



INAUGURAL SPEECHES

The PRESIDENT: Before calling the Hon. Chris Rath, I welcome to the President's gallery this evening a number of very distinguished people who are guests of the Hon. Chris Rath: Chris' partner, Patrick Wynne; his parents, Terry and Lorena Rath; and his nonna. It is lovely to see her. He is also joined by a multitude of aunts and uncles. I welcome them all. I also welcome the Premier, the Hon. Dominic Perrottet; the Treasurer, the Hon. Matt Kean; and a number of other Ministers and members of the other place. I welcome Federal Parliament colleagues Senator Andrew Bragg and the member for Wentworth, Dave Sharma.

I also acknowledge former President the Hon. Don Harwin, the predecessor of Chris Rath. I welcome former State and Federal parliamentarians Bruce Baird, Bruce Notley-Smith, Michael Photios, Chris Puplick, Philip Ruddock, Michael Yabsley and Greg Pearce. I also recognise those people in the gallery and the number of people gathered in the Strangers' dining room, who are watching a live stream of these proceedings—how things change. I welcome one and all.

The Hon. CHRIS RATH (18:03): There is no greater honour than to represent the Liberal Party and the people of New South Wales in this historic place: the oldest continuously used parliamentary chamber in the Commonwealth of Australia. The friends and family here tonight would know that it is hardly an exaggeration to say that this is where I have always aspired to be. For there are many, many noble professions in this world, but none that are quite so consequential to the lives of so many than that of our elected representatives. To be in this place as a member is humbling and surreal, not least because of the incredible speed and efficiency with which I was elected to this position. But it does not feel quite so fast paced to me. It feels like it was a 16-year journey, dating back to when I first joined the Young Liberals in 2006 in Wollongong.

I remember the day I joined—embarrassingly in my school uniform, year 11 economics textbooks in my backpack alongside a secret copy of Milton Friedman's *Capitalism and Freedom*—with a steely determination to join the party that, at the time, was so ably led by Prime Minister John Howard and Treasurer Peter Costello. This incredibly cheesy story paints the picture of a typical Young Liberal, but, in many ways, I was anything but. My entry into the Liberal Party was a result of rationalism and values, not tribalism and birthright. I did not come to this party from the big end of town or with a silver spoon in my mouth; I did not go to an elite private school or even grow up in a Liberal voting area. My parents were not CEOs of large companies, nor did they provide me with any political contacts.

What they gave many was far more valuable: a loving home, every opportunity in the world, and the values that set the preconditions for me to become a Liberal and who I am today—values like hard work, determination and self-reliance; values like individual freedom but also tolerance and acceptance, as every individual human being is different but has equal dignity and intrinsic value; and values like being proud to live in Australia, a free society where you can get ahead, irrespective of how much money you have, the colour of your skin or the God you choose to worship. Those values that my parents instilled in me are the values of middle-class Australia, the values of what Sir Robert Menzies called "the forgotten people". I owe so much to my parents. No formulation of words could ever do it justice, but I could not be prouder to have them in the gallery tonight. If those values were passed down to me by my parents, then they were certainly passed down to them by their parents.

My mum's parents, my nonna and nonno, migrated here from Italy in the hope of a better life after the devastation of World War II. My nonna and nonno's story is a typical success story of post-war European migration, but, to me, it is extraordinary. To grow up through the war in a family of partisans, fighting against Nazism and fascism in the Dolomites of Italy, is remarkable. For my nonna to be pushed against a wall at gunpoint and interrogated by a Nazi soldier as a young girl is impossible for us to comprehend today. To then migrate to a strange, distant country after the war, with few possessions, knowing almost nobody and unable to speak English, to start a new life and to call Australia home, is incredible. Two generations later and I am in this place as a member, but nothing makes me prouder than to have my nonna, at age 83, in the gallery tonight. I also acknowledge in the gallery my zias, zios and cousins.

My dad's side of the family have a very different story. It is just as extraordinary but much more distant in history. My grandparents can trace their lineage all the way back to a prison guard on the First Fleet. My grandparents, my nan and pop, were the best that anyone could hope for, and my brother and I were so lucky to have them in our lives for so long. Whether First Fleeters, post-war European migrants, those who have arrived more recently from around the world or those with Indigenous heritage dating back tens of thousands of years, Australia is the most diverse and harmonious society on Earth, and we should all take immense pride in celebrating that.

I also thank and acknowledge my amazing partner, Patrick, who is here tonight—the public face of the operation. I thank him for all his support, for keeping me sane and for being my best friend. Tonight is quite rare for me because I do not often like talking about my personal life. But as one of only two openly gay members of the Parliamentary Liberal Party—the other being my good friend Shayne Mallard, in case anyone was unaware—it felt wrong not to mention it briefly. I came out late in life, at age 29, when I met Patrick. By today's standards that is positively ancient. But it certainly was much easier for me than it would have been for those who came before me, and it will be easier still for the next generation. True equality will be reached when the awful process of coming out is finally redundant. Being gay should be treated no differently than having blue eyes or being left-handed.

Until 1984 homosexuality was illegal in New South Wales. The way that gay people were treated in the not too distant past was appalling and I am so appreciative that the Premier and Attorney General—both here tonight—have established a Special Commission of Inquiry into LGBTIQ hate crimes, after much lobbying from Shayne Mallard and Alex Greenwich. Hopefully this inquiry will provide some closure to grieving families and loved ones, with answers about crimes that have gone unsolved, in some cases, for more than half a century. An inaugural speech should always outline one's journey. It cannot possibly explain a legislator's political view on every single contemporary political issue but it should illustrate one's vision and philosophy, and a few key policy priorities. It is the one speech that people will look back on in years to come, when this place is dealing with entirely different issues to the ones today.

I am a classical liberal because I believe in personal liberty, the individual and the free market. I am a conservative because I believe in conserving our democratic institutions that have stood the test of time and conserving our unique natural environment for future generations to enjoy. I am a moderate because I am pragmatic and I believe in evidence-based policy. None of these things are contradictory, but my preference is always to use the descriptor of liberal. We must not abandon the word "liberal" to the Left like they have done in the United States, with classical liberals now being forced to use the term "libertarian". I am a liberal in the tradition of John Stuart Mill, John Locke, Edmund Burke and Adam Smith. Fundamentally I believe that individuals should be free from government control and allowed to do whatever they want, so long as it does not harm the life, liberty or property of someone else.

In this sense liberalism comes from the sceptical or Scottish enlightenment and fits well with conservatism, unlike the radical or French enlightenment. In the Anglosphere, right-of-centre major parties are a fusion of classical liberalism and conservatism. In continental Europe and most of the rest of the world we would be two separate parties. The Liberal Party has often been described in this way, either as a broad church or needing two wings to fly. The liberal or moderate wing of the party and the conservative or right wing of the party should harmoniously coexist and, in fact, complement each other.

As a liberal I support a bicameral Westminster parliamentary democracy, federalism, separation of powers, the rule of law, property rights, the presumption of innocence and our fundamental freedoms of speech, worship and assembly. But aren't these the very same institutions that have stood the test of time and that conservatives want to conserve? Of course conservatives and liberals will not agree on every issue all of the time, but what unites us is far greater than what divides us. The source of truth on this is our party's platform, condensed into the "we believe" statement. Its elegantly unifying prose commits our party to individual freedom and free enterprise. To quote the first tenet:

We believe in the inalienable rights and freedoms of all peoples; and we work towards a lean government that minimises interference in our daily lives; and maximises individual and private sector initiative.

These liberal beliefs are being challenged at home and abroad, especially in an increasingly totalitarian and hostile world and region. The "we believe" statement should be promoted and adhered to more often, and I certainly commit to doing that. One area of policy that should unify the Liberal Party is free market economics, as the Government should get out of the way to make life easier for individuals and businesses. I do not necessarily come to this place with the aim of fighting culture wars or an immense desire to delve into social policy. But I absolutely do view my purpose as fighting for lower taxes, less government debt, free trade, deregulation, and privatisation. Economic reform is not popular but it is necessary, or as Margaret Thatcher once said:

Yes, the medicine is harsh, but the patient requires it in order to live.

This has been a competent Government and a reformist Government but there is always more opportunity for reform, especially with inflation being so high and productivity growth so low. I am excited by the opportunities ahead to work with the Premier and the Treasurer on the fundamental drivers of economic growth—the three Ps of population, participation and productivity. There are enormous opportunities for economic reform at a State level, yet too often commentators and economists have focused only at a Federal level. Tonight I would like to float three areas of opportunity for economic reform. The first is tax reform: the holy grail of every Liberal wanting to make their mark on economic policy.

The aim of any tax reform should be to move towards a simpler and more efficient tax system, but it must also include overall lower taxes. That means moving towards broad-based indirect taxes, like the GST. Countless reviews have shown that Australia's most inefficient taxes are levied at a State level, from payroll tax and stamp duty to insurance taxes and the emergency services levy. It often seems impossible to do anything about it without getting the Feds on board, especially as there is no incentive to reform the State tax system when vertical fiscal imbalance and horizontal fiscal equalisation always work against New South Wales.

The worst offender by far is payroll tax. It is an inefficient, unfair and illiberal tax on jobs that punishes businesses from growing and employing more people. Tonight I propose an innovative solution to this problem: the abolition of payroll tax without getting the Feds involved, without increases in other taxes and without reducing government services. You are probably thinking that this seems too good to be true. However, the concept is actually quite straightforward. Payroll tax would be phased out gradually with slight reductions in the rate every year for 20 years. The small shortfalls in revenue each year would be covered by the natural yearly increases in revenue of all other taxation sources. After 20 years, payroll tax would hit zero and overall revenue would still be higher in 2042 than in 2022. There would be no need for any spending cuts. The only caveat is that the Government could not go on a huge spending spree and would have to restrain itself to only modest expenditure increases, in line with Treasury forecasts.

The second area for reform follows from the first: take back control over the recent explosion of government debt and deficit. This has been a challenging issue at a Federal level since 2008 and a more recent post-COVID phenomenon at a State level. In 2019 New South Wales had no net debt and surpluses as far as the eye could see. Today we have amassed around \$64 billion of State debt. That is an issue of intergenerational equity because it will fall to my generation, the millennials, to pay back the huge debt incurred today. Edmund Burke once said that society is:

... a partnership not only between those who are living, but between those who are living, those who are dead, and those who are to be born.

Intergenerational debt is an unparalleled breach of precisely that partnership, as government debt is essentially a transfer payment from the young and not yet born to older generations. An aging population further exacerbates the problem, as there will be relatively fewer taxpayers in the future paying for a greater number of elderly Australians requiring health care and social services.

With interest rates on the rise in Australia and around the world, governments will find their budgets squeezed even further for years to come. Younger generations will experience lower growth, lower incomes and lower standards of living in the future as a result of the profligacy of today needing to be paid back tomorrow. Most members use their inaugural speech to lobby for new government grants, infrastructure projects or services. Announcing no new spending tonight probably makes mine the cheapest inaugural speech in history. But as I am calling for budget restraint, I heed the words of Peter Costello that the easiest cut you will make is the stuff you never go into. Put another way by Ronald Reagan, the closest thing to eternal life on earth is a government program.

Tackling debt and deficit means that we need to move away from the fundamentally flawed thinking that more and more government spending will lead to better outcomes in health, education, transport or other services. The volume of spending is often not the problem; rather, it is how it is being spent. Clearer KPIs for how money is spent, greater private sector involvement in the delivery of services and greater choice for individuals are critical factors. It is why I have always liked the idea of school vouchers, where parents and students not only choose which public or private school they attend but then also issue a certificate of funding to their chosen school, thereby creating real choice and competition in education. Using government funding and a market mechanism, choice in schooling then becomes available to everyone, not just the rich and powerful. School vouchers are a radical reform and probably not what the Premier had in mind when he announced a voucher-led economic recovery. However, it is certainly a courageous policy worth exploring.

The final aspect of combating debt and deficit is to crack down on pork-barrelling. Governments of all persuasions at a State and Federal level have been guilty of pork-barrelling in the past. But prioritising based on electoral need rather than consumer demand is not just inefficient but also fundamentally wrong. Too many programs have been funded in the past where the business case just does not stack up. Stopping pork-barrelling will not fix the deficit overnight but it will help. I congratulate the Premier on commissioning, in one of his first moves on the job, the NSW Productivity Commissioner and head of the Department of Premier and Cabinet to review how grants are handled. Elected officials—not bureaucrats—should determine how taxpayer funds are spent, but it should be transparent and the funding should only be on core services. We are in the middle of a Federal election campaign. I have seen announcements of \$10 million for regional newspapers and \$15 million for breweries, but those are not core functions of government, as important as those businesses may be. Governments are the custodians of taxpayers' funds and we should only spend their money with an abundance of caution and care.

The third opportunity for reform is our industrial relations system. While I would love to see large-scale industrial relations reform, most levers belong to the Federal Government. However, even here in New South Wales the trade union movement has far too much power over our essential public services despite being a very small proportion of our overall workforce. A top Unions NSW boss has declared that 2022 will be a year of strikes, and we have already been hit with that in our transport and education systems. Union leaders who are making decisions to strike are also on NSW Labor's powerful administrative committee. When this Government negotiates with trade union chiefs, we must remember that they have a vested interest in helping Labor win the next election, and no interest in helping us run essential public services. We saw that with the recent train and bus strikes. We wanted the buses to run on time; Labor's trade union mates wanted to throw us under them. Labor cannot distance itself from the industrial anarchy being caused by the unions because its entire leadership is dominated by the bosses making the decisions.

Tonight I call on Chris Minns and the Labor Party to remove that conflict of interest from their party structure: Stand up to the trade union bosses and make them choose between their role as officials running the workforce of essential public services and their role as political apparatchiks on NSW Labor's campaign and administrative committee. The preference would be to leave it up to NSW Labor to make that decision; however, the Government also has the option to do it through legislation. Just as lobbyists cannot hold top positions within political parties, nor should trade union bosses who negotiate with the Government on essential public services. The message should be clear: You can be a powerbroker or a trade union official, but you cannot be both.

I have discussed tax reform, debt and deficit, and industrial relations. I hope that in the future I can help develop many creative policies to benefit the people of New South Wales. I also hope that I can fight for the Liberal Party in my local area of the eastern suburbs, the city and the inner west, which is called the central metropolitan province. From Bondi to Burwood and from Coogee to Concord, the central metropolitan province has immense natural beauty, a cosmopolitan global city, the world's most picturesque harbour, thriving cultural diversity and a vibrant history unlike any other part of Australia. I will be a strong advocate for this part of Sydney that I call home, and I am incredibly grateful for all the support that the Liberal Party has given me across the 12 State electorates that form this province. I will take the fight to Labor and The Greens in these inner-city electorates. In particular, I have my sights on Coogee and Strathfield, because if we work hard enough I know that the Liberal Party can win them back at the next election.

By far the most difficult part of any inaugural speech is knowing who to thank and mention. For me, it has been absolutely nerve-racking because the list of supporters and friends is endless. I have been blessed to develop so many friendships over the 16 years that I have been involved in the Liberal Party. Firstly, I thank my distinguished predecessor Don Harwin for all his support and mentorship over the years. He made an immense contribution to this place over 23 years as a member, Whip, President, Minister and Leader of the Government. I have huge shoes to fill and I am sure I will often seek his guidance.

Don and I are remarkably similar in so many ways: economics at Sydney University; the Young Liberals; Elizabeth Bay and the South Coast; the Australia Youth Trust and Commonwealth Day Council; Christ Church St Laurence; psephology; high culture; support for the constitutional monarchy; and, of course, our fondness for Abba and Cher. No doubt we are very different in many other ways. Don was the best arts Minister this State has ever had. With the indulgence of the new Minister, the Hon. Ben Franklin, I aim to take a strong interest in the arts and promote the amazing work of this Government, much of which was championed by Don. I support the arts not just because of tourism or the economic benefits, as important as they are. I support the arts because beauty and creativity are universal needs of human beings. As the late philosopher Sir Roger Scruton stated, "The beautiful work of art brings consolation in sorrow and affirmation in joy. It shows human life to be worthwhile."

I thank the Premier for elevating beauty as a priority within government under his three pillars of making Sydney "livable, workable and beautiful". I also thank and acknowledge my closest friend and ally in the Liberal Party, Harry Stutchbury. We have been through a lot together. I thank him for bringing me back down to earth when I go a bit loopy. To this day there is still no project that I have enjoyed more or found more valuable than running his campaign to become the Young Liberals president all those years ago.

I thank the Young Liberal Movement for my political apprenticeship and for all of the many friends that I made over the years: Hugo Robinson, Dimitry Palmer, Chaneg Torres, Brigid Meney, Alex Dore, Matt Cross, Joe Del Duca, Deyi Wu, Will Nemesh, Joshua Armstrong, Cameron Walters, Vincent So and Paul Ell. The list goes on and I cannot mention them all tonight. There is no organisation anywhere in Australia that is more effective at putting people into State and Federal parliaments than the NSW Young Liberal Movement. The fact that Premier Dominic Perrottet was a former NSW Young Liberals president and that he took over from Gladys Berejiklian, also a former Young Liberals president, proves the point exactly.

It was an absolute privilege to help my good friend the Hon. Peter Poulos get elected to this place just over a year ago. I am elated that with his help I am here now as his colleague. Peter was one of the first people I met in the Liberal Party. He trained me up and mentored me in my formative years. It would hardly be an exaggeration to say that everything I know about politics, I learned from him. I encourage anyone here tonight who has a problem with my operating style to please form an orderly queue and Peter will take questions. I also thank and acknowledge James Wallace. For the past seven years we have talked almost every day about things as mundane as petty branch disputes and things as exciting as Federal preselections. Together we have quietly led the New South Wales moderates from behind the scenes at an organisational level. He is one of the best political operators I have ever met and I am proud to call him a friend.

Moving to the eastern suburbs, I acknowledge my longstanding State Executive colleague, Waverley councillor and Wentworth FEC president, Sally Betts. I thank her for her support, friendship and all that she does for our party in the east. I thank the Treasurer and the leader of our moderate group, Matt Kean, for going in to bat for me and for all his help in getting me here. Matt has unfairly copped a lot of flak in pursuing action on climate change. But, unlike our Federal counterparts, he has managed to turn what was once a weakness for the Liberal Party into a core strength. Nobody even knows or cares what NSW Labor's climate plan is; all they know is that ours is better. There certainly will not be a teal wave at the next State election because we have Matt Kean and he is the antidote.

I thank my friends at Insurance Australia Group—George Karagiannakis, Jane Anderson, Veronica Newman, David Wellfare and so many others—for 6½ remarkable years working for an amazing company. I apologise for leaving so quickly. I thank The Nationals for making me feel so welcome to this place. We are not just a coalition of self-interest, we are like a family. The coalition between the New South Wales Liberals and The Nationals is the most successful coalition of two parties, not just in Australia but probably anywhere in the world. I acknowledge my many friends and supporters from the central province and from my native home on the South Coast, my brilliant staff, my former employers and work colleagues, my friends in the right, local councillors, State and Federal colleagues, former State Executive colleagues, political staffers, and all the many people who have helped me along the way. There are far too many to mention tonight.

I seek leave to have the names of persons to whom I express my thanks and appreciation incorporated in *Hansard*.

Leave granted.

John Ajaka, Sazed Akter, Rory Amon, Alexander Andruska, James Ardouin, Robert Assaf, Stuart Ayres, Bruce Baird, John-Paul Baladi, David Begg, Manav Bhatt, Michelle Bishop, Jerome Boutelet, David Brady, Andrew Bragg, Carrington Brigham, Wayne Brown, Jane Buncle, Matthew Camenzuli, Marilyn Cameron, Jenny Carmichael, Sean Carmichael, Peter Cavanagh, Abbie Chugg-Palmer, Craig Chung, Alex Clark, Joy Clayton, David Coleman, Luke Coleman, Jason Collins, Nicholas Comino, Alex Cooke, Clark Cooley, Mark Copleston, Mark Coure, Mark Croxford, Tamika Dartnell-Moore, Georgia de Mestre, Elliott Donazzan, John Dorahy, Chris Downy, Terence Duggan, Christian Dunk, Amelia Eames, Christian Ellis, Sam Elmir, Michael Evangelidis, Hannah Eves, Jason Falinski, Sam Fay, Michael Feneley, Lachlan Finch, Zachary Fitzpatrick, Paul Fletcher, Cooper Gannon, Lyndon Gannon, Liam Garman, Leon Goltsman, James Griffin, Andrew Hamilton, Christie Hamilton, Matthew Hana, Gabriel Harb, Robert Hardie, Dave Harvey, Andrew Hay, Aaron Henry, Richard Hodge, Robert Holt, Stephen Hopwood, Darel Hughes, Michael Hughes, David Hull, John Ishak, Shauna Jarrett, Mary-Lou Jarvis, Mark Jones, Gisele Kapterian, Tony Kay, Liam Kiss, Matt Kong, Brian Lindsay, Tom Loomes, Georgia Lowden, Peter Lynch, Scot and Aileen MacDonald, Jacob MacFarlane, Larissa Mallinson, Ned Mannoun, Bev Martin, Fiona Martin, Jesse Martin, Jo McCafferty, Chris McDiven, Janet and Donald McDonald, Bradley McHugh, Dallas McInerney, Caity McLoughlin, Teena McQueen, Michael Megna, Ben Mitchell, Susanna Montrone, Patrick Moore, Simon Moore, Bruce Morrow, Joshua Moses, Jacqui Munro, Chris Murphy, Shani Murphy, Naji Najjar, Matt Nash, Scott Nash, Ben Nastasi, Jessie Nguyen, Bruce Notley-Smith, David Nouri, James O'Neill, Nat Openshaw, Katherine O'Regan, James Owen, Patrice Pandeleos, Amanda Parker, Robyn Parker, Greg Pearce, Charles Perrottet, Jean-Claude Perrottet, Eleni Petinos, Michael and Kristina Photios, Jack Pinczewski, Julia Prieston, Chris Puplick, Christopher Pyne, Paul Ritchie, Anthony Roberts, Brendan Roberts, Daniel Rosenfeld, Philip Ruddock, Bridget Sakr, Joel Schubert, Peta Seaton, Geoff Selig, Ted Seng, Isabelle Shapiro, Dave Sharma, Gavin Shnier, Richard Shields, Peter Sidgreaves, John Sidoti, Pallavi Sinha, Kellie Sloane, Nick Smerdely, Nathaniel Smith, Mark Speakman, Cedric Spencer, Joshua Spicer, Janet Stewart, Rob Stokes, Chris Stone, Haris Strangas, Yosi Tal, Riley Taylor, Natarsha Terreiro, Michael Tiyce, Chanum Torres, David Tricca, David Tsor, Gabrielle Upton, Rob Vellar, Kylie von Muenster, Gordon Weiss, Dylan Whitelaw, Ray Whitten, Felicity Wilson, Susan Wynne, Michael Yabsley, Scott Yung, Mohammad Zaman, Toni Zeltzer, Brendon Zhu, Trent Zimmerman.

The Hon. CHRIS RATH: I thank the House. Finally, I thank the people who have helped me settle into this place: you, Mr President; the Clerk and all the staff of the Parliament; the Whip; the Hon. Natalie Ward; the Hon. Shayne Mallard; our leaders, the Hon. Damien Tudehope and the Premier; and my great mate who actually runs the show up here, Sam Tedeschi. Tonight I reflect on the fact that my political journey has just started a new chapter and that with holding elected office comes enormous responsibility. We are the custodians of a seat in Parliament for only a brief moment in history. Whether Liberal or Labor, left or right, we are all trying to do our job to make life better for the people of New South Wales. We will not always agree on what that looks like, but every member in this place hopes to leave the State in a better place than he or she found it. For me, the tremendous honour of being here would not have been possible without family, friends and the party that I love and have devoted my entire life to. I conclude with the words of the greatest living Australian, John Howard, "I owe more to the Liberal Party than the Liberal Party owes to me." Thank you.