

General Purpose Standing Committee No 5

Budget Estimates 2002-2003

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Terms of Reference

- 1) *That the Budget Estimates and related documents 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 3 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) *A daily Hansard record of the hearings of a Committee on the Budget Estimates is to be published as soon as practicable after each day's proceedings.*
- 10) *The Committees have leave to sit during the sittings or any adjournment of the House.*
- 11) *That initial hearings of Committees be according to a schedule prepared and circulated by the Leader of the Government.*
- 12) *The Committees may hold supplementary hearings as required.*
- 13) *The Committees present a final report to the House by Thursday 5 September 2002.*

These terms of reference were referred to the Committee by the Legislative Council on 4 June 2002 (Minutes of Proceedings No 14, p 183)

Committee Membership

Hon Richard Jones MLC Independent *Chair*

Ms Jan Burnswoods MLC Australian Labor Party *Deputy Chair*

Hon Richard Colless MLC National Party

Hon Amanda Fazio MLC Australian Labor Party

Hon John Jobling MLC Liberal Party

Hon Malcolm Jones MLC Outdoor Recreation Party

Hon Janelle Saffin MLC Australian Labor Party

Other Members who attended the hearings

Hon Ian West MLC Australian Labor Party

Hon Ian Macdonald MLC Australian Labor Party

Hon Charlie Lynn MLC Liberal Party

Hon Peter Primrose MLC Australian Labor Party

Hon Duncan Gay MLC National Party

Hon Tony Kelly MLC Australian Labor Party

Hon Henry Tsang MLC Australian Labor Party

Hon Don Harwin MLC Liberal Party

Hon Ron Dyer MLC Australian Labor Party

The Hon Greg Pearce MLC Liberal Party

The Hon Patricia Forsythe MLC Liberal Party

The Hon Jim Samios MLC Liberal Party

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Chair's Foreword

General Purpose Standing Committee No 5 has examined the Budget Estimates for 2002-2003 for the portfolio areas of:

Environment and Emergency Services

Local Government, Regional Development and Rural Affairs

Information Technology, Energy, Forestry, Western Sydney

Agriculture

Land and Water Conservation

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

In adopting this report some members expressed concern about the format of this report and the Committee has resolved to discuss this at a subsequent meeting.

Further information about Committee hearings and answers to questions can be obtained from reading the Hansard reports at the Committee's website via www.parliament.nsw.gov.au.

The Hon Richard Jones MLC
Chair

Introduction

Referral of the 2002-2003 Budget Estimates

On 4 June 2002, the Legislative Council resolved that the Budget Estimates and related documents presenting the amounts to be appropriated from the Consolidated Funds be referred to the General Purpose Standing Committees for inquiry and report.¹ Each Committee was required to examine the Budget Estimates for their relevant portfolios and report to the House by Thursday 5 September 2002.²

Examination of the Budget Estimates

General Purpose Standing Committee No 5 examined the budget estimates and related documents for its portfolios at a series of public hearings held on the following dates:

| | |
|--------------|--|
| 20 June 2002 | Environment and Emergency Services |
| 24 June 2002 | Local Government, Regional Development and Rural Affairs |
| 25 June 2002 | Information Technology, Energy, Forestry, Western Sydney |
| 26 June 2002 | Agriculture |
| 26 June 2002 | Land and Water Conservation |

This report summarises the main issues discussed at each hearing. The full transcript of evidence taken at these hearings can be accessed via the Committee's Web page accessible via the Parliament's home page at: www.parliament.nsw.gov.au. Hard copies of the transcript can be obtained by contacting the General Purpose Standing Committee Secretariat on **02 9230 3544**.

During these hearings, Ministers took a number of questions on notice. In addition the Committee lodged written questions on notice in relation to several portfolio areas. The Committee is pleased to note that answers have been provided to all questions placed on notice. Copies of the questions and answers can be found at the Committee's Web page at the above address. Appendix 3 contains details of response times for questions placed on notice by the Committee as part of the 2002-2003 Budget Estimates and related documents inquiry.

A number of documents were tabled during the Committee's public hearings. A list of tabled documents appears at Appendix 2. Where possible, copies of these documents have been placed at the Committee's Web page accessible via the above address. Arrangements for the inspection of other documents can be made by contacting the General Purpose Standing Committee Secretariat on 02 9230 3544.

Relevant minutes of the Committee's proceedings appear at Appendix 4.

¹ Minutes of Proceedings, No 14, 4 June 2002. See Appendix 1 for more information about the General Purpose Standing Committees.

² Resolution of 4 June 2002, para 13.

Chapter 1 Emergency Services and Environment

The Committee heard from the Hon Bob Debus MP, Minister for the Environment, Minister for Emergency Services, and Minister Assisting the Premier on the Arts, who attended together with the following advisors: Mr P. Koperberg, Commissioner and Mr P. Hennessy, Manager, Financial Services, New South Wales Rural Fire Service; Mr I MacDougall, Commissioner, New South Wales Fire Brigades and Brigadier P McNamara, Director-General, State Emergency Services; Ms Lisa Corbyn, Director-General, Mr A Ramsey, Executive Director, Finance and Administration, Environment Protection Authority; Mr B. Gilligan, Director-General and Mr A. Diakos, Director, Corporate Service, National Parks and Wildlife Service, at a public hearing held on 20 June 2002.

A list of the issues discussed at the hearing is provided below. For further details on these matters, see the Hansard record for this hearing.

Emergency Services

- Additional staff to conduct hazard reduction and fire control activities
- Purchase of additional tankers
- Rural Fire Service's preparations for the 2001-02 bushfire season
- State Emergency Services budget
- Rural Fire Service grants to local government
- Equipment allowances paid to the Volunteer Rescue Association
- Upgrade of existing fire stations and schedule for construction of new fire stations

Environment

- Cleaner vehicles action plan to reduce vehicle emissions
- Removal of toxins from soil and bed of the Rhodes Peninsular waterway
- Sediment monitoring tests around deep ocean outfalls
- Sydney beaches water quality and safety for swimming
- Methane and other gas emissions from the northside storage tunnel
- Threatened species list and cost of preparing and implementing a Threat Abatement Plan

- Environmental Protection Authority greenhouse gas emissions reduction plan
- Environmental Protection Authority plan to remove endocrine disrupters from the environment
- Deer management and shooting in the Royal National Park
- Management of National Parks annual passes
- Age, weight and sex ratios of red kangaroo carcasses in western New South Wales
- Fauna loss in national parks as a result of the Christmas 2001-02 bushfires
- National Parks and Wildlife fire prevention responsibilities
- Wild horse management plan for Kosciusko National Park
- Success of litter law reform

Chapter 2 Local Government, Regional Development and Rural Affairs

The Committee heard from the Hon Harry Woods MP, Minister for Local Government, Minister for Regional Development and Minister for Rural Affairs, who attended together with the following advisors: Mr Gary Payne, Director-General, and Mr John Hogg, Manager, Business Services, Department of Local Government; Mr Loftus Harris, Director-General, and Mr Michael Cullen, Executive Director (Regional Development), of the Department of State and Regional Development; and Mr Michael Fleming, Chief of Staff, and Ms Shoshana Lenthen, Media Adviser, of the Office of the Minister for Regional Development, Minister for Rural Affairs and Minister for Local Government, at a public hearing held on 24 June 2002.

A list of the issues discussed at the hearing is provided below. For further details on these matters, see the Hansard record for this hearing.

Local Government

- Country Towns Water Supply and Sewerage Scheme
- Relocation of ministerial office
- Merger of Albury and Wodonga councils
- Microchipping and registration of companion animals
- Amalgamation of local councils
- Local government boundary changes
- Information services to local councils
- Relocation of Department to Nowra
- Pet Line service
- Boundaries Commission
- Local Government as a ministerial portfolio
- Ministerial office in Bathurst
- Senior staff departures
- Media monitoring services engaged by ministerial office

- Videoconferencing facilities
- Cost of consultants
- Productivity savings for departmental staff
- Outsourcing to Department of Gaming and Racing
- Watching briefs on councils
- Procedures for raising concerns regarding performance of councils
- Community lands
- On-site septic management

Regional Development, Rural Affairs

- Regional investment tours
- Regional Economic Transition Scheme
- Country life-styles program
- Main Street and Small Towns program
- Funds allocated to multi-year programs
- Location of budget figures for Regional Development and Rural Affairs
- Industrial plants at Mogo and Lithgow
- Compliance with *Threatened and Vulnerable Species Act*
- Encouragement for regional airlines
- Productivity savings in relation to departmental staff
- Regional Development Assistance

Chapter 3 Information Technology, Energy, Forestry, Western Sydney

The Committee heard from the Hon Kim Yeadon MP, Minister for Information Technology, Minister for Energy, Minister for Forestry, and Minister for Western Sydney together with Mr W Watkins, Director-General and Mr I Holt, Budget Manager Group Finance, of the Department of Information Technology Management; Ms M Ryan, Executive Director, Office of Western Sydney; Mr M Fogarty, Executive Director and Mr C Dunstan, Associate Director Market Development, of the Sustainable Energy Development Authority; Mr B Steffen, Director-General, Ministry of Energy and Utilities, Mr P Broad, Managing Director, Energy Australia, Mr R Smith, Chief Executive Officer and Mr M Clinch, General Manager, Finance, of State Forests of NSW; Ms J Tracey, Director, Forestry Policy and Structural Adjustment Units and Ms K Greenhill, Manager, Worker Assistance, Forestry Policy and Structural Adjustment Units, of the Office of Forestry Information; Mr A Walker, Managing Director and Mr J Kitney, General Manager Finance, of the Sydney Water Corporation; Mr D Evans, Managing Director and Ms D Sims, Manager, Communications and Government Support, of the Hunter Water Corporation, at a public hearing on 25 June 2002.

A list of the issues discussed at the hearing is provided below. For further details on these matters, see the Hansard record for this hearing.

Information Technology

- NSW Government Members' websites
- Government agencies' information security penetration testing
- Media monitoring

Western Sydney

- Western Sydney Industry Awards

Energy

- Energy Australia's investment in PowerTel
- Energy Australia's cash flow
- Revenue regulation in NSW electricity businesses
- Energy network pricing
- Compulsory greenhouse reduction targets

- Need for a national energy scheme
- Government initiatives to ensure retention of intellectual property and jobs in NSW
- Pacific Solar
- Alternative renewable sources – renewable generation and carbon sequestration
- Energy demand management
- Public education about energy efficiency
- Fee for service – energy efficiency programs
- Sustainable Energy Development Authority sponsorship of the Total Environment Centre breakfast
- Ministry of Energy and Utilities – grants and subsidies

Forestry

- Possible transfer of public land to National Parks
- 20 year wood supply commitment
- Pilliga Forest
- Assistance for those affected by the Government's forestry conservation policies
- Forest Industry Restructural Adjustment Program
- Plantation development
- Forestry production targets
- Carbon value
- Planting in the Murray Darling Basin
- Koala density in the Pine Creek State Forest
- Whian Whian and Rocky Creek Dam
- State Forest NSW – value market increment
- State Forest NSW operating profit

- Industry rationalisation
- Importation of timber into NSW

Chapter 4 Agriculture

The Committee heard from the Hon Richard Amery MP, Minister for Agriculture, who attended together with the following advisors: Dr K Sheridan, Director-General, Dr R F Sheldrake, Deputy Director-General, Dr A Gleeson, Executive Director (Administration), Mr T Ely, Financial Controller, Mr P Hingston, Manager (Audit and Corporate Administration), and Mr P Anquetil, Director (Sydney Office), of the Department of Agriculture; Mr S Griffith, General Manager, Rural Assistance Authority; Mr C Sahlin, Executive Director (Development Strategy and Information Technology), and Ms Sian Malyn, Director (Financing and Licensing), of Safe Food Production NSW, at a public hearing on 26 June 2002.

A list of the issues discussed at the hearing is provided below. For further details on these matters, see the Hansard record for this hearing.

- Budget increase for NSW Agriculture
- Additional expenditure on Grants and Subsidies
- Overspending on certain programs
- Ovine Johne's disease
- Staff attendance at conference in Spain
- Drought subsidies
- Funding from Noxious Weeds Control program
- Genetically Engineered (GE) free zones
- Chinese research on BT cotton
- Impact of GE growth on Canadian canola sales
- Management of GE contamination
- GE food technology research
- Size of NSW agricultural market
- Compliance with Threatened Species and Native Vegetation legislation
- Funding for Wild Dog Destruction Board
- Funding for Rural Land Protection Boards
- Insurance costs

- Increase in Non Current Liabilities
- Audit Office recommendations regarding animal disease emergencies
- Poultry Meat Industry Council
- Spread of noxious weeds
- Fluctuations in operating expenses of Rural Assistance Authority
- Asset acquisition program
- Action to combat soil acidity

Chapter 5 Land and Water Conservation

The Committee heard from the Hon John Aquilina, Minister for Land and Water Conservation, who attended together with the following advisors: Dr R. Smith, Director-General and Mr Murray Sheather, General Manger, Finance, Department of Land and Water Conservation, at a public hearing on 26 June 2002.

A list of the issues discussed at the hearing is provided below. For further details on these matters, see the Hansard record for this hearing.

- Overall staffing of the Department
- Staffing of the Land and Vegetation Program
- Implementation of the *Water Management Act 2000*
- The water reform process
- The native vegetation reform process
- Social and economic plans under the water management plan
- Irrigators and bulk water charges
- National Action Plan (NAP) on Salinity and Water Quality
- Catchment Management Boards
- Namoi River groundwater issue
- Country Towns Water Supply and Sewerage Scheme
- Environmental remediation of the Snowy River
- Staffing issues in Dubbo
- Aboriginal land claim applications
- Filling the position of Deputy Director-General
- Staffing for soil conservation in rural New South Wales
- Dams
- Public consultation on water plans
- Water licences

- Expenditure on the salinity strategy
- Reductions in the water quotas for irrigators
- Measuring compliance with the *Native Vegetation Act*
- Implementing Native Vegetation Conservation strategy
- Zero net loss of native habitat
- Implementation of the biodiversity strategy
- Drip irrigation for water conservation
- Upgrading of dams and returns on investments
- Fish ladders
- Removing unnecessary weirs
- Encouraging land-holders to fence off cattle from rivers and tributaries
- Upgrading sewerage works for the northern rivers region
- Cost sharing arrangements with local councils
- Forest plantations and the eradication of salinity
- Income stream from biodiversity retention or planting
- Control of feral animals, such as foxes and pigs.

Appendix 1

Establishment, Powers and Portfolios of the General Purpose Standing Committees

Establishment, powers and portfolios of the General Purpose Standing Committees

Establishment of the General Purpose Standing Committees

The five General Purpose Standing Committees were first established in 1997.³ The committees were reappointed on 13 May 1999, shortly after the commencement of the present Parliament.⁴ Since the inception of the General Purpose Standing Committees, the Budget Estimates and related papers have been referred to them for inquiry and report.

The General Purpose Standing Committees have a majority of non-government members. Of the five General Purpose Standing Committees, three are chaired by Cross Bench members and two are chaired by Opposition members.

The functions of the General Purpose Standing Committees are to inquire into and report on:

- any matters referred to them by the House,
- the expenditure, performance or effectiveness of any department of government, statutory body or corporation,
- any matter in any annual report of a department of government, statutory body or corporation.⁵

Powers of the General Purpose Standing Committees

The General Purpose Standing Committees have power to:

- send for and examine persons, papers, records and things
- adjourn from place to place
- make visits of inspection within the State
- request the attendance of and examine members of the House
- publish, before presentation to the House, submissions received and evidence taken in public and
- report from time to time their proceedings, evidence taken in public and recommendations.⁶

³ Minutes of Proceedings, No 65, 7 May 1997, p. 677.

⁴ Minutes of Proceedings, No 3, 13 May 1999, p. 62 (hereafter referred to as Resolution of 13 May 1999).

⁵ Resolution of 13 May 1999, para 3.

⁶ Resolution of 13 May 1999, para 8.

Portfolios

The five General Purpose Standing Committees have responsibility for Government Ministers' portfolio responsibilities,⁷ which are as follows:

General Purpose Standing Committee No. 1

Premiers, Arts and Citizenship
Treasury, State Development
Education and Training
The Legislature
Special Minister of State and Industrial Relations

General Purpose Standing Committee No. 2

Health
Community Services, Ageing, Disability Services, Women
Small Business, Tourism
Mineral Resources, Fisheries

General Purpose Standing Committee No. 3

Police
Attorney General
Fair Trading
Corrective Services
Juvenile Justice

General Purpose Standing Committee No. 4

Planning, Aboriginal Affairs, Housing
Transport, Roads
Gaming and Racing
Public Works and Services, Sport and Recreation

General Purpose Standing Committee No. 5

Information Technology, Energy, Forestry, Western Sydney
Agriculture
Land and Water Conservation
Environment, Emergency Services
Local Government, Regional Development, Rural Affairs

⁷ Resolution of 4 June 2002, para 13.

Appendix 2

Documents Tabled at Committee Hearings

Tabled documents

Thursday 20 June 2002 - Environment and Emergency Services

- Document entitled '200 Bushfires Since September Signal Tough Fire Season', Ministerial Media Release dated 18 October 2001.

Appendix 3

Response Times for Questions on Notice

Response time for questions on notice

The Committee resolved on Thursday, 20 June 2002 that Ministers be requested to lodge answers to questions on notice within 35 calendar days of the day on which the questions were forwarded to the Minister by the Committee Clerk. The return date for answers are set out in the table below.

| Minister | Hearing Date | Time Period | Date Questions Sent | Return Date for Answers | Date Answers Received |
|----------------------|---------------------|--------------------|----------------------------|--------------------------------|------------------------------|
| Hon Bob Debus MP | 20 June 2002 | 35 days | 27 June 2002 | 1 August 2002 | 6 August 2002 |
| Hon Harry Woods MP | 24 June 2002 | 35 days | 2 July 2002 | 6 August 2002 | 6 August 2002 |
| Hon Kim Yeadon MP | 25 June 2002 | 35 days | 3 July 2002 | 7 August 2002 | 8 August 2002 |
| Hon Richard Amery MP | 26 June 2002 | 35 days | 4 July 2002 | 8 August 2002 | 6 August 2002 |
| Hon John Aquilina MP | 26 June 2002 | 35 days | 2 July 2002 | 6 August 2002 | 5 August 2002 |

Appendix 4

Minutes of Proceedings

Minutes of the proceedings

Minutes No 76

Thursday, 20 June 2002

Room 814/815, at Parliament House at 8.05pm.

1. Members Present

The Hon Richard Jones MLC (*Chair*)
 Ms Jan Burnswoods MLC (*Deputy Chair*)
 The Hon Richard Colless MLC
 The Hon Don Harwin MLC (*Jobling*)
 The Hon Malcolm Jones MLC
 The Hon Janelle Saffin MLC
 The Hon Ian West MLC (*Fazio*)

2. Substitution Arrangements

The Chair advised that Mr Harwin would be representing Mr Jobling and that Mr West would be representing Ms Fazio.

3. Correspondence

Received

The Chair tabled correspondence from the Hon John Jobling MLC, Opposition Whip, requesting that Mr Paul Broad, Managing Director of Energy Australia be in attendance at the Budget Estimates hearing for Information Technology, Energy, Forestry and Western Sydney scheduled for Tuesday, 25 June 2002 at 6.00pm.

The Committee deliberated.

Resolved on motion of Ms Burnswoods: That the Committee Chair write to the Minister for Energy, the Hon Kim Yeadon, requesting him to arrange for Mr Paul Broad, Managing Director, Energy Australia, to attend the Budget Estimates hearing scheduled on Tuesday 25 June 2002 at 6pm.

4. Budget Estimates 2002-2003

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

The Committee deliberated.

Resolved, on the motion of Mr Harwin, that:

Members are to lodge written questions on notice relating to the portfolio responsibilities of the Committee with the Committee Clerk by 5.00pm on the second business day after the day on which the relevant hearing takes place

The Committee Clerk is to forward questions on notice to the relevant Minister.

Ministers be requested to lodge answers to questions on notice within 35 calendar days of the day on which the question is forwarded to the Minister by the Committee Clerk.

Under section 4 of the *Parliamentary Papers (Supplementary Provisions) Act 1975* and under the authority of the Standing Order 252, the Committee authorises the Clerk of the Committee to publish the answers provided to questions on notice, after these answers have been circulated to Committee Members.

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

State Emergency Services
Brigadier Philip McNamara

Rural Fire Service

Phil Koperberg, Commissioner
Mr Peter Hennessy, Manager, Financial Services

NSW Fire Brigades

Ian MacDougall, Commissioner

Environment Protection Authority

Ms Lisa Corbyn, Director General
Mr Alan Ramsey, Executive Director, Finance and Administration

National Parks and Wildlife Service

Mr Brian Giligan, Director General
Mr Arthur Daikos, Director, Corporate Services

Resource NSW

Mr Tim Rogers, Chief Executive

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 Emergency Services open for examination.

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

The Minister tendered a document, '200 Bushfires Since September Signal Tough Fire Season', Media Release dated 18 October 2001, to support his evidence.

Resolved on the motion of Ms Burnswoods: That the Committee accept the document tendered by the Minister.

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

5. Adjournment

The Committee adjourned at 10.14pm until Monday, 24 June 2002 at 1.00pm

Rachel Simpson
Clerk to the Committee

Minutes No 77

Monday 24 June 2002

Room 814.815 at Parliament House at 12:57 pm.

1. Members Present

The Hon Tony Kelly (Burnswoods) MLC (*in the Chair*)
 The Hon Amanda Fazio MLC
 The Hon Duncan Gay MLC (Colless)
 The Hon Malcolm Jones MLC
 The Hon Peter Primrose MLC (Saffin)
 The Hon Janelle Saffin MLC
 The Hon Jim Samios MLC (Jobling)

2. Apologies

Mr Jones.

3. Election of temporary Chair

The Clerk called for nominations for a temporary Chair.

Ms Fazio moved that Mr Kelly be elected temporary Chair.

There being no further nominations, Mr Kelly was declared elected temporary Chair.

Mr Kelly took the Chair.

4. Substitute arrangements

The Chair advised that Mr Gay would be representing Mr Colless, Mr Samios would be representing Mr Jobling, and Mr Kelly would be representing Ms Burnswoods.

5. Correspondence

The Chair tabled correspondence dated 20 June 2002 from the Chair to the Hon Kim Yeadon MP, Minister for Information Technology, Minister for Energy, Minister for Forestry and Minister for Western Sydney, regarding attendance of Mr Paul Broad, Managing Director, Energy Australia, at the budget estimates hearing on Tuesday 25 June 2002.

6. Budget Estimates 2002-2003

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

The Hon Harry Woods MP, Minister for Local Government, Minister for Regional Development, and Minister for Rural Affairs was admitted and accompanied by the following advisers:

Department of Local Government

Mr Gary Payne, Director General
 Mr John Hogg, Manager Business Services

Department of State and Regional Development

Mr Loftus Harris, Director General
 Mr Michael Cullen, Executive Director (Regional Development Division)

Office of the Minister for Local Government, Minister for Regional Development, and Minister for Rural Affairs

Mr Michael Fleming, Chief of Staff
 Ms Shoshana Lenthen, Media Advisor

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 Local Government, Regional Development, and Rural Affairs open for examination.

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

Examination of the proposed expenditure for the portfolio areas of Local Government, Regional Development, and Rural Affairs concluded and the witnesses withdrew.

7. Adjournment

The Committee adjourned at 3.10 pm until 6. 00 pm on Tuesday 25 June 2002.

Velia Mignacca

Clerk to the Committee

Minutes No 78

Tuesday, 25 June 2002

Jubilee Room, at Parliament House at 6.00pm.

1. Members Present

The Hon Richard Jones MLC (*Chair*)
 The Hon Tony Kelly MLC (Burnswoods)
 The Hon Duncan Gay MLC (Colless) *Only for Energy portfolio*
 The Hon Charlie Lynn MLC (Jobling)
 The Hon Malcolm Jones MLC
 The Hon Ian MacDonald MLC (Fazio)
 The Hon Richard Colless MLC *Only for Forestry Portfolio*
 The Hon Henry Tsang MLC (Saffin)

2. Substitution Arrangements

The Chair advised that Mr Kelly would be representing Ms Burnswoods, Mr MacDonald would be representing Ms Fazio and Mr Tsang would be representing Ms Saffin, Mr Gay would be representing Mr Colless for the Energy Portfolio and Mr Lynn would be representing Mr Jobling.

3. Budget Estimates 2002-2003

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

The Committee deliberated.

Resolved on the motion of Mr Kelly: That the Committee examine the portfolios of Department of Information Technology Management, Office of Western Sydney, Sustainable Energy Development, and Ministry of Energy and Utilities for up to 60 minutes this evening, with the remaining time to be used for the examination of State Forests of NSW and Sydney Water Corporation/Hunter Water Corporation.

Resolved on the motion of Mr Gay: That the following allocation of time will be followed during the hearing: 30 minutes Opposition, 15 minutes the Hon Richard Jones MLC, 15 minutes the Hon Malcolm Jones MLC, 30 minutes Opposition, 15 minutes the Hon Richard Jones MLC, 15 minutes the Hon Malcolm Jones MLC.

The Hon Kim Yeadon MP, Minister for Information Technology, Minister for Energy, Minister for Forestry, Minister for Western Sydney, was admitted and accompanied by the following advisers:

Department of Information Technology Management

Warwick Watkins, Director General
 Ian Holt, Budget Manager, Group Finance

Office of Western Sydney

Margaret Ryan, Executive Director

Sustainable Energy Development Authority

Mark Fogarty, Executive Director
 Chris Dunstan, Associate Director Market Development

Ministry of Energy and Utilities

Brian Steffen, Director General

Energy Australia

Paul Broad, Managing Director

State Forests of NSW

Bob Smith, Chief Executive Officer
Malcolm Clinch, General Manager Finance

Office of Forestry Information

Jacque Tracey, Director – Forestry Policy & Structural Adjustments Units
Karen Greenhill, Manager – Worker Assistance, Forestry Policy & Structural Adjustments Units

Sydney Water Corporation

Alex Walker, Managing Director
John Kitney, General Manager Finance

Hunter Water Corporation

David Evans, Managing Director
Debbie Sims, Communications & Government Support

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 Information Technology, Energy, Forestry, and Western Sydney open for examination.

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

Examination of the proposed expenditure for the portfolio areas of Information Technology, Energy, Forestry, and Western Sydney concluded and the witnesses withdrew.

The Committee deliberated.

Mr Colless moved: That the Committee conduct a further hearing on a date to be determined by the Chair after consulting with Committee Members, to consider matters relating to the proposed expenditure of Information Technology, Forestry, Energy and Western Sydney.

Debate ensued.

The Committee divided:

Ayes: Mr Colless
Mr Lynn

Noes: Mr Kelly
Mr Tsang
Mr MacDonald
Mr R Jones
Mr M Jones

The question was resolved in the negative.

Mr M. Jones moved: That in accordance with the Committee's resolution of 20 June 2002 relating to written questions the Minister provide written answers to written questions on notice, and that the Chair, after consultation with Committee Members, be authorised to reconvene for the purposes of a further hearing if answers are deemed to be inadequate or evasive.

Debate ensued.

The Committee divided:

Ayes: Mr Kelly
 Mr Tsang
 Mr MacDonald
 Mr R Jones
 Mr M Jones

Noes: Mr Colless
 Mr Lynn

The question was resolved in the affirmative.

4. Adjournment

The Committee adjourned at 8:20 pm until Wednesday 26 June 2002 at 5:30 pm

Bayne McKissock
Clerk to the Committee

Minutes No 79

Wednesday, 26 June 2002

Jubilee Room, at Parliament House at 5.28 pm.

1. Members Present

The Hon Richard Jones MLC *Chair*
The Hon Richard Colless MLC
The Hon Ron Dyer MLC (Burnswoods)
The Hon Amanda Fazio MLC
The Hon Malcolm Jones MLC
The Hon Greg Pearce MLC (Jobling)
The Hon Ian West MLC (Saffin)

2. Substitute arrangements

The Chair advised that Mr Pearce would be representing Mr Jobling, Mr Dyer would be representing Ms Burnswoods, and Mr West would be representing Ms Saffin.

3. Budget Estimates 2002-2003

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

The Hon Richard Amery MP, Minister for Agriculture, was admitted and accompanied by the following advisers:

Department of Agriculture

Dr Kevin Sheridan, Director General
Dr Richard Sheldrake, Deputy Director General
Dr Alan Gleeson, Executive Director (Administration)
Mr Tom Ely, Financial Controller
Mr Paul Hingston, Manager (Audit and Corporate Administration)
Mr Phil Anquetil, Director (Sydney Office)

NSW Rural Assistance Authority

Mr Steve Griffith, General Manager

Safe Food Production NSW

Mr Craig Sahlin, Executive Director (Development Strategy and Information Technology)
Ms Sian Malyn, Director (Financing and Licensing)

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 Agriculture open for examination.

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

Resolved on motion of Mr Colless: That the Committee extends its heartiest congratulations to the Director General on his career, and wishes him well in his retirement.

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

4. Adjournment

The Committee adjourned at 7.35 pm until 8.00 pm on 26 June 2002.

Velia Mignacca

Clerk to the Committee

Minutes No 80

Wednesday, 26 June 2002

Room 814/815, at Parliament House at 8.00pm.

1. Members Present

The Hon Richard Jones MLC (*Chair*)

Ms Jan Burnswoods MLC (*Deputy Chair*)

The Hon Richard Colless MLC

The Hon Amanda Fazio MLC

The Hon Patricia Forsythe MLC (*Jobling*)

The Hon Malcolm Jones MLC

2. Apologies

The Hon Janelle Saffin MLC

Substitution Arrangements

The Chair advised that Mrs Forsythe would be representing Mr Jobling.

3. Budget Estimates 2002-2003

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

The Hon John Aquilina MP, Minister for Land and Water Conservation, was admitted and accompanied by the following advisers:

Land and Water Conservation

Dr Bob Smith, Director-General

Mr Murray Sheather, General Manager, Finance & Administration

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 Land and Water Conservation open for examination.

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

The Minister agreed to answer verbal questions taken on notice during the hearing, and written questions on notice within 35 calendar days from the date they are forwarded by the Committee Secretariat.

Examination of the proposed expenditure for the portfolio area of Land and Water Conservation concluded and the witnesses withdrew.

4. Adjournment

The Committee adjourned at 10.05pm.

Ms Ashley Nguyen

Clerk to the Committee

Minutes No 81

Thursday, 26 August 2002

Parkes Room, Parliament House at 1.00pm.

1. Members Present

The Hon Richard Jones MLC (*Chair*)
 Ms Jan Burnswoods MLC (*Deputy Chair*)
 The Hon Richard Colless MLC
 The Hon Amanda Fazio MLC
 The Hon John Jobling MLC
 The Hon Peter Primrose MLC (*Saffin*)
 The Hon Malcolm Jones MLC

2. Apologies

The Hon Janelle Saffin MLC

3. Substitution Arrangements

The Chair advised that Mr Primrose would be representing Ms Saffin.

4. Confirmation of Minutes

Resolved, on the motion of Mr Colless, that minutes numbers 76, 77, 78, 79 and 80 confirmed.

5. Consideration of Chair's draft report

The Chair tabled his draft report, *Budget Estimates 2002-03 Final Report*. Once tabled, the report was accepted as being read.

Mr Colless moved: That the report be adopted and that in future years the reports of budget estimates of General Purpose Standing Committee No 5 be simplified to containing portfolio measures examined, dates examined and relevant addresses on the Internet where the budget estimates transcripts can be located.

Ms Fazio moved: That the motion of Mr Colless be considered separately as two motions, the first being that the report be adopted, the second being the question of future General Purpose Standing Committee No 5 budget estimates reports.

Question: That the amendment of Ms Fazio be agreed to – put and passed.

Question: That the report be adopted – put and passed.

Mr Malcolm Jones moved: That the motion of Mr Colless be amended by adding the words “and that the Chair seek the opinion of other General Purpose Standing Committee Chairs on the question of the nature of future budget estimates reports” at the end of the motion, and that the question be deferred to the next meeting of General Purpose Standing Committee No 5, at a date to be determined.

Question: That the amendment of Mr Malcolm Jones be agreed to – put and passed.

6. Adjournment

The meeting adjourned at 1.25pm, *sine die*.

Ms Rachel Simpson
Clerk to the Committee