want people leaving Newcastle. We want to increase areas like Newcastle and Lake Macquarie to make them significant places for people to work in and live. We want to

build genuine industry in those places so they can be alternatives to Sydney, which, frankly, seems to be struggling under the weight of its population. I appreciate that is the target of this bill, but I question whether Newcastle and Wollongong have reached bursting point and whether we want people to move from these areas. I would have thought to the contrary: that we would want people to move into those regions.

I have heard much in this House from the member for Newcastle and the member for Charlestown who spoke specifically about trying to build up that region with infrastructure to increase its capacity, yet here we are trying to move people out. I ask the Treasurer to talk to other members of his team to clarify exactly what it means. I reiterate that I seek clarification on whether a person can literally move from the Newcastle local government area 100 metres down the road into the Lake Macquarie local government area and still receive the \$7,000 kick-start that the bill proposes. I foreshadow that amendments will be moved when the bill reaches the other place.

**Mr JAMIE PARKER** (Balmain) [5.14 p.m.]: I speak on the Regional Relocation (Home Buyers Grant) Bill 2011. At the outset it is important to refer to the general principles of the bill. The Greens support the Government's efforts for decentralisation. Members would have heard my contribution to debate on the Destination NSW Bill. The Greens acknowledge and recognise the wonderful opportunities and benefits of rural and regional areas of New South Wales. We encourage the Government's efforts to facilitate decentralisation. While recognising these important principles and benefits to the whole of New South Wales, I have several questions about this bill for the Treasurer. The detail in the bill raises significant questions about a range of issues. First, we understand that at present the Government does not know how many people are relocating from metropolitan Sydney, Wollongong and Newcastle to rural and regional New South Wales. I ask the previous speakers to excuse me for including the Wollongong and Newcastle regions in the definition of metropolitan.

**Mr Clayton Barr:** Isn't that what we know and the Government doesn't know?

**Mr JAMIE PARKER:** The Government does not know how many people currently are relocating from Wollongong, Sydney and Newcastle to rural and regional New South Wales. The first obvious question is: How does the Government intend to measure the success of this bill? The same principle applied with the payroll tax bill. Although we know, according to estimates, that in excess of 100,000 jobs will be created, on the bill's modelling only several thousand would result from \$400-odd million worth of expenditure. It is reasonable to ask the Treasurer how the Government expects to measure the performance of this bill, which proposes spending several hundred million dollars to achieve its proposal.

It will be interesting for the Government to make clear to the House how it will determine which people have moved because of the incentive and which people already have moved. From the crossbench briefing it is clear that the Government does not know how many people are moving. The second and important question is this: Has the Government produced this bill after considering different models and alternatives? Is it more efficient to invest in high-quality infrastructure in rural and regional New South Wales?

**Mr Daryl Maguire:** Are you going to oppose it?

**Mr JAMIE PARKER:** That is good, let us hear that. Is it more effective and efficient expenditure to relocate government departments to rural and regional areas to promote, for

example, business incubation or innovation? The answers to these types of questions give the House more understanding of the reason the Government decided to undertake this measure and invest this significant amount of money. It would be worthwhile having a better understanding of how the Government intends to measure efficiency and the impact of this bill. What alternative measures did the Government consider to determine the most efficient investment? One thing The Greens know is that the former Government's approach to infrastructure in rural and regional New South Wales left a lot to be desired.

The Casino to Murwillumbah rail line is a good example of infrastructure that would have attracted economic development, trade, investment and transport options to local communities but that is no longer available because of its closure. I urge the Government to look first at infrastructure, which provides business and communities with opportunities to invest and grow. The Government has put forward a range of other proposals to that end. While infrastructure always is a critical element, does the Government plan to support regional and rural New South Wales through decentralising government departments? If so, it would be worthwhile presenting that so this House can measure that against the cost of this proposed regional relocation grant.

I echo the comments of members who contributed to the debate before me. It would be enlightening for the House to understand how the bill provides safeguards to prevent people moving only one or two kilometres in order to gain the \$7,000 grant. I would appreciate the Treasurer's response to those questions. Clearly, the Government is making efforts to support rural and regional New South Wales. Obviously, we look forward to its implementation and results. I simply ask three questions. How will the Government determine the effectiveness of this measure and its impact on the decision-making of individuals to relocate?

What alternatives did the Minister examine in order to reach this as the most appropriate expenditure of potentially close to \$280 million? I ask also whether the Government took into account other measures such as infrastructure, business incubation and the relocation of government departments. Finally, I seek the Minister's assurance that—other speakers raised this issue, which I echo—people who move only a short distance will not receive the grant. On behalf of The Greens, I recognise the potential benefits of this bill. I ask the Minister to address the questions raised.

**Mr BRAD HAZZARD** (Wakehurst—Minister for Planning and Infrastructure, and Minister Assisting the Premier on Infrastructure NSW) [5.20 p.m.]: I support the Regional Relocation (Home Buyers Grant) Bill 2011. The member for Balmain acknowledged that the Liberal-Nationals Government is making every effort to support regional and rural New South Wales. That is the Government's clear focus. We all recollect the words of Bob Carr when he effectively put the "closed" sign on Sydney. The New South Wales Government is trying to seek a better balance in terms of housing needs in Sydney. We are also trying to ensure that the regional areas that want to grow are supported in their endeavours towards greater growth. There is no question that this Government is supportive of ensuring that the regions that want to grow get support. This bill seeks to address one part of the component. I listened to the contribution of the member for Keira. He seemed to be concerned that members of his community would be encouraged to move out of the Wollongong area. That is not the case.

Clause 3 of the bill provides that a metropolitan area is defined as, first, the Sydney metropolitan area; secondly, the Newcastle local government area; and, thirdly, the Wollongong local government area. The effect of this bill means that \$7,000 will be available

if a resident seeks to move out of any of those areas and into regional or rural New South Wales. The member seemed to think that we are encouraging his residents to move out. We are doing that, but we are not saying that they must move out. The member seemed to say that we should not give the residents of Wollongong the option. I do not think that is a rational or reasonable approach. Wollongong is a fantastic area. Those of us who have visited Wollongong know that it has wonderful depth—natural beauty, employment opportunities and natural environment. But all of those things are reasons that residents normally want to continue living in Wollongong.

**Mr Jamie Parker:** They could move to Balmain.

**Mr BRAD HAZZARD:** They could move to Balmain or Cessnock.

**Mr Richard Torbay:** Balmain is not regional.

**Mr BRAD HAZZARD:** The member for Balmain is of the view that Balmain is now regional as a result of the latest representation. While the bill seeks to encourage residents to consider a regional lifestyle, it does not mean they have move. It is not a compulsory move. So the concern of the member for Keira that perhaps the residents of Wollongong should not be given this option is a little far-fetched and unrealistic. We would argue that residents in some areas of Newcastle, Sydney and Wollongong need options. We will do whatever we can to encourage the regions. I note that the member for Cessnock is in the Chamber. Cessnock is a wonderful region.

**Mr Clayton Barr:** God's country.

**Mr BRAD HAZZARD:** It certainly is. It is a beautiful area. I enjoy visiting Cessnock and the surrounds. Indeed, right throughout the lower Hunter, and the Hunter area generally, is beautiful. There are some wonderful towns and villages. It would be remiss of the Government if we did not focus on those fantastic regional areas and tell the residents of Sydney who are finding life a little difficult, who are a little stressed and strained, that there are some fantastic places to go. They should get in a car and go for a drive, and on the weekends they will find paradise on the peripheral parts of Sydney. They should go for a longer drive, into the Northern Tablelands, out to Dubbo, Bathurst, Tamworth or up to the Tweed. Everywhere outside Sydney there are fantastic venues and fantastic opportunities for the residents of Sydney to find a much better lifestyle.

Many of my colleagues from my university and school days went out to the regions, and I cannot think of any who came back. None of them came back, including a mate of mine, a veterinarian, who headed to Dubbo. He spent his whole practising life in Dubbo and has only recently retired. Another friend, a respiratory specialist, headed to Armidale and he is still there. He is doing a fantastic job working with the university there. The Government is seriously telling tradespeople and professional people that every worker and family should look to the regions to see what they can do, and this Government will support them. If people want to move, there is \$7,000 on the table.

**Mr RICHARD TORBAY** (Northern Tablelands) [5.25 p.m.]: I support the Regional Relocation (Home Buyers Grant) Bill 2011. I commend the Government for not only this bill but also the intent behind it, which is important. As a vehicle on its own, it is a small but important part. An incentive-based approach for regional, rural and remote parts of New



South Wales is a positive policy initiative and deserves to be commended. It is always a great time in this place when members make their inaugural speeches. I always enjoy listening to them. While I may not have been in the Chamber for all of them, I enjoy listening to them because I always find that an inaugural speech is when members say what they really want to say. Of course, members are proud of their electorates and what they have to offer.

In regional and remote communities we often hear comments about how Sydney gets everything and regional and rural areas miss out. This bill highlights opportunities that exist for us to say, "Of course we support Sydney. It's a great city and it is part of New South Wales." But creating incentives to look at lifestyle changes to regional, rural and remote parts of New South Wales is a complementary policy initiative that allows us to say, "Sydney's overdevelopment and congestion issues"—there are many campaigns in this place about those issues—"are solutions to the opportunities that regional and rural New South Wales are calling out for." An incentive-based approach such as that adopted in this bill is a good thing. Is it new? No.

We have heard the recommendations of many groups and organisations, such as the Rural and Regional Task Force, which was established by the last Parliament. I was proud to be a member of that task force. At the meetings we held in six regional centres we heard about the opportunities that regional and coastal communities were crying out for and the incentives necessary to do that. We have initiatives like the Country and Regional Living Expo that have provided a window for people to receive information about relocating to the regions. More recently, evocities, which comprise several cities including Armidale and Tamworth—I note the member for Tamworth is in the Chamber—have been working together successfully to promote the concept of regional New South Wales and what it has to offer, as opposed to the inaccurate perceptions that may exist but that have to be dealt with.

Measures such as this bill support those initiatives. I believe this bill is necessary. Only in the last sitting week I spoke about some of the stark population statistics throughout the State. The further west one goes, the more concerning those statistics become. Previously, I read some statistics into *Hansard*, but I want to refresh members' memories. The Australian Bureau of Statistics figures show that in the Northern Tablelands—that was the subject of my private member's statement—there was growth of 3.9 per cent in the 2004-09 period. That is what we would call reasonable growth. Regional areas work very hard to achieve that.

I know that growth in the Tamworth region has also been significant when compared with other regional centres. However, when you compare those figures with the cities and metropolitan areas we barely rank. That is why regional electorates are getting larger when electoral redistributions are carried out. Members should look at why that is happening. Out west, numbers in the electorate of Barwon declined by 3.28 per cent over that period. The electorate of Murray-Darling declined by 0.31 per cent from 2004-09. The more remote the electorate, the more stark the statistics become. It is more difficult to attract people to those regions. In raising this matter I am saying that incentives are the way to deal with the problem. In supporting this bill we need to go further. That is not a criticism because no other government has created an incentive-based approach like this relocation program. It is one that I commend and support. But when you look at the work that has been undertaken by people like the Institute of Chartered Accountants in conjunction with the Australian Local Government Association and other parties to the report it says very clearly that the State and Commonwealth need to get together to create incentives to locate people to regional areas and assist them with population growth.

We do not want to see only cities in the country grow; we want to see the whole regional local government area participate in that growth. Zonal taxation incentives are another important aspect that governments could consider—not just State governments. Other governments should follow the lead given in this bill and this Government should continue to look at an incentive-based approach in other areas so that we are competitive. As many members may do, I write to all my new constituents. I not only tell them I am their local member and happy to assist them with their issues but also I ask them why they came. Quality of life is the number one standout reason people are relocating from some of the metropolitan areas. That is not an issue we should dismiss lightly.

It means there are opportunities with these sorts of incentives, modest as they are, to send an important and positive message to say, "This State supports you in your decision to relocate for a lifestyle change in regional, rural, remote or coastal New South Wales." It is something I support and will continue to support. I commend the Government for this legislation because it is not only the \$7,000 relocation program that will assist; the message it sends is a very important one that supports regional, rural, and remote New South Wales. I commend the bill to the House.

**Mr KEVIN ANDERSON** (Tamworth) [5.33 p.m.]: I support the Regional Relocation (Home Buyers Grant) Bill 2011. It gives me great pleasure to do so, given the fact that I come from an electorate that has been pushing for regional growth and economic development for many years. I note with interest that the member for Northern Tablelands talked about how important it is for regional centres to attract good people, businesses and others. I commend the member for Northern Tablelands for his comments and thank him for his support for the bill.

The bill introduces a \$7,000 grant for families and individuals who relocate from the metropolitan areas of Sydney, Newcastle and Wollongong to regional New South Wales. There is nothing wrong with Sydney; it is a great place to live. Many people choose to live in Sydney and there are those who do not want to live in regional New South Wales. That is their choice. The bill refers to people relocating from the metropolitan areas of Sydney, Newcastle and Wollongong. If we take the first letters of those three centres we get "NSW". The member for Cessnock is grinning; he understands exactly what I am talking about. We need to promote regional New South Wales. It is very pertinent that the bill highlights the exemption of Sydney, Newcastle and Wollongong from this relocation grant.

The scheme will therefore assist two complementary objectives: encouraging population growth in the regions and reducing population pressures in Sydney. It is very easy to understand and get a grip on the population pressures in Sydney. All you need to do is listen to the traffic reports: "It's bumper to bumper on the M3; it's bumper to bumper on the M5; it's bumper to bumper in Macquarie Street." There is a lot of angst, a lot of frustration and a lot of road rage. The simple message is: take a look over the sandstone curtain. Take a look at regional New South Wales and the opportunities—

**Ms Robyn Parker:** And the Hunter Valley.

**Mr KEVIN ANDERSON:** Of course, do not forget the Hunter Valley but come a little further north to Tamworth. On your way through the Hunter Valley just wave and say, "Thanks very much; love the grapes, love the vineyards and we will enjoy drinking the beverages in sunny Tamworth." The regional relocation grant scheme complements the empty nesters concession in helping free up housing stock in Sydney. Once people move out of Sydney it eases the pressure on housing, which is very important. As we know, the housing market in Sydney is getting tighter and tighter. Another good aspect of this bill is the fact that local councils in regional areas that are concerned about local population pressures will have the choice of opting out of the scheme.

That dovetails nicely with the new planning laws under which we will give back planning to local government in line with their local environment plans. That is what this is also about. Who best to decide about regional growth and economic development in our centres than local government itself? They put a lot of resources into their local environment plans and they should be given the acknowledgement and respect to enable them to implement those plans. I acknowledge the member for Mulgoa, who reminded me of that fact and who also has a wonderful electorate. We will still encourage people to come north. When families think about relocating it poses many questions.

It is not easy to suddenly pack up and move hundreds of kilometres to the country and, in some instances, to the great unknown. Some of those questions relate to housing affordability, schools, medical services, employment, the social aspects, and the transport options. They are all considerations that need to be taken on board when thinking about moving to regional centres. A number of websites and expos in metropolitan areas will assist people looking for the answers to those questions. Moving out is not for everyone, but there are many who would like the opportunity to do it. They just need a bit of incentive and a bit of help.

This \$7,000 relocation grant is the key. It may just be the catalyst to get people moving again. I would like to talk about the abundance of lifestyle pleasures and benefits available in some areas. Going rural and regional provides the opportunity to enhance professional and personal lives in many ways. For example, you can be recognised for making a significant contribution to improving healthcare for the country community of New South Wales. You gain a sense of ownership in your area, you will be involved in a close-knit community and you can live in a family friendly environment.

It is very easy to be swallowed up and be lost and lonely in a big city, whereas in a regional community you are part of the community and part of the fabric of society that helps make that community tick. There are so many great organisations such as Rotary, Lions, Apex, the Country Women's Association, Probus—the list goes on—that people can become involved with and feel they are making a worthwhile contribution to their community. That is what you get when you live in a regional community. It is all well and good to pack up and say, "I want that lifestyle. I want that tree change. I want that sea change."

**Mr Bryan Doyle:** Hear! Hear!

**Mr KEVIN ANDERSON:** I am sure the member for Campbelltown is encouraging people to move to Tamworth, which is fantastic.

**Mr Bryan Doyle:** And Wollondilly.

**Mr KEVIN ANDERSON:** And move to Wollondilly as well.

**Mr Jai Rowell:** See the trees.

**Mr KEVIN ANDERSON:** There are lots of trees. A serious question that often arises relates to job opportunities. We need to show there are job opportunities because people cannot move without having jobs to go to. We need to create employment.

A few of the jobs are open and the options available include accounting, agriculture, forestry, childcare, community welfare, consulting and corporate construction, healthcare, medical, information technology, local government, the burgeoning industry of the resources sector that is playing a very big part in the way this State moves forward, bricklayers, builders,

plumbers, pilots et cetera. If someone wants to take part and have a crack at it he or she should think about moving to regional New South Wales. I will refer to centres in my electorate that would welcome people to such a warm and friendly community. The main city of my electorate is Tamworth with more than 50,000 warm, friendly, smiling faces. There is also Gunnedah, Barraba, Nundle, Werris Creek and Manilla. Tamworth is a dynamic, modern and progressive city and a major regional service centre with an easygoing lifestyle and a strong economy.

People think that because they move outside the sandstone curtain and live in Tamworth, the country music capital, they have to learn to play a guitar or the banjo. A lot of musicians who live in Tamworth do not play country music. It is a sophisticated community with good transport and good health. I thank the Minister for Health because this Government has honoured another election commitment, that is, to fund the redevelopment of Tamworth Base Hospital that will provide five-star facilities for the clinicians in our area, and that should be given a big tick. As the Government moves inside 100 days, what has it achieved? The relocation grant of \$7,000 for families to move to regional areas is another beauty. In relation to population growth in Tamworth it was 1.9 per cent in 2009, the second highest rate in inland New South Wales.

Tamworth is a progressive and sophisticated city that is going places big time. Besides the people, Tamworth is also interested in businesses. If one is thinking about relocating one's business, and they have the opportunity to do that, I ask them to think about moving to the Tamworth electorate. The member for Northern Tablelands talked about tax zonal rates, which I support because those who are thinking about moving their business to regional New South Wales will think twice about it. When one thinks about regional New South Wales—live, train, work the lifestyle—think about the tree change and the sea change. This \$7,000 grant for families and individuals to do that will be an incentive. I commend the Regional Relocation (Home Buyers Grant) Bill 2011 to the House.

**Mr MIKE BAIRD** (Manly—Treasurer) [5.42 p.m.], in reply: I thank all members for their contributions to the Regional Relocation (Home Buyers Grant) Bill 2011. I note the bizarre contribution of the member for Maroubra, about which I am still confused. The Opposition supports the bill yet says it is a waste of money. Labor members support things that they believe are a waste, something that I do not understand. If they think it is waste why do they support it? It is a political comment. The Opposition supports this legislation because it is good policy. How does the member for Maroubra establish growth in regional and rural New South Wales? How does he see devolvement to regional New South Wales? How does he grow those communities? We do not do just one thing, we have a coordinated policy. I know that is something that State Labor is not used to but it is what the O'Farrell Government has done.

How will we encourage growth? We have carried out a Jobs Action Plan, so 40 per cent of the incentives for those jobs will be allocated to regional New South Wales. Thirty per cent of our infrastructure spend through Infrastructure NSW is allocated to regional and rural New South Wales. Jobs and infrastructure money are coming as an incentive with this relocation grant. The grant is not just at an individual level, as the Opposition would have us understand, but is part of an overall package to get the whole of New South Wales moving and take population pressures off metropolitan areas by promoting growth in regional and rural New South Wales, which we are delighted to support.

The Deputy Premier spoke about a decade of decentralisation. How is that done? One pursues those policies I have just articulated. The difference is that we heard some of those words previously from State Labor but rather than just words this Government has put some policies into action, which is important for our communities. He also articulated that communities had the option to opt in, so it is not something that has been forced on our community across the State. We say that if they want growth in their community and have these incentives apply to it then opt in. We strongly believe that communities should have a say on what sort of growth comes into their area, and this is part of it. He talked about the need to govern the whole State.

I am confused about what my old mate, the member for Keira, was arguing. I am happy to discuss this legislation in detail with him. I am not sure whether he does or does not want his constituents to qualify for a \$7,000 grant and will take that message back to his community, or whether he wants much more growth in his region. If he wants more growth in the Illawarra and Wollongong I am happy to look at options and opportunities with him and other stakeholders. He should be clear about what he is arguing for. Is he saying he does not want anyone in Wollongong to qualify for a \$7,000 grant? Although that is an unusual political approach, can he justify it? If he wants to facilitate growth in the region, and this Government does, we will look at ways to do that.

The Illawarra and Newcastle are very important regions with distinct characteristics that need to be supported, and this Government is very happy to support those fantastic and critical parts of the New South Wales economy in every way it can. The member for Cessnock spoke about the Newcastle local government area and Lake Macquarie. We acknowledge that when lines are put on maps some areas will want to either opt in or opt out. We are happy to monitor this process on an ongoing basis through the Office of State Revenue. We do not want to see the process distorted or for people to take advantage of it. If circumstances start to emerge where that is occurring we will monitor them and look for appropriate opportunities to allay any concerns that arise.

The Office of State Revenue will watch it. We understand that parts of Lake Macquarie want growth and this Government is happy to support that. We will look for anomalies as they emerge across the State in relation to this policy. The member for Balmain asked how the policy would be monitored. The Government will watch it very closely. We learnt from State Labor that if programs are not monitored problems arise, such as occurred with the Solar Bonus Scheme and others. In response to the member for Balmain, we expect about 7,000 relocations under this policy, and we have limited the number that can apply. Importantly, the member for Balmain argued that this stand-alone policy will not achieve its objectives. However we argue that it is one of a number of initiatives undertaken to facilitate growth into regional New South Wales.

The member for Northern Tablelands again gave a rousing endorsement of support for regional New South Wales from his community. He also argued that people might move to improve their quality of life and it is important that we understand that. This proposal will offer an incentive to people who are looking for a lifestyle change. We hope this opportunity will take away some of the financial pain of such a transition and enable people to enjoy a new quality of life in regional and rural New South Wales.

The member for Tamworth yet again spoke about the incentives to move and devolving responsibilities to local community, and how that will help regional New South Wales. He gave a very good speech, as the Minister for the Environment said. In conclusion, I thank all members for their contributions. The bill implements one of the Government's commitments

aimed at easing population pressures on Sydney and provides real economic benefit to regional New South Wales. Any measure that helps to reduce congestion on Sydney's roads and public transport, and free up homes for Sydney's population growth should be supported. The regional relocation grant will, in a modest but real way, help to achieve those objectives. More importantly, the grant will provide genuine assistance to residents of New South Wales who relocate from metropolitan areas to the regions. I commend the bill to the House.

**Question—That this bill be now agreed to in principle—put and resolved in the affirmative.**

**Motion agreed to.**

**Bill agreed to in principle.**

#### **Passing of the Bill**

**Bill declared passed and transmitted to the Legislative Council with a message seeking its concurrence in the bill.**