

General Purpose Standing Committee No. 5

# **Budget Estimates 2005 - 2006**

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## Terms of Reference

1. That the Budget Estimates and related papers for the financial year 2005-2006 presenting the amounts to be appropriated from the Consolidated Fund be referred to the General Purpose Standing Committees for inquiry and report.
2. That the committees consider the Budget Estimates in accordance with the allocation of portfolios to the committees.
3. For the purposes of this inquiry any member of the House may attend a meeting of a committee in relation to the Budget Estimates and question witnesses, participate in the deliberations of the committee at such meeting and make a dissenting statement relating to the Budget Estimates, but may not vote or be counted for the purpose of any quorum.
4. The committees must hear evidence on the Budget Estimates in public.
5. Not more than two committees are to hear evidence on the Budget Estimates simultaneously.
6. When a committee hears evidence on the Budget Estimates, the Chair is to call on items of expenditure in the order decided on and declare the proposed expenditure open for examination.
7. The committees may ask for explanations from Ministers in the House, or officers of departments, statutory bodies or corporations, relating to the items of proposed expenditure.
8. The report of a committee on the Budget Estimates may propose the further consideration of any items.
9. That a daily Hansard record of the hearings of a committee on the Budget Estimates be published as soon as practicable after each day's proceedings.
10. That the Leader of the Government is to provide to each Committee, by Friday 1 July 2005, a schedule outlining the attendance of relevant ministers to appear before each committee, for the committee's consideration.
11. A committee must not meet to hear evidence on any day on which the House sits except during any adjournment for meal breaks or after the adjournment of the House.
12. The committees may hold supplementary hearings as required.
13. The committees present a final report to the House by the last sitting day of the second sitting week in 2006—put and passed.

*(Minutes of Proceedings No 103, 6 May 2005, Item 7)*

## Committee Membership

<b>Mr Ian Cohen MLC</b>	The Greens	<i>Chair</i>
<b>The Hon Rick Colless MLC</b>	The Nationals	<i>Deputy Chair</i>
<b>The Hon Tony Catanzariti MLC</b>	Australian Labor Party	
<b>The Hon Greg Donnelly MLC</b>	Australian Labor Party	
<b>Ms Sylvia Hale MLC</b>	The Greens	
<b>The Hon Don Harwin MLC</b>	Liberal Party	
<b>The Hon Henry Tsang MLC</b>	Australian Labor Party	

## Other Members who attended the hearings

<b>Ms Jan Burnswoods MLC</b>	Australian Labor Party
<b>The Hon Amanda Fazio MLC</b>	Australian Labor Party
<b>The Hon Patricia Forsythe MLC</b>	Liberal Party
<b>The Hon Duncan Gay MLC</b>	The Nationals
<b>The Hon Kayee Griffin MLC</b>	Australian Labor Party
<b>The Hon Jon Jenkins MLC</b>	Outdoor Recreation Party
<b>The Hon Charlie Lynn MLC</b>	Liberal Party
<b>The Hon Robyn Parker MLC</b>	Liberal Party
<b>The Hon Melinda Pavey MLC</b>	The Nationals
<b>The Hon Greg Pearce MLC</b>	Liberal Party
<b>The Hon Peter Primrose MLC</b>	Australian Labor Party
<b>The Hon Penny Sharpe MLC</b>	Australian Labor Party
<b>The Hon Ian West MLC</b>	Australian Labor Party

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## Chair's Foreword

General Purpose Standing Committee No. 5 has examined the Budget Estimates for 2005-2006 for the portfolio areas of:

- Environment
- Arts
- Local Government
- Regional Development
- Illawarra
- Small Business
- Natural Resources
- Primary Industries
- Mineral Resources
- Ports and Waterways.

The Committee expresses its appreciation to the Ministers and officers of the departments and organisations who appeared before it.

**Ian Cohen MLC**  
Chair





# Chapter 1 Introduction

## Referral of the 2005-2006 Budget Estimates

- 1.1 On 6 June 2005, the Legislative Council resolved that the Budget Estimates and related papers for the financial year 2005-2006 presenting the amounts to be appropriated from the Consolidated Fund be referred to the General Purpose Standing Committees (GPSCs) for inquiry and report.<sup>1</sup>
- 1.2 Each Committee was required to examine the Budget Estimates for their relevant portfolios and report to the House by the last sitting day of the second sitting week in 2006.<sup>2</sup>

## GPSC 5 Portfolio responsibilities

- 1.3 On 14 September 2005, the Legislative Council resolved that the resolution appointing five General Purpose Standing Committees be amended to reflect changes to Government Ministers' portfolio responsibilities.<sup>3</sup>
- 1.4 The following portfolio responsibilities were allocated to GPSC 5:
- Environment
  - Arts
  - Local Government
  - Regional Development
  - Illawarra
  - Small Business
  - Natural Resources
  - Primary Industries
  - Mineral Resources
  - Ports and Waterways.

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<sup>1</sup> Minutes of Proceedings No 103, 6 May 2005, Item 7, para 1

<sup>2</sup> Minutes of Proceedings No 103, 6 May 2005, Item 7, paras 2 & 13

<sup>3</sup> Minutes of Proceedings No 114, 14 September 2005, Item 5

## Public hearings

- 1.5 General Purpose Standing Committee No 5 examined the Budget Estimates and related papers for the financial year 2005-2006 for its portfolios at a series of public hearings held on the following dates:
- Thursday, 15 September 2005 – Natural Resources, Primary Industries and Mineral Resources
  - Friday, 16 September 2005 – Regional Development, Illawarra and Small Business
  - Friday, 16 September 2005 – Environment and Arts
  - Thursday, 22 September 2005 – Ports and Waterways
  - Friday, 23 September 2005 – Local Government
  - Friday, 9 December 2005 – Natural Resources (supplementary hearing)
  - Monday, 19 December 2005 – Ports and Waterways (supplementary hearing)
  - Monday, 19 December 2005 – Primary Industries and Mineral Resources (supplementary hearing).
- 1.6 Chapter 2 of this report provides a brief summary of some of the key issues raised during the hearings.

## Transcripts

- 1.7 The full transcript of evidence taken at the 2005-2006 Budget Estimates hearings can be found at the Committee's web page at [www.parliament.nsw.gov.au/gpsc5](http://www.parliament.nsw.gov.au/gpsc5). Hard copies of the transcripts can be obtained by contacting the Secretariat of the General Purpose Standing Committees on 02 9230 3544.

## Questions on notice

- 1.8 During the 2005-2006 Budget Estimates hearings, Ministers and departmental officials took a number of questions on notice. Copies of the questions and answers can be found on the web page or obtained from the Secretariat.
- 1.9 In addition, Committee Members lodged written questions on notice by placing questions on the Notice Paper on days that the House sat.

## Chapter 2 Summary of issues

This chapter provides a summary by portfolio of the key issues raised as part of the General Purpose Standing Committee No 5 Inquiry into Budget Estimates 2005-2006. For further details see the Hansard record of the hearings, available on the Committee's web page at [www.parliament.nsw.gov.au/gpsc5](http://www.parliament.nsw.gov.au/gpsc5).

### Natural Resources, Primary Industries and Mineral Resources

**2.1** The Committee conducted a public hearing examining the portfolios of Natural Resources, Primary Industries and Mineral Resources on Thursday, 15 September 2005. The following issues were examined in relation to the Primary Industries portfolio:

- the role and performance of the Advisory Council on Recreational Fishing
- management of NSW Fisheries, including commercial buy-out of fishing licences, fish attraction devices, artificial breeding programs and marine park boundaries
- operation of the Ovine Johne's disease levy, and the payment of compensation to affected farmers
- the PROfarm short-course training program, designed to improve risk management by farmers
- the use and regulation of genetically engineered canola oil.

**2.2** The following issues were examined in relation to the Natural Resources and Mineral Resources portfolios:

- mining inspections in NSW
- the operation and management of the Farmers First program
- displaced officers within the Department of Primary Industries
- management of native vegetation in NSW, forest decline and land clearing
- the issuing of commercial and domestic bore water licences
- the management and operation of Forests NSW.

### Supplementary hearings

**2.3** The Committee conducted a supplementary public hearing examining the portfolio of Natural Resources on Friday, 9 December 2005. The following issues were examined:

- water saving initiatives in NSW, including funding for the various water sharing plans in NSW
- cross-border water management with other states under the National Water Initiative
- changes to water pricing in NSW by the Independent Pricing and Regulatory Tribunal

- the Government's commitment to end broad scale land clearing under the *Native Vegetation Act 2003*, including compliance measures and prosecution of illegal land clearing
- measures to encourage more sustainable land management practices.

2.4 The Committee conducted a supplementary public hearing examining the portfolios of Primary Industries and Mineral Resources on Monday, 19 December 2005. The following issues were examined:

- the role, Membership and performance of the Agricultural Industry Advisory Council
- the management and operation of Forests NSW
- the use and regulation of genetically engineered canola oil
- locust plague management
- the construction of coal-fired power stations in NSW
- marine parks management and funding in NSW
- expenditure on drought relief measures by NSW Government agencies.

## **Regional Development, Illawarra and Small Business**

2.4 The Committee conducted a public hearing examining the portfolios of Regional Development, Illawarra and Small Business on Friday, 16 September 2005. The following issues were examined:

- the major challenges facing small businesses in NSW, including petrol prices, payroll taxes and workers compensation premiums
- the role of the Minister for the Illawarra
- the Illawarra Escarpment Management Plan
- the services available at the Illawarra and Bulli hospitals
- the reduction in funding for the Department of State and Regional Development in the 2005-2006 Budget
- port facilities in NSW, including the facilities and infrastructure available at Port Kembla, Port Botany, the Port of Newcastle and the Port of Eden
- the allocation of funding to small businesses under the Regional Development Assistance Program.

## **Environment and Arts**

2.5 The Committee conducted a public hearing examining the portfolios of the Environment and Arts on Friday, 16 September 2005. The following issues were examined in relation to the Environment portfolio:

- maintenance and conservation of the Manly Quarantine Station
- the purchase of Yanga Station in the Riverina
- volunteer organisations in NSW and the role of Conservation Volunteers Australia
- asbestos at the Fox Studios site in Sydney
- access to the Phillip Precinct in the Domain
- the budget allocation for the National Parks and Wildlife Service in 2005-2006
- control of feral animals and weeds in national parks.

2.6 The following issues were examined in relation to the Arts portfolio:

- political donations by museums and art galleries
- the 2005-2006 budget allocation for the Ministry for the Arts and the Australian Museum
- funding for public library services in NSW
- the closure of the Chauvel Cinema in Paddington
- the hosting of the Forbes summit at the Opera House.

## Ports and Waterways

2.7 The Committee conducted a public hearing examining the portfolio of Ports and Waterways on Thursday, 22 September 2005. The following issues were examined:

- the creation of the Ports and Waterways portfolio, and staffing and resources for the Minister's office
- the budget allocation for the Ports and Waterways portfolio in 2005-2006
- the expansion of Port Botany, the transport of freight to the port by road and rail, and its environmental and social impact
- the security of NSW ports and waterways and port charges to pay for security measures
- the remediation of Homebush Bay and the Rhodes Peninsula
- public access to the foreshores of Sydney Harbour
- recent changes to boat licensing arrangements
- employment in the various ports of NSW
- the availability of port pilots
- the construction and viability of the new coal loader at the Port of Newcastle
- the closure of stevedore facilities at East Darling Harbour.

### **Supplementary hearing**

**2.8** The Committee conducted a supplementary public hearing examining the portfolio of Ports and Waterways on Monday, 19 December 2005. The following issues were examined:

- the Port Botany container terminal expansion
- the expansion of the coal loading facilities at the Port of Newcastle
- the transfer of the car import facilities from Port Jackson to Port Kembla
- road and rail infrastructure to the various major NSW Ports, including supporting inter-modal terminals
- the future of Sydney Harbour as a working harbour
- environmental issues at Port Botany
- remedial environmental work at Homebush Bay
- the Rose Bay and Point Piper marina moorings
- the use of jet-skis in NSW waterways.

### **Local Government**

**2.9** The Committee conducted a public hearing examining the portfolio of Local Government on Friday, 23 September 2005. The following issues were examined:

- the Regional Review Program of local councils and council mergers and forced amalgamations since 2003
- the number and nature of state government responsibilities devolved to local councils in recent years
- the pegging of council rates, the capacity of councils to service residents within their boundaries and additional financial assistance grants available to local councils
- the financial watch-list of local councils, investigations into councils and the provision of strategic advice and mediation assistance to councils by the Department of Local Government in the last year
- the skills shortage in the local government sector in NSW and means of encouraging apprentices and trainees to join local councils
- the staffing level of the Department of Local Government and the allocation of staff between the Sydney and Nowra offices.

## Appendix 1 Witnesses

### 1. Natural Resources, Primary Industries and Mineral Resources (15 September 2005)

Name	Position and Organisation
The Hon Ian Macdonald MLC	Minister for Natural Resources, Minister for Primary Industries and Minister for Mineral Resources
Dr Richard Sheldrake	Acting Director General, Department of Natural Resources
Mr Barry Buffier	Director General, Department of Primary Industries
Mr Alan Coutts	Deputy Director General, Mineral Resources, Department of Primary Industries
Mr Alan Gleeson	Executive Director, Corporate Services, Department of Primary Industries

### 2. Regional Development, Illawarra and Small Business (16 September 2005)

Name	Position and Organisation
The Hon David Campbell MP	Minister for Regional Development, Minister for the Illawarra and Minister for Small Business
Mr Loftus Harris	Director General, Department of State and Regional Development
Mr Michael Cullen	Executive Director, Regional Development Division, Department of State and Regional Development
Ms Julie Scott	Acting Executive Director, Small Business Development Division, Department of State and Regional Development

### 3. Environment and Arts (16 September 2005)

Name	Position and Organisation
The Hon Bob Debus MP	Minister for the Environment and Minister for the Arts
Mr Roger Wilkins	Director General, Ministry for the Arts
Ms Jennifer Lindsay	Deputy Director General, Ministry for the Arts
Ms Lisa Corbyn	Director General, Department of Environment and Conservation
Dr Tony Fleming	Deputy Director General, Parks Services Division, Department of Environment and Conservation
Mr Simon Smith	Director General, Environment Protection and Regulation Division, Department of Environment and Conservation
Mr Arthur Diakos	Executive Director, Corporate Services Division, Department of Environment and Conservation
Dr Tim Entwisle	Executive Director, Botanic Gardens Trust

**4. Ports and Waterways (22 September 2005)**

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<b>Name</b>	<b>Position and Organisation</b>
The Hon Eric Roozendaal MLC	Minister for Ports and Waterways
Mr Chris Oxenbould AO	Chief Executive, NSW Maritime Authority
Mr Tony Middleton	General Manager, Shipping, Security and Environment, NSW Maritime Authority

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**5. Local Government (23 September 2005)**

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<b>Name</b>	<b>Position and Organisation</b>
The Hon Kerry Hickey MP	Minister for Local Government
Mr Garry Payne	Director General, Department of Local Government

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**6. Natural Resources - Supplementary hearing (9 December 2005)**

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<b>Name</b>	<b>Position and Organisation</b>
The Hon Ian Macdonald MLC	Minister for Natural Resources
Mr Peter Sutherland	Deputy Director General, Department of Natural Resources

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**7. Ports and Waterways - Supplementary hearing (19 December 2005)**

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<b>Name</b>	<b>Position and Organisation</b>
The Hon Eric Roozendaal MLC	Minister for Ports and Waterways
Mr Chris Oxenbould AO	Chief Executive, NSW Maritime Authority

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**8. Primary Industries and Mineral Resources - Supplementary hearing (19 December 2005)**

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<b>Name</b>	<b>Position and Organisation</b>
The Hon Ian Macdonald MLC	Minister for Primary Industries and Minister for Mineral Resources

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## Appendix 2 Minutes of proceedings

### Minutes No 40

Thursday, 15 September 2005

General Purpose Standing Committee No. 5

At Parliament House at 7.47 pm, Jubilee Room

#### 1. **Members Present**

Mr Ian Cohen (Chair)

Mr Rick Colless

Mr Greg Donnelly

Ms Sylvia Hale

Mr Duncan Gay (Harwin)

Mr Tony Catanzariti

Ms Amanda Fazio (Tsang)

Mr Jon Jenkins (participating member)

#### 2. **Substitute arrangements**

The Chair advised that Mr Gay would be substituting for Mr Harwin and Ms Fazio would be substituting for Mr Tsang for the purposes of this meeting.

#### 3. **Inquiry into 2005-2006 Budget Estimates - Deliberative Meeting**

##### *Correspondence*

The Chair tabled the following items of correspondence received:

- Letter from the Hon John Della Bosca MLC forwarding the finalised schedule of Ministers' attendance for the 2005-2006 Budget Estimates hearings (received 30 August 2005)
- Letter from the Hon John Della Bosca MLC advising of changes to the finalised schedule of Ministers' attendance for the 2005-2006 Budget Estimates hearings (received 14 September 2005)

#### 4. **Budget Estimates 2005-2006 - Public Hearing**

The Chair made a statement to Members regarding the broadcasting of proceedings.

The Hon Ian Macdonald MLC, Minister for Natural Resources, Primary Industries and Mineral Resources, was admitted and accompanied by the following advisers:

##### *Department of Natural Resources*

Dr Richard Sheldrake, Acting Director General

Mr Peter Sutherland, Deputy Director General

##### *Department of Primary Industries*

Mr Barry Buffier, Director General

Mr Alan Coutts, Deputy Director General, Mineral Resources

Mr Peter Duncan, Chief Executive Officer, Forests NSW

Mr Alan Gleeson, Executive Director, Corporate Services

Mr R Martin, Senior Liaison Officer  
Mr James Gibson, Departmental Liaison Officer, Fisheries

The public and media were admitted.

The Chair made a statement regarding certain procedural matters during hearings on budget estimates.

The Chair declared the proposed expenditure for the portfolio areas of Natural Resources, Primary Industries and Mineral Resources open for examination.

The Minister and his advisers answered questions from Members of the Committee.

Examination of the proposed expenditure for the portfolio areas of Natural Resources, Primary Industries and Mineral Resources concluded and the witnesses withdrew.

## **5. Budget Estimates 2005-2006 – Deliberative Meeting**

### ***Supplementary hearings***

Resolved on motion of Mr Gay: That the Committee conduct a further hearing, divided into two two hour sessions over one day on a date to be determined by the Chair, in consultation with the Minister, to consider further matters relating to the portfolios of Natural Resources, Primary Industries and Mineral Resources.

## **6. Adjournment**

The Committee adjourned at 10.19 pm until 8.45 am on Friday, 16 September 2005 in the Jubilee Room.

### **Julie Langsworth**

Clerk to the Committee

### **Minutes No 41**

Friday, 16 September 2005

General Purpose Standing Committee No. 5

At Parliament House at 8.50 am, Jubilee Room

#### **1. Members Present**

Mr Ian Cohen (Chair)

Ms Robyn Parker (Colless)

Mr Greg Donnelly

Ms Sylvia Hale

Ms Melinda Pavey (Harwin)

Mr Tony Catanzariti

Mr Henry Tsang

#### **2. Substitute arrangements**

The Chair advised that Ms Parker would be substituting for Mr Colless and Ms Pavey would be substituting for Mr Harwin for the purposes of this meeting.

### 3. Inquiry into 2005-2006 Budget Estimates - Deliberative Meeting

#### *Conduct of Hearing*

Resolved on motion of Ms Pavey: That

- The Committee would examine all portfolios without restricting the time allocated to any one area
- Members would be allocated 20 minutes for questioning alternating between Opposition and cross-bench Members
- Responses to questions on notice be required within 35 calendar days of the date of the hearing.

### 4. Budget Estimates 2005-2006 - Public Hearing

The Chair made a statement to Members regarding the broadcasting of proceedings.

The Hon David Campbell MP, Minister for Regional Development, Illawarra and Small Business, was admitted and accompanied by the following advisers:

#### *Department of State and Regional Development*

Mr Loftus Harris, Director General

Mr Michael Cullen, Executive Director, Regional Development Division

Ms Julie Scott, Acting Executive Director, Small Business Development Division.

The public and media were admitted.

The Chair made a statement regarding certain procedural matters during hearings on budget estimates.

The Chair declared the proposed expenditure for the portfolio areas of Regional Development, Illawarra and Small Business open for examination.

The Minister and his advisers answered questions from Members of the Committee.

Examination of the proposed expenditure for the portfolio areas of Regional Development, Illawarra and Small Business concluded and the witnesses withdrew.

### 5. Adjournment

The Committee adjourned at 11.10 am until 1.45 pm on Friday, 16 September 2005 in Room 814/815.

#### **Stephen Frappell**

Clerk to the Committee

#### **Minutes No 42**

Friday, 16 September 2005

General Purpose Standing Committee No. 5

At Parliament House at 1.45 pm, Room 814/815

**1. Members Present**

Mr Ian Cohen (Chair)  
Mr Rick Colless  
Mr Greg Donnelly  
Ms Sylvia Hale  
Mr Charlie Lynn (Harwin)  
Ms Jan Burnswoods (Catanzariti)  
Mr Henry Tsang  
Mr Jon Jenkins (participating member)

**2. Substitute arrangements**

The Chair advised that Mr Lynn would be substituting for Mr Harwin and Ms Burnswoods would be substituting for Mr Catanzariti for the purposes of this meeting.

Mr Obeid substituted for Mr Tsang for the purposes of the deliberative meeting.

**3. Inquiry into 2005-2006 Budget Estimates - Deliberative Meeting*****Conduct of Hearing***

Resolved on motion of Mr Colless: That

- An hour each be allocated for questions for the portfolios of Arts and the Environment
- Responses to questions on notice be requested within 21 calendar days of the date of the hearing.

**4. Budget Estimates 2005-2006 - Public Hearing**

The Chair made a statement to Members regarding the broadcasting of proceedings.

The Hon Bob Debus MP, Minister for Environment and Minister for the Arts, was admitted and accompanied by the following advisers:

***Department of Environment and Conservation***

Ms Lisa Corbyn, Director General  
Dr Tony Fleming, Deputy Director, Parks Services Division  
Mr Simon Smith, Deputy Director General, Environment Protection and Regulation Division  
Mr Arthur Diakos, Executive Director, Corporate Services Division  
Dr Tim Entwisle, Executive Director, Botanic Gardens Trust

***Ministry for the Arts***

Mr Roger Wilkins, Director General  
Ms Jennifer Lindsay, Deputy Director General

The public and media were admitted.

The Chair made a statement regarding certain procedural matters during hearings on budget estimates.

The Chair declared the proposed expenditure for the portfolio areas of Environment and the Arts open for examination.

The Minister and his advisers answered questions from Members of the Committee.

Examination of the proposed expenditure for the portfolio areas of Environment and the Arts concluded and the witnesses withdrew.

**5. Budget Estimates 2005-2006 – Deliberative meeting**

***Supplementary hearings***

Resolved on motion of Mr Colless: That the Committee conduct a further two hour hearing on a date to be determined by the Chair after consulting with Committee Members, to consider the portfolio of the Environment.

**6. Adjournment**

The Committee adjourned at 4.16 pm until 7.45 pm on Thursday, 22 September 2005 in the Jubilee Room.

**Julie Langsworth**

Clerk to the Committee

**Minutes No 43**

Thursday, 22 September 2005

General Purpose Standing Committee No. 5

At Parliament House at 7.45 pm, Jubilee Room

**1. Members Present**

Mr Ian Cohen (Chair)  
 Ms Melinda Pavey (Colless)  
 Mr Greg Donnelly  
 Ms Sylvia Hale  
 Mr Greg Pearce (Harwin)  
 Mr Tony Catanzariti  
 Mr Peter Primrose (Tsang)

**2. Substitute arrangements**

The Chair advised that Ms Pavey would be substituting for Mr Colless, Mr Pearce would be substituting for Mr Harwin and Mr Primrose would be substituting for Mr Tsang for the purposes of this meeting.

**3. Inquiry into 2005-2006 Budget Estimates - Deliberative Meeting**

***Conduct of Hearing***

Resolved on motion of Mr Primrose: That responses to questions on notice be requested within 21 calendar days.

**4. Budget Estimates 2005-2006 - Public Hearing**

The Chair made a statement to Members regarding the broadcasting of proceedings.

The Hon Eric Roozendaal MLC, Minister for Ports and Waterways, was admitted and accompanied by the following advisers:

***NSW Maritime Authority***

Mr Chris Oxenbould AO, Chief Executive

Mr Tony Middleton, General Manager, Shipping, Security and Environment

The public and media were admitted.

The Chair made a statement regarding certain procedural matters during hearings on budget estimates.

The Chair declared the proposed expenditure for the portfolio of Ports and Waterways open for examination.

The Minister and his advisors answered questions from Members of the Committee.

Examination of the proposed expenditure for the portfolio of Ports and Waterways concluded and the witnesses withdrew.

**5. Adjournment**

The Committee adjourned at 10.07 pm until 8.45 am on Friday, 23 September 2005 in Room 814/815.

**Julie Langsworth**

Clerk to the Committee

**Minutes No 44**

Friday, 23 September 2005

General Purpose Standing Committee No. 5

At Parliament House at 8.55 am, Room 814/815

**1. Members Present**

Mr Ian Cohen (Chair)

Mr Rick Colless

Mr Ian West (Donnelly)

Mr Don Harwin

Mr Peter Primrose (Catanzariti)

Ms Kayee Griffin (Tsang)

**2. Apologies**

Ms Sylvia Hale

**3. Substitute arrangements**

The Chair advised that Mr West would be substituting for Mr Donnelly, Mr Primrose would be substituting for Mr Catanzariti and Ms Griffin would be substituting for Mr Tsang for the purposes of this meeting.

#### 4. Inquiry into 2005-2006 Budget Estimates - Deliberative Meeting

##### *Conduct of Hearing*

Resolved on motion of Mr Colless: That

- Responses to questions on notice be requested within 21 calendar days from the date of their provision by the Committee Secretariat
- Members be allocated 20 minutes for questioning, alternating between Government, Opposition and cross-bench Members.

#### 5. Budget Estimates 2005-2006 - Public Hearing

The Chair made a statement to Members regarding the broadcasting of proceedings.

The Hon Kerry Hickey MP, Minister for Local Government, was admitted and accompanied by the following advisers:

##### *NSW Department of Local Government*

Mr Garry Payne, Director General

Mr John Hogg, Manager, Business Services

Mr Ross Bailey, Business Services Coordinator

The public and media were admitted.

The Chair made a statement regarding certain procedural matters during hearings on budget estimates.

The Chair declared the proposed expenditure for the portfolio area of Local Government open for examination.

The Minister and Mr Payne answered questions from Members of the Committee.

Examination of the proposed expenditure for the portfolio area of Local Government concluded and the witnesses withdrew.

#### 6. Budget Estimates 2005-2006 – Deliberative meeting

##### *Supplementary hearings*

Resolved on motion of Mr Colless: That the Committee consider conducting a further hearing on a date to be determined by the Chair after consulting with Committee Members following receipt of answers to questions taken on notice.

#### 7. Adjournment

The Committee adjourned at 11:00 am *sine die*.

**Stephen Frappell**

Clerk to the Committee

## **Minutes No 45**

Thursday, 10 November 2005

General Purpose Standing Committee No. 5

At Parliament House at 9.05 am, Room 1108

### **1. Members Present**

Mr Ian Cohen (Chair)

Mr Tony Catanzariti

Mr Rick Colless

Ms Sylvia Hale

Mr Don Harwin

### **2. Apologies**

Mr Greg Donnelly

### **3. Confirmation of minutes**

Resolved on motion of Mr Colless: That Minutes No 39, 40, 41, 42 43 and 44 be confirmed.

### **4. Correspondence**

The Committee noted the following item of correspondence received:

- Letter from Mr Garry Payne, Director General, Department of Local Government, correcting his evidence during the budget estimates hearing of GPSC 5 on Friday, 23 September 2005.

### **5. Inquiry into Budget Estimates 2005-2006**

The Committee noted the following responses to questions on notice received:

- The Hon Ian Macdonald MLC, Minister for Natural Resources, Minister for Primary Industries, and Minister for Mineral Resources
- The Hon David Campbell MP, Minister for Regional Development, Minister for the Illawarra, and Minister for Small Business
- The Hon Bob Debus MP, Minister for the Environment and Minister for the Arts
- The Hon Eric Roozendaal MLC, Minister for Ports and Waterways
- The Hon Kerry Hickey MP, Minister for Local Government

Resolved on motion of Mr Harwin: That following further consultation with Committee Members the Committee not conduct any further hearings for the portfolio of Environment and the Arts.

Resolved on motion of Mr Colless: That the Committee conduct a further hearing for the portfolios of Natural Resources, Primary Industries and Mineral Resources; that the hearing be divided into two two hour sessions over one day; and that the Committee Secretariat consult with the Minister's Office to agree on one of the following dates for the hearing: 22 November, 25 November, 28 November, 9 December, 13-16 December or 19 – 22 December 2005.

Resolved on motion of Ms Hale: That the Committee conduct a further hearing of two hours for the portfolio of Ports and Waterways, and that the Committee Secretariat consult with the Minister's Office to agree on one of the following dates for the hearing: 22 November, 25 November, 28 November, 9 December, 13-16 December or 19 – 22 December 2005.



Resolved on motion of Mr Harwin: That the Committee not conduct any further hearings for the portfolios of Regional Development, Illawarra and Small Business.

Resolved on motion of Mr Harwin: That the Committee not conduct any further hearings for the portfolio of Local Government.

**6. Adjournment**

The Committee adjourned at 9.25 am until a date to be determined.

**Stephen Frappell**

Clerk to the Committee

**Minutes No 46**

Tuesday, 15 November 2005

General Purpose Standing Committee No. 5

At Parliament House at 2.15 pm, Room 1153

**1. Members Present**

Mr Ian Cohen (Chair)

Mr Rick Colless

Mr Greg Donnelly

Ms Sylvia Hale

Mr Don Harwin

**2. Confirmation of minutes**

Resolved on motion of Mr Colless: That Minutes No 45 be confirmed.

**3. Inquiry into Budget Estimates 2005-2006**

Resolved on motion of Mr Colless: That as part of the inquiry into Budget Estimates 2005 – 2006 the Committee conduct two further hearings of two hours duration for the portfolios of Natural Resources, Primary Industries and Mineral Resources; that the hearings be at 4.00 – 6.00 pm on Friday, 9 December 2005 and 2.00 – 4.00 pm on Monday, 19 December 2005; and that the Committee examine the Natural Resources portfolio at the hearing on Friday, 9 December 2005 and the Primary Industries and Mineral Resources portfolios at the hearing on Monday, 19 December 2005.

**4. Adjournment**

The Committee adjourned at 2.20 pm until a date to be determined.

**Stephen Frappell**

Clerk to the Committee

**Minutes No 48**

Friday, 9 December 2005

General Purpose Standing Committee No. 5

At Parliament House at 3.55 pm, Room 814/815

**1. Members Present**

Mr Ian Cohen (Chair)  
Mr Rick Colless  
Mr Greg Donnelly  
Mr Duncan Gay (Harwin)  
Ms Kayee Griffin (Tsang)  
Ms Sylvia Hale  
Ms Penny Sharpe (Catanzariti)

**2. Substitute arrangements**

The Chair advised that Ms Sharpe would be substituting for Mr Catanzariti, Mr Gay would be substituting for Mr Harwin and Ms Griffin would be substituting for Mr Tsang for the purposes of this meeting.

**3. Inquiry into 2005-2006 Budget Estimates - Deliberative Meeting**

***Confirmation of Minutes No. 46***

Resolved on motion of Mr Colless: That Minutes No. 46 be confirmed.

***Correspondence***

The Committee noted the following items of correspondence sent:

- Letter to the Hon Ian Macdonald MLC re supplementary hearings (dated 16 November)
- Letter to the Hon Eric Roozendaal MLC re supplementary hearings (dated 16 November)

**4. Budget Estimates 2005-2006 - Public Hearing**

The Chair made a statement to Members regarding the broadcasting of proceedings.

The Hon Ian Macdonald MLC, Minister for Natural Resources, was admitted and accompanied by the following advisers:

Mr Adam Badenoch, Deputy Chief of Staff/Senior Policy Officer  
Dr Richard Sheldrake, Director General, Department of Natural Resources  
Mr Glenn Smith, Executive Director, Corporate Services, Department of Natural Resources  
Mr Peter Sutherland, Deputy Director General, Department of Natural Resources

The public and media were admitted.

The Chair made a statement regarding certain procedural matters during hearings on budget estimates.

The Chair declared the proposed expenditure for the portfolio area of Natural Resources open for examination.

The Minister and his advisers answered questions from Members of the Committee.

Examination of the proposed expenditure for the portfolio area of Natural Resources concluded.

At the conclusion of the hearing, the Minister indicated:

- that the Department would endeavour to return the questions on notice within 35 calendar days but could not guarantee it due to the extended holiday period
- that he was happy to accept a reasonable number of additional questions on notice from the Committee in lieu of further supplementary hearings.

The witnesses withdrew.

## 5. Budget Estimates 2005-2006 – Deliberative meeting

### *Additional Questions on Notice*

Resolved on motion of Mr Gay: That Committee Members have until 5.00 pm on Monday 12 December 2005 to provide to the Secretariat additional questions on notice in relation to the Natural Resources portfolio.

Resolved on motion of Mr Colless: That responses to questions on notice be requested within 35 calendar days, but if possible prior to Christmas.

## 6. Adjournment

The Committee adjourned at 6.08 pm until Monday, 19 December 2005 at 9.50 am.

## Stephen Frappell

Clerk to the Committee

## Minutes No 49

Monday, 19 December 2005

General Purpose Standing Committee No. 5

At Parliament House at 9.55 am, Room 814/815

### 1. Members Present

Mr Ian Cohen (Chair)  
 Mr Greg Donnelly  
 Ms Patricia Forsythe (Harwin)  
 Ms Sylvia Hale  
 Ms Melinda Pavey (Colless)  
 Mr Henry Tsang

### 2. Apologies

Mr Tony Catanzariti.

### 3. Substitute arrangements

The Chair advised that Ms Forsythe would be substituting for Mr Harwin and Ms Pavey would be substituting for Mr Colless for the purposes of this meeting.

### 4. Inquiry into 2005-2006 Budget Estimates - Deliberative Meeting

***Confirmation of Minutes No. 48***

Resolved on motion of Mr Donnelly: That Minutes No. 48 be confirmed.

***Response to questions on notice***

The Chair noted the previous resolution of the Committee that witness be requested to provide answers to questions taken on notice during the hearing within 35 calendar days.

**5. Budget Estimates 2005-2006 - Public Hearing**

The Chair made a statement to Members regarding the broadcasting of proceedings.

The Hon Eric Roozendaal MLC, Minister for Ports and Waterways, was admitted and accompanied by the following advisers:

***NSW Maritime Authority***

Mr Chris Oxenbould AO, Chief Executive

Mr Tony Middleton, General Manager, Shipping, Security and Environment,

The public and media were admitted.

The Chair made a statement regarding certain procedural matters during hearings on budget estimates.

The Chair declared the proposed expenditure for the portfolio area of Ports and Waterways open for examination.

The Minister and his advisers answered questions from Members of the Committee.

Examination of the proposed expenditure for the portfolio area of Ports and Waterways concluded.

The Chair advised the Minister and departmental officials that questions on notice should be returned within 35 calendar days.

The witnesses withdrew.

**6. Adjournment**

The Committee adjourned at 12.05 pm until 1.50 pm the same day.

**Stephen Frappell**

Clerk to the Committee

**Minutes No 50**

Monday, 19 December 2005

General Purpose Standing Committee No. 5

At Parliament House at 1.55 pm, Room 814/815

**1. Members Present**

Mr Ian Cohen (Chair)  
 Mr Rick Colless  
 Mr Greg Donnelly  
 Mr Duncan Gay (Harwin)  
 Mr Henry Tsang  
 Ms Sylvia Hale

**2. Apologies**

Mr Tony Catanzariti

**3. Substitute arrangements**

The Chair advised that Mr Gay would be substituting for Mr Harwin for the purposes of this meeting.

**4. Inquiry into 2005-2006 Budget Estimates - Deliberative Meeting*****Response to questions on notice***

The Chair noted the previous resolution of the Committee that witnesses be requested to provide answers to questions taken on notice during the hearing within 35 calendar days.

**5. Budget Estimates 2005-2006 - Public Hearing**

The Chair made a statement to Members regarding the broadcasting of proceedings.

The Hon Ian Macdonald MLC, Minister for Primary Industries and Mineral Resources, was admitted and accompanied by the following advisers:

Mr Barry Buffier, Director General, Department of Primary Industries  
 Mr Tony Hewson, Chief of Staff  
 Mr. George Davey, Director General, NSW Food Authority

The public and media were admitted.

The Chair made a statement regarding certain procedural matters during hearings on budget estimates.

The Chair declared the proposed expenditure for the portfolio areas of Primary Industries and Mineral Resources open for examination.

The Minister and his advisers answered questions from Members of the Committee.

Examination of the proposed expenditure for the portfolio areas of Primary Industries and Mineral Resources concluded.

The Minister undertook to respond to questions taken on notice during the hearing, together with a reasonable number of additional written questions, within 35 calendar days.

The witnesses withdrew.

## 6. Budget Estimates 2005-2006 – Deliberative

### *Additional written questions on notice*

Resolved on motion of Mr Gay: That additional written questions be provided to the Secretariat by 5.00 pm Tuesday, 20 December 2005 for forwarding to the Minister's Office.

### *Further budget estimates hearing activities*

Resolved on motion of Ms Hale: That the Committee hold no further hearings in relation to the portfolios of Ports and Waterways and Natural Resources, Primary Industries, Mineral Resources for the Inquiry into Budget Estimates 2005-2006.

### *Preparation of Budget Estimates Report*

Resolved on motion of Mr Colless: That the Committee Secretariat prepare a draft report on the Inquiry into Budget Estimates 2005-2006.

## 7. Adjournment

The Committee adjourned at 4.10 pm *sine die*.

## Stephen Frappell

Clerk to the Committee

## Minutes No 52

Thursday, 2 March 2006

General Purpose Standing Committee No. 5

At Parliament House at 1.35 pm, Room 1108

### 1. Members Present

Mr Ian Cohen (Chair)

Mr Rick Colless (Deputy Chair)

Mr Greg Donnelly

Ms Sylvia Hale

### 2. Inquiry into 2005-2006 Budget Estimates - Deliberative Meeting

#### *Confirmation of minutes 49 and 50*

Resolved on motion of Mr Colless: That minutes no 49 and 50 be confirmed.

#### *Consideration of Chair's draft report*

Resolved on motion of Mr Donnelly:

- That the Chair's report be the report of the Committee and be signed by the Chair and presented to the House in accordance with Standing Orders 230 and 231, together with the minutes, answers to questions on notice, transcripts, correspondence and tabled documents.
- That pursuant to the provisions of section 4 of the *Parliamentary Papers (Supplementary Provisions) Act 1975* the Committee authorises the publication of all minutes, answers to questions on notice, correspondence, and tabled documents.

- That the Committee Secretariat be permitted to correct typographical, stylistic and grammatical errors in the report prior to tabling.

3. **Adjournment**

The Committee adjourned at 1.40 pm until 9.45 am on Friday, 10 March for the inquiry into a sustainable water supply for Sydney.

**Stephen Frappell**

Clerk to the Committee