

General Purpose Standing Committee No 2

Budget Estimates 2000-2001

Volume 1

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How to contact the Committee

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Terms of Reference¹

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. After a Committee has considered proposed expenditure referred to it by the House and agreed to its report to the House, the Committee must fix:
 - (a) a day for the submission to the Committee of any written answers or additional information relating to the proposed expenditure, and
 - (b) a day for the commencement of supplementary meetings of the Committee to consider matters relating to the proposed expenditure, which day must be not less than 10 days after the day fixed under subparagraph (a).

¹ Legislative Council Minutes of the Proceedings, No.41, Tuesday 20 May 2000, items 16, 19 and 20

12. (1) A Member may lodge with a Committee, not less than 3 working days before the day fixed under subparagraph (11) (b), notice of matters relating to the written answers or additional information, or otherwise relating to the proposed expenditure referred to the committee, which the Member wishes to raise at the supplementary meetings of the Committee.
- (2) Any notice lodged with a Committee must be forwarded by the Committee to the Minister in the House responsible for the matters to which the notice relates.
13. A Committee may determine at any time the number and duration of any supplementary meetings.
14. At a supplementary meeting, questions may be put to Ministers or officers of departments, statutory bodies or corporations, relating to matters of which notice has been given, and the proceedings of the Committee must be confined to those matters.
15. A Committee may report to the House any recommendation for further action by the House arising from the Committee's supplementary meetings.
16. Written questions relating to the Budget Estimates may be supplied to the Clerk of the Committee, who must distribute them to the relevant Minister and to Members of the Committee. Answers must be supplied to, and circulated by, the Clerk.
17. The Committees must:
 - (a) present a first report to the House before the House adjourns for the winter recess, and
 - (b) present a final report to the House by the first sitting day in August 2000.

Committee Membership

The Dr Brian Pezzutti RFD MLC, *Chair*

Liberal Party

The Hon Dr Arthur Chesterfield-Evans MLC, *Deputy Chair*

Australian Democrats

The Hon Alan Corbett MLC

Better Future for Our Children

The Hon Ron Dyer MLC

Australian Labor Party

The Hon Doug Moppett MLC

National Party

The Hon Janelle Saffin MLC

Australian Labor Party

The Hon Henry Tsang OAM MLC

Australian Labor Party

Other Members who attended the hearings

The Hon Jan Burnswoods MLC

Australian Labor Party

The Hon Ian Macdonald MLC

Australian Labor Party

The Hon Jenny Gardiner MLC

National Party

The Hon Patricia Forsythe MLC

Liberal Party

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Chair's Foreword

General Purpose Standing Committee No 2 has examined the Budget Estimates for 2000-2001 for the portfolio areas of:

Small Business and Tourism

Health

Community Services, Ageing, Disability Services and Women

Mineral Resources and Fisheries

In this report, the Committee considers a number of specific matters relating to the various portfolio areas, and comments on one issue of a more general nature.

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

The Hon Dr Brian Pezzutti MLC
Chair

Introduction

Establishment of the General Purpose Standing Committees

The five General Purpose Standing Committees were first constituted by resolution of the Legislative Council on 7 May 1997, during the 51st Parliament.² On 13 May 1999, shortly after the commencement of the 52nd Parliament, the five committees were reconstituted.³

The General Purpose Standing Committees may inquire and report on:

- (a) any matters referred to them by the House;
- (b) the expenditure, performance or effectiveness of any department of government, statutory body or corporation;
- (c) any matter in any annual report of a department of government, statutory body or corporation.⁴

Portfolios

The five committees reflect the Government Minister's portfolios as follows:

Committee No 1

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

Committee No 2

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

² Minutes of Proceedings, No 65, 7 May 1997, p677. Also see Minutes of Proceedings, No 4, 14 September 1999, p48, for amendment to the resolution (the addition of Special Minister of State to the portfolio areas).

³ Minutes of Proceedings, No 3, 13 May 1999, p62 (hereafter referred to as Resolution of 13 May 1999).

⁴ Resolution of 13 May 1999, para 3.

Committee No 3

Police
Attorney General, Industrial Relations
Fair Trading, Sport and Recreation
Juvenile Justice, Youth

Committee No 4

Urban Affairs and Planning,
Aboriginal Affairs, Housing
Transport, Road
Gaming and Racing, Hunter
Development
Public Works and Services

Committee No 5

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

Powers of the General Purpose Standing Committees

The General Purpose Standing Committees have power:

- (a) to send for and examine persons, papers, records and things;
- (b) to adjourn from place to place;
- (c) to make visits of inspection within the State;
- (d) to request the attendance of and examine Members of the House;
- (e) to publish, before presentation to the House, submissions received and evidence taken in public; and
- (f) to report from time to time their proceedings, evidence taken in public and recommendations.⁵

⁵ Resolution of 13 May 1999, para 8.

Referral of the 2000-2001 Budget Estimates

On 23 May 2000, 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.⁶ Each Committee is to examine the Budget Estimates for their relevant portfolios and present a first report to the House before the House adjourns for the winter recess, and present a final report to the House by the first sitting day in August 2000.⁷

Under the resolution there is no requirement for the Committees' consideration of the Budget Estimates to be completed prior to the passage of the 2000-2001 Appropriation Bills. Separation of consideration of the Budget Estimates from the passage of the Appropriation Bills provides greater flexibility for the Committees to scrutinise government expenditure. Under section 5A of the Constitution Act 1902 the Legislative Council is not able to prevent the passage of Bills appropriating money for the ordinary annual services of the Government.

6 Minutes of Proceedings, No 41, 23 May 2000, items 16, 19 and 20 (hereafter referred to as Resolution of 23 May 2000).

7 Resolution of 23 May 2000, para 17.

Chapter 1 Small Business, Tourism

The Committee heard evidence from the Hon Sandra Nori MP, Minister for Small Business and Minister for Tourism, together with officers of relevant departments, at a public hearing held on 6 June 2000. A brief summary of the issues discussed at the hearing is provided below. The discussion on these topics appears in the evidence and answers to questions on notice.

Small Business

Allocation of portfolio responsibility for small business

- 1.1** The Committee asked questions about the lack of a separate budget allocation for small business and the ministerial responsibility for small business aspects of the Department of State and Regional Development. Ministerial responsibility for Business Enterprise Centres (BECs) was also considered.

Strategies to assist small business

- 1.2** The Committee discussed strategies to assist small business in NSW other than the BEC scheme. A series of questions was asked about auditing of funds used for business development and the effectiveness of funding for small business development.

Role of Chambers of Commerce

- 1.3** A question was asked about the relationship between business development activities of the department and town Chambers of Commerce.

Impact of the GST on small business

- 1.4** Members asked a series of questions about a report by consultants Ernst and Young and commissioned by the department that considered the impact of the GST on small business. Questions were asked about the identity of four small businesses discussed in the report and the proprietor of a business at the place the report was launched.

Funding to support small business in New South Wales

- 1.5** Questions were asked about the budget announcement of \$8 million to support small business in New South Wales. Members discussed the level of funding growth by comparison to the previous year

Challenges faced by small business in New South Wales

- 1.6** Questions were asked about the major problems faced by small business in New South Wales and ways that the Department obtains information about the specific problems faced by small business.

Overseas Ministerial travel

- 1.7** The Minister was asked about her overseas travel over the last year and whether there were any plans for her to travel overseas during the coming year.

Promotional activity

- 1.8** Questions were asked about the cost of media monitoring by the Department of State and Regional Development for the financial year up until the date of the hearing. Questions were also asked about the advertising budget for the Department.

Departmental property

- 1.9** A question was asked about the extent of the Department's property holdings and whether there is a budget for property acquisition and disposal.

Consultants

- 1.10** Members asked questions about the level of expenditure by the Department of State and Regional Development on external consultants.

Tourism**Old Sydney Town**

- 1.11** Questions were asked about the disposal of Old Sydney Town by the government and co-owner, Westpac, earlier this year. Topics covered included the price realised by the disposal, the identity of the buyer, the fate of historical items located at the park, whether a development application has been lodged in respect of the site, and the capital value of the Park when it first became a majority owned government asset. A question was also asked about a sunken boat referred to during the 1999-2000 budget estimates hearings.

Regional coordination

- 1.12** A question was asked about the level of coordination between different areas of the state in the development of tourism packages.

Insurance in regional museums

- 1.13** Questions were asked about the level of insurance of regional museums in New South Wales.

Wet weather activities for families with children

- 1.14** A question was asked about whether any action had been taken by the Department to provide updated information on wet weather activities for families holidaying with young children.

Level of funding for Tourism NSW

- 1.15** Members asked questions about whether the level of budget funding to Tourism NSW was adequate in terms of the potential size of the tourism market for New South Wales. Questions were also asked about funding for regional and rural tourism in New South Wales and the level of funding for major events in New South Wales.

Impact of the Olympics on regional tourism

- 1.16** Questions were asked about the extent to which regional tourism bookings in New South Wales have reduce during the Olympic period.

Measure to enhance tourism in NSW

- 1.17** Members asked about measures being taken by Tourism NSW to encourage people to visit New South Wales over the coming year. Questions were asked about the level of assistance given to travel journalists who visit the state.

Tertiary training

- 1.18** Questions were asked about the number of universities that currently offer training in tourism.

Cost of Ministerial travel

- 1.19** A question was asked about the Minister's year-to-date travel costs.

Departmental Property

- 1.20** A question was asked about the level of property owned by Tourism NSW. Questions were also asked about the number of cars, televisions and mobile telephones owned by the Department.

Overseas offices

- 1.21** Questions were asked about the number of overseas offices operated by Tourism NSW.

Assistance to visitors from non-English speaking backgrounds

- 1.22** Several questions were asked about the forms of assistance given to visitors from non-English speaking backgrounds. Particular attention was paid to the issue of signage and telephone assistance for people who do not speak English.

Chapter 2 Health

The Committee heard evidence from the Hon Craig Knowles, Minister for Health, together with Mr Michael Reid, Director-General of NSW Health, and Mr Ken Barker General Manager, Financial and Commercial Services, NSW Health at a public hearing held on 6 June 2000. The Committee heard further evidence from Mr Reid, along with Mr Robert McGregor, Deputy Director General, Operations, NSW Health, and Dr Andrew Wilson, Chief Health Officer, NSW Health, at an additional public hearing held on 19 June 2000.

A brief summary of issues discussed at the two hearings is provided below. The discussion on these topics appears in the evidence and answers to questions on notice. During the course of the hearings the Committee Chair and witnesses tabled a number of documents. A list of tabled documents is provided in Appendix 1.

Waiting times website

- 2.1** The Committee asked the Minister a number of questions about NSW Health's waiting times website. There was considerable discussion about the accuracy and usefulness of the information presented on the website.

Isolated Patients Travel and Accommodation Assistance Scheme (IPTAAS)

- 2.2** The Committee asked a number of questions about the level of funding for IPTAAS. Members considered the \$20 personal contribution for patients and/or escorts who are pensioners or health care card holders.

Royal Far West Children's Health Scheme

- 2.3** Members discussed funding for the Royal Far West Children's Health Scheme. Particular attention was paid to dental and orthodontic services provided under the scheme. Members also asked about initiatives to provide services locally.

Community based health services

- 2.4** The Committee was advised that the budget for primary and community services in 2000/2001 was \$564,226,000. Mr Reid undertook to provide the Committee with information about the breakdown of that figure into post acute care and community nursing.

Mental Health Services

- 2.5** The Minister was asked what proportion of new funding for mental health services will go to services in the community, and what proportion will go to hospitals and other forms of institutional care. Mr Reid undertook to provide information to the Committee about how these funds will be expended, once a decision has been made in this regard.

Movements in funds between Area Health Services

- 2.6** Members discussed the movement of funds between Area Health Services as a result of patient flows in line with the Resource Distribution Formula.

Cross border funding flows

- 2.7** Questions were asked about the movement of health funds between NSW and other jurisdictions to support cross border patient movements.

Revised budget for 1999-2000

- 2.8** The Committee asked a number of questions about the comparison between the budget for 1999-2000, the revised budget figure for 1999-2000 and the budget for 2000-2001, and the correct way of calculating the increase in health funding in the 2000-2001 budget.

Debt levels of, and accounts payable by, Area Health Services

- 2.9** Questions were asked about the effect of the Government's initiatives to retire the debt of rural Area Health Services. Mr Reid undertook to provide the Committee with information about accounts payable by the Area Health Services, New Childrens Hospital and Ambulance Service, as at 31 May 2000 which were 45 days or 90 days overdue for payment. Further questions were asked about allocation of funds to pay creditors of the New England Health Service and the priority given to long term creditors of the Department.

Debtors to the Department

- 2.10** Some questions were asked about the level of debt owed to the Department and the action being taken to recover these funds.

Breast Cancer Centre

- 2.11** The Committee asked a question about progress on the NSW Breast Cancer Centre.

Coffs Harbour Hospital

- 2.12** The Committee asked a number of questions about the Coffs Harbour Hospital project. Areas considered included the impact of flood levels upon the project and the project completion date.

Health Research

- 2.13** The Committee queried the level of funding for health research. Members discussed the level of increase in funding and the priorities for funding.

Corrections Health

- 2.14** Members discussed funding of the Corrections Health Service. Topics covered included the consultative mechanisms used by the service, and the mechanisms for the evaluation of programs and the proportion of expenditure going to women's health programs.

Area Health planning

- 2.15** The Committee asked about the development of rural and metropolitan health plans for NSW. Particular attention was paid to the continuing role and range of services offered by smaller district hospitals, such as Auburn District Hospital, within these plans.

Contracting of private sector health services

- 2.16** Members sought information about future plans to by NSW Health to purchase health services from the private sector.

Shortage of junior doctors

- 2.17** The Committee discussed the current shortage of junior resident medical staff in Australian public hospitals.

Quality control

- 2.18** The Committee sought information about allocation of funding for quality control measures in NSW Hospitals. Reference was made to a recent incident involving kitchen hygiene at Gosford Hospital.

Incidents involving circumcision

- 2.19** Information was sought about the costs of routine male circumcision and the protocols in place to ensure that a child does not suffer during routine circumcision.

Use of antibiotics

- 2.20** Members discussed initiatives being undertaken to educate doctors and the public regarding the proper use of antibiotics. The Committee discussed recent research on the public health effects of antibiotic use.

Effect of the Olympics

- 2.21** Questions were asked about the impact of the Olympic Games on levels of service in NSW hospitals. Members sought information about whether there were any proposals to restrict services such as elective surgery during the games.

Independent testing laboratory for Sydney Water

- 2.22** The Committee asked about the tender process for selecting an independent water testing laboratory for Sydney Water. Members asked about the identity and level of accreditation of the successful tenderer and the value of the contract.

External departmental investigators

- 2.23** Questions were asked about proposals to establish a panel of independent investigations to conduct departmental investigations. Members asked about the funding allocation for such investigations and the relationship between the panel and the internal unit that currently conducts probity checks on departmental staff.

Miscellaneous

- 2.24** Questions were taken on notice in relation to a number of issues including: the 2000-2001 budget for the Wentworth Area Health Service; surgery levels in Taree, Port Macquarie and Coffs Harbour hospitals, and the funding of the MacArthur Drug and Alcohol Youth project.

Chapter 3 Community Services, Ageing, Disability Services and Women

The Committee heard evidence from the Hon Faye Lo' Po MP, Minister for Community Services, Minister for Ageing, Minister for Disability Services together with relevant departmental officials at a public hearing on Wednesday 7 June 2000. A brief summary of the issues discussed at the hearing is provided below. The discussion on these topics appears in the evidence and answers to questions on notice.

Community Services

Adoption

- 3.1** Questions were asked about proposals to make adoption available as a permanent care option for children at risk. Topics covered included the level of advice provided to the Minister regarding the proposal, the level of assistance provided to adoptive parents and the support given to subsequent children of parents who have a child removed for adoption.

Early Intervention

- 3.2** A question was asked about the exact budget allocation for early intervention programs.

Unallocated child protection cases

- 3.3** The Committee discussed the level of data collection within the Department of Community Services on unallocated child protection cases.

DoCS teleservice centre

- 3.4** Questions were asked about when the proposed Department teleservice centre would commence operation.

Failure to follow up child protection notifications

- 3.5** Members sought information about allegations of failure by the Nowra office of the Department to follow up child protection notifications for infants.

Referral to Community Services Commission

- 3.6** A question was asked about the reason the Department did not refer a matter involving the death of a child to the Community Services Commission.

Section 22 Child Risk Notifications

- 3.7** The Committee discussed the number of child risk notifications over the last year. Members asked who are the main notifiers of children at risk to the Department. Information was also sought about how the Department assesses whether notifications require a field response and the types of action taken following such an assessment. Questions were then asked about the benchmarks used to determine the timing and level of response following notification. Members queried the process of assessing a child as being at risk and the types of action following such assessment.

Foster care

- 3.8** Questions were asked about the budget allocation for foster care, and the new rate of payment for foster carers due to commence on 1 July 2000. Areas discussed included contingency funding for foster carers, provision for growth in the number of foster children over the coming year and the figure for inflation used as the basis for the Department's calculation of foster care allowances. Information was sought about the type of children who access foster care and the level of assistance provided by the Department to assist foster carers of children with challenging behaviours. Questions were also asked about whether there was any intention to modify the Department's policy prohibiting the use of corporal punishment by foster carers.

Cost of implementing the new child protection legislation

- 3.9** Questions were asked about the cost of implementing the *Children and Young Persons (Care and Protection) Act 1998*. Members queried the cost to non-government organisations of compliance with the new Act.

Information technology

- 3.10** The Committee discussed the age of the Department's information technology systems.

Staffing issues

- 3.11** Members asked a series of questions about departmental staffing. The Department took these questions on notice. Matters taken on notice include the level of staff turnover, the number of temporary District Officers, the number of vacant District Officer positions, the number of vacant Aboriginal District Officer positions and the number of exit interviews conducted since interviews commenced in 1998.

Departmental laptop commuters

- 3.12** Some questions were asked about the number of laptop computers in the Department and the extent to which officers with laptops are able to access confidential files from home.

Court Liaison Officer

- 3.13** A question was asked about where the Department intends to place additional Court Liaison Officers.

Family First Program

- 3.14** The Committee discussed funding for family support programs. Members queried the level of growth funding available to family support agencies. A question was also asked about whether there have been any further discussions about contracting out of substitute care services.

Children's Guardian

- 3.15** A question was asked about funding allocations for the establishment of the Children's Guardian in accordance with the *Children and Young Persons (Care and Protection) Act 1998*.

Disability Services

SACS Award

- 3.16** Questions were asked about whether the government would fund increases in the Social and Community Services (SACS) award for workers in the non-government sector.

Effect of GST

- 3.17** A question was asked about whether the government would increase funding grants to non-government organisations to compensate for the effect of the GST.

Devolution of large residential centres for people with disability

- 3.18** Members asked questions about the budget announcement of additional funding for devolution of large residential centres for people with disability. Areas covered include the identity of specific institutions for the stage 1 of the program and the criteria used to identify priorities for stage 1.

Accommodation for people with acquired brain injury

- 3.19** Some questions were asked about provision of supported accommodation for people with acquired brain injury.

Un-met need for services

- 3.20** The Committee discussed level of un-met need for services for people with disability and the action taken by the Ageing and Disability Department to determine the level of un-met need. In particular, Members asked about the allocation of 63 accommodation packages for people with disability that were announced in 1998.

Respite Care

- 3.21** A question was asked about allegations that Arncliffe Adult Respite Service has cancelled access to respite for people with disability due to blocked respite beds. Members then asked about initiatives to unblock respite beds throughout the State.

Indexation for non-government service providers

- 3.22** Members queried the level of indexation for non-government service providers given by the Department. Particular attention was given to the impact of the GST on non-government providers.

Women**New women's prison at Windsor**

- 3.23** Members asked questions about the level of advice provided to the Minister by the Department for Women regarding the new women's prison at Windsor. Matters considered include the level of community consultation undertaken by the Department.

Women's Grants Program

- 3.24** The Committee discussed the level of funding provided to the Women's Grants Program.

Chapter 4 Mineral Resources and Fisheries

The Committee heard evidence from the Hon Eddie Obeid MLC, Minister for Mineral Resources and Minister for Fisheries, together with officers of relevant departments, at a public hearing held on 9 June 2000. During the course of the hearing a document was tendered by the Minister. Details of tabled documents are provided in Appendix 1. A brief summary of the issues discussed at the hearing is provided below. The discussion on these topics appears in the evidence and answers to questions on notice.

Mineral Resources

Energy exploration in the Sydney basin

- 4.1** The Committee considered current investigations for commercial production of methane gas in the Sydney Basin coal seams by Sydney Gas Operations Pty Limited. Topics discussed included the potential economic benefits of local gas production for New South Wales, the level of consultation with local communities about the location of exploration activities, the level of compensation for land owners affected by exploration and community safety requirements.

Gretley mine accident

- 4.2** Questions were asked about the number of recommendations of the Commission of Inquiry into the Gretley Mine Accident that have been implemented.

Mine Safety

- 4.3** Members asked about the number of safety inspections undertaken by the Department over the last 12 months, the number of people accredited as mine safety officers and the current operations of the Mine Rescue Board.

Use of cyanide in minerals processing

- 4.4** Several questions were asked about the continued use of cyanide in minerals processing in New South Wales and the extent to which alternatives to cyanide are available.

Draft paper on water resources and water management

- 4.5** Members discussed the role of the Department of Mineral Resources in negotiating with interest groups over the Government's draft paper on water resources and water management.

Mineral sand exploration

- 4.6** A question was asked about proposals for sand mining at Lake Cathie, South of Port Macquarie. Several questions were also asked about the level of investment in mineral sands exploration in the Murray-Darling basin. The Committee then discussed plans for mineral sand mining on the New South Wales coast. A question was asked about where the water for extraction of mineral sands from the Birthday Gift and associated deposits will come from.

Proposed Lithgow Silicone Smelter

- 4.7** Information was sought about the role of the Department in relation to a proposed silicone smelter at Lithgow and associated quartz extraction at Cowra and charcoal production at Gunnedah.

Northparkes mine

- 4.8** Questions were asked about the Department's assessment of production at the Northparkes copper and gold mine.

Peak mine

- 4.9** A question was asked about the level of production of the Peak Mine at Cobar following the shutdown the Mine's operations.

Fifield mine

- 4.10** A question was asked about when the new Fifield mine will commence operation.

Gas deposits in the Culgoa National Park area

- 4.11** Members asked questions about the Department's knowledge of gas deposits in the area surrounding the Culgoa National Park in the Brewarrina-Bourke area. Questions were asked about the level of funding for minerals research in the region.

NSW Fisheries**Employment of Director of NSW Fisheries**

- 4.12** The Committee asked questions about the departure of the former Director of NSW fisheries, Dr John Glaister and the recruitment of his successor, Mr Steve Dunn. Questions were asked about the performance agreement and salary package of the new Director. The Minister subsequently provided the Committee with a copy of the Director's

Curriculum-Vitae, the advertisement placed for the position, and a job description for Director of NSW Fisheries.

Restructure of NSW Fisheries

- 4.13** Questions were asked about the restructure of NSW Fisheries referred to in the Budget Papers. Members asked questions about the time-frame and objectives of the restructure as well as proposed staffing levels following the restructure.

Legal Costs

- 4.14** A question was asked about legal costs incurred by NSW Fisheries in a recent Land and Environment Court case that concluded in January 2000. Questions were asked about the nature of any advice given to the Minister about the issues that gave rise to the case and whether a regulation had been drafted to overcome the problems caused by the case.

Fishing licences

- 4.15** Questions were asked about sources of funding for the proposed buy back of commercial fishing licences by NSW Fisheries. Members sought information about the value of commercial fishing licences. A question was asked about how funds raised through the sale of recreational fishing licences would be used.

Acid sulphate soils

- 4.16** A question was asked about what action is being taken to address acid sulphate soils in the Port Macquarie area.

Fish stocking

- 4.17** Questions were asked about the impact of fish stocking on native freshwater fish species and the level of public scrutiny of the Department's fish stocking program.

Aquaculture

- 4.18** The Committee asked about the level of cost recovery in relation the NSW aquaculture industry. Questions were also asked about action being taken by NSW Fisheries to remove restrictions on the export of oyster products from NSW.

Illegal activities

- 4.19** Questions were asked about progress in reducing illegal fishery activity in New South Wales.

Chapter 5 Administrative matters

Conduct of the budget estimates hearings

Questions by Topic

- 5.1** During 1999 hearings into the Budget Estimates, the Committee allocated time for questions equally between the Opposition and Independent members. This year, the Committee instead agreed to ask questions about a specific topic, such as Corrections Health, until questions from all members on that topic were exhausted, before proceeding on to a new topic. Members found this process allowed for more effective questioning of witnesses and recommend its use in future hearings.

Questions on notice

- 5.2** No questions were placed on notice prior to the public hearings.
- 5.3** The Committee set 16 June 2000 as the date by which the Minister for Small Business and Tourism should respond to questions placed on notice at, or after, the hearing held on 6 June 2000. Questions were forwarded to the Minister on 9 June 2000. Answers to these questions have not yet been received.
- 5.4** The Committee set 20 June 2000 as the date by which the Minister for Health should respond to questions placed on notice at, or after the hearing held on 7 June 2000. Questions were forwarded to the Minister on 16 June 2000. Answers to these questions have not yet been received. The Director-General addressed some of these issues during the additional hearing held on 19 June 2000
- 5.5** The Committee set 20 June 2000 as the date by which the Minister for Community Services, Ageing, Disability Services and Women should respond to questions placed on notice at, or after, the hearing held on 7 June 2000. Questions were forwarded to the Minister on 15 June 2000. Answers to these questions have not yet been received.
- 5.6** The Committee set 21 June 2000 as the date by which the Minister for Mineral Resources and Fisheries should respond to questions placed on notice at, or after the hearing held on 6 June 2000. Questions were forwarded to the Minister on 16 June 2000. At the Minister's request this deadline has been extended until 3 July 2000.
- 5.7** The Committee has set Friday 14 July 2000 as the date by which all Ministers should respond to questions placed on notice.

Supplementary hearings

- 5.8** The Committee has not set a date for supplementary hearings at this stage.

Appendix 1 – Documents tabled at the hearings

Wednesday 7 June 2000

Health

Twelve letters from members of the medical profession to the Hon Jillian Skinner MP, Opposition Spokesperson for Health, dated from 16 to 25 May 2000, relating to the NSW Health waiting list website.

Photographs, undated, of the gazebo at Bateman's Bay Hospital.

Friday 9 June 2000

Fisheries

Fisheries Policy Consultation Paper, undated, relating to proposals for a general recreational fishing licence.

Monday 19 June 2000

Health

Site map and pictures, undated, relating to construction of the new Coffs Harbour Hospital and flood levels at the site.

Discussion Paper, dated January 1999, entitled "Review of the NSW Isolated Patients' Travel and Accommodation Assistance Scheme".

Text of pamphlet outlining the NSW Isolated Parents Travel and Accommodation Assistance Scheme, undated.

Proceedings of the Committee

Minutes No 11

Tuesday 6 June 2000
At Parliament House at 5.20 pm

1. Members Present

Dr Pezzutti (in the Chair)
Dr Chesterfield-Evans
Mr Corbett
Mr Dyer
Mr Moppett
Ms Saffin
Mr MacDonald (Tsang)

2. Budget Estimates reference

The Chair advised that Mr MacDonald would be representing Mr Tsang.

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

The Committee deliberated.

Resolved on the motion of Mr Dyer that any additional questions relating to the portfolio areas of Small Business and Tourism be lodged with the Clerk of the Committee by 5.00pm, Wednesday 7 June 2000.

The Hon Sandra Nori MP, Minister for Small Business and Tourism, was admitted and accompanied by the following advisors:

Small Business

Mr Loftus Harris, Director General Department of State and Regional Development.
Ms Janine Rickets, Executive Director, Small Business Development.
Mr P Butterworth, Executive Director, Executive Support Unit.
Mr N Mercer, General Manager, Executive Support Unit.
Mr J Grady, Manager, Finance (Finance & Budgeting).

Tourism

Mr T Thirlwell, Chief Executive Officer and General Manager.

The public and media were admitted.

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

The Chair declared the proposed expenditure for the portfolio areas of Small Business and Tourism open for examination.

The Minister and relevant advisors answered questions by Members of the Committee.

Dr Chesterfield-Evans withdrew.

The examination of the proposed expenditure for the portfolio areas of Small Business and Tourism concluded and the witnesses withdrew.

The public and media withdrew.

The Committee deliberated.

Resolved, on motion of Mr Dyer that the Clerk of the Committee advise the Minister that answers to questions placed on notice during the present hearing and questions placed on notice by Committee Members relating to the portfolio areas of Small Business and Tourism are required to be provided to the Clerk of the Committee no later than 5.00pm Friday, 16 June 2000.

3. Adjournment

The meeting adjourned at 7.30 pm until 5.30pm on Wednesday, 7 June 2000.

Tony Davies
Clerk to the Committee

Minutes No 12

Wednesday 7 June 2000
At Parliament House at 5.30 pm

1. Members Present

Dr Pezzutti (in the Chair)
Dr Chesterfield-Evans
Mr Corbett
Mr Dyer
Ms Gardiner (Moppett)
Ms Saffin
Mr Tsang

2. Budget Estimates reference

The chair advised that Ms Gardiner would be representing Mr Moppett.

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

The Committee deliberated.

The Hon Craig Knowles MP, Minister for Health, was admitted and accompanied by the following advisors:

Mr Michael Reid Director General New South Wales Health Department.
Mr Ken Barker General Manager, Financial and Commercial Services, New South
Wales Health Department
Ms Debbie Piccone, Chief Executive Officer, Corrections Health Service.

The public and media were admitted.

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

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

The Minister and relevant advisors answered questions by Members of the Committee.

The Chair tabled a document.

Resolved on motion of Ms Gardiner that pursuant to the provisions of Section 4 of the Parliamentary Papers (Supplementary Provisions) Act 1975 and under the authority of Standing Order 252, the Committee authorises the Clerk of the Committee to publish the document tabled by the Chair during today's hearing

The Minister tendered photographs to support his evidence.

Resolved, on motion of Ms Gardiner that the Committee accept the documents.

The examination of the proposed expenditure for the portfolio area of Health concluded and the witnesses withdrew.

The public and media withdrew.

The Committee deliberated.

Resolved on the motion of Ms Gardiner that any additional questions relating to the portfolio area of Health be lodged with the Clerk of the Committee by 5.00pm, Friday 9 June 2000.

Resolved, on motion of Mr Dyer that the Clerk of the Committee advise the Minister that answers to questions placed on notice during the present hearing and questions placed on notice by Committee Members relating to the portfolio area of Health are required to be provided to the Clerk of the Committee no later than 5.00pm Tuesday 20 June 2000.

3. Adjournment

The meeting adjourned at 7.30 pm until 8.00pm on Thursday, 8 June 2000.

Tony Davies
Clerk to the Committee

Minutes No 13

Wednesday 7 June 2000
At Parliament House at 8.00pm

1. Members Present

Dr Pezzutti (in the Chair)
Dr Chesterfield-Evans
Ms Burnswoods (Saffin)
Mr Corbett
Mr Dyer
Ms Forsythe (Moppett)
Mr Tsang

2. Budget Estimates reference

The Chair advised that Ms Burnswoods would be representing Ms Saffin and that Ms Forsythe would be representing Mr Moppett.

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

The Committee deliberated.

Resolved on the motion of Mr Dyer that any additional questions relating to the portfolio areas of Community Services, Ageing, Disability Services and Women be lodged with the Clerk of the Committee by 5.00pm Thursday 8 June 2000.

The Hon Faye Lo' Po MP, Minister for Community Services, Ageing, Disability Services and Women, was admitted and accompanied by the following advisors:

Community Services

Ms Carmel Niland, Director General, Department of Community Services

Ageing and Disability Services

Ms Marianne Hammerton, Director General, Ageing and Disability Department.

Women

Ms Robyn Henderson, Director General, Department for Women

The public and media were admitted.

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

The Chair declared the proposed expenditure for the portfolio areas of Community Services, Ageing, Disability Services and Women open for examination.

The Minister and relevant advisors answered questions by Members of the Committee.

The examination of the proposed expenditure for the portfolio area of Community Services, Ageing, Disability Services and Women concluded and the witnesses withdrew.

The public and media withdrew.

The Committee deliberated.

Resolved, on motion of Mr Dyer that the Clerk of the Committee advise the Minister that answers to questions placed on notice during the present hearing and questions placed on notice by Committee Members relating to the portfolio area of Community Services, Ageing, Disability Services and Women are required to be provided to the Clerk of the Committee no later than 5.00pm Tuesday 20 June 2000.

3. Adjournment

The meeting adjourned at 10.00pm until 9.30am on Friday, 9 June 2000.

Tony Davies
Clerk to the Committee

Minutes No 14

Friday 9 June 2000
At Parliament House at 9.30am

1. **Members Present**

Dr Pezzutti (in the Chair)
Dr Chesterfield-Evans
Mr Corbett
Ms Gardiner (Moppett)
Mr Tsang

2. **Apologies**

Mr MacDonald (Dyer)
Ms Saffin

3. **Budget Estimates reference**

The Chair advised that Mr MacDonald would be representing Mr Dyer and Ms Gardiner would be representing Mr Moppett.

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

The Committee deliberated.

Resolved on motion of Mr Tsang that the deadline for lodging any additional questions relating to the portfolio areas of Small Business and Tourism with the Clerk of the Committee be extended until 5.00pm Friday 9 June 2000.

Resolved on motion of Mr Tsang that the deadline for lodging any additional questions relating to the portfolio areas of Health, Community Services, Ageing, Disability Services and Women with the Clerk of the Committee be extended until 5.00pm Friday 9 June 2000.

Resolved on the motion of Ms Gardiner that any additional questions relating to the portfolio areas of Mineral Resources and Fisheries be lodged with the Clerk of the Committee by 5.00pm Wednesday 14 June 2000.

The Hon Eddie Obeid MLC, Minister for Mineral Resources and Fisheries, was admitted and accompanied by the following advisors:

Mineral Resources

Mr Alan Coutts, Director General, Department of Mineral Resources
Mr Tony Galligan, Director, Resource Planning and Development, Department of Mineral Resources

Fisheries

Mr Steve Dunn, Director, NSW Fisheries
Mr Paul O'Connor, Acting Director of Fisheries Services

The public and media were admitted.

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

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

The Minister and relevant advisors answered questions by Members of the Committee.

The Chair made a ruling about the relevance of an answer relating to the restructure of NSW Fisheries.

Mr Tsang moved: that the Committee dissent from the ruling of the Chair.

The Minister, advisors, public and media were excluded from the room.

Mr Tsang advised the Committee his objection was: that the Chair was in error in ruling that the answer provided was not relevant because the answer was not complete.

Debate ensued.

Mr Tsang withdrew his motion.

The Minister, advisors, public and media were readmitted, and the Committee resumed asking questions of the Minister and his advisors.

The Minister tendered a document to support his evidence.

Resolved, on motion of Ms Gardiner, that the document be accepted.

The examination of the proposed expenditure for the portfolio area of Mineral Resources and Fisheries concluded and the witnesses withdrew.

The public and media withdrew.

The Committee deliberated.

Resolved, on motion of Ms Gardiner, that the Clerk of the Committee advise the Minister that answers to questions placed on notice during the present hearing and questions placed on notice by Committee Members relating to the portfolio area of Mineral Resources and Fisheries are required to be provided to the Clerk of the Committee no later than 5.00pm Wednesday 21 June 2000.

The Committee deliberated.

Mr Tsang requested that the Minutes record his objection to any further investigation of the Budget Estimates and related papers prior to the Committee making its first report

Mr Tsang withdrew.

The Committee deliberated.

Resolved, on motion of Ms Gardiner, that the Committee hold an additional hearing to consider the portfolio area of Health to be held in the week starting 19 June 2000 and that the Director, General Purpose Standing Committees be directed to arrange a suitable date and time in consultation with the Chair and Members and the Minister and Director General.

Resolved on motion of Ms Gardiner that the following officers be required to appear at the additional estimates hearing: Mr Michael Reid, Director General, New South Wales Health Department, and Mr Ken Barker General Manager, Financial and Commercial Services, New South Wales Health Department, and if necessary, the Chair summons these witnesses to ensure their attendance.

The Committee deliberated.

Resolved, on motion of Ms Gardiner, that pursuant to the provisions of Section 4 of the Parliamentary Papers (Supplementary Provisions) Act 1975 and under the authority of Standing Order 252, the Committee authorises the Clerk of the Committee to publish the documents tabled during today's hearing

The Committee deliberated.

Resolved on motion of Ms Gardiner:

1. That, under paragraph 8 of the Resolution establishing General Purpose Standing Committee No. 2 which Committee is inquiring into the budget estimates, the Committee be provided with the following document(s) in the possession, custody or power of the Premiers' Department of New South Wales or New South Wales Fisheries:

The Curriculum Vitae, Performance Agreement and any documents that outline key performance indicators of Mr Steve Dunn, Director, NSW Fisheries

2. That the documents be provided to the Clerk of the Committee by 5.00pm, Wednesday 21 June 2000.
3. That an indexed list of all documents provided under this resolution be prepared showing:
 - (a) the author of the document,
 - (b) a description of the document,
 - (c) the date of creation of the document.
4. Where it is considered that a document required to be lodged with the Committee is privileged and should not be made public by the Committee:
 - (a) a return is to be prepared and lodged with the Clerk of the House showing the date

- of creation of the document, a description of the document, the author of the document and reasons for the claim of privilege, and
- (b) the documents are to be delivered to the Clerk of the House by 5.00pm, Wednesday 21 June 2000 and made available only to Members of the Legislative Council and the Clerk to the Committee.
5. That in the event of a dispute by any Member of the House communicated in writing to the Clerk of the House as to the validity of a claim of privilege in relation to a particular document, the Clerk is authorised to release the disputed document to an independent legal arbiter who is either a Queen's Counsel, a Senior Counsel or a retired Supreme Court judge, appointed by the President, for evaluation and report to the Clerk within 5 days as to the validity of the claim.
6. A report from the independent arbiter provided to the Clerk of the House is to be made available only to Members of the Legislative Council and the Clerk to the Committee.
7. That this resolution be conveyed to the Director-General of the Premier's Department and the Director of NSW Fisheries by the Clerk to the Committee.

4. Adjournment

The meeting adjourned at 12.00noon until the time and date of the additional hearing for the health portfolio.

Tony Davies
Clerk to the Committee

Minutes No 15

Monday 19 June 2000
At Parliament House at 5.20pm

1. Members Present

Dr Pezzutti (in the Chair)
Dr Chesterfield-Evans
Mr Corbett
Mr Dyer
Ms Gardiner (Moppett)
Mr Tsang

2. Apologies

Ms Saffin.

3. Confirmation of minutes

Resolved on motion of Mr Dyer that the minutes of meeting numbers 11 to 14 be confirmed.

4. Budget Estimates reference

The Chair advised that Ms Gardiner would be representing Mr Moppett.

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

Mr Michael Reid, Director General, NSW Health Department and Mr Robert McGregor, Deputy Director General, Operations, NSW Health Department, and Mr Andrew Wilson, Chief Health Officer, NSW Health Department, were admitted.

The public and media were admitted.

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

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

Mr Reid, Mr McGregor and Mr Wilson answered questions by Members of the Committee.

Mr Reid tendered two documents to support his evidence.

Resolved on motion of Mr Dyer that the Committee accept the documents.

Mr Reid tendered a further document to support his evidence.

Resolved on motion of Mr Dyer that the Committee accept the document.

The examination of the proposed expenditure for the portfolio area of Health concluded and the witnesses withdrew.

The public and media withdrew.

The Chair tabled two items of correspondence received:

Letter from Mr Michael Reid, Director-General Department of Health dated 16 June 2000 regarding attendance at today's hearing.

Letter from the Hon Eddie Obeid MLC, Minister for Mineral Resources, Minister for Fisheries, dated 19 June 2000, requesting an extension of the time in which to provide answers the Committee's questions on notice relating to the portfolio areas of Mineral Resources and Fisheries until Monday 3 July 2000.

The Committee deliberated.

Resolved on motion of Mr Dyer that the Committee extend the deadline for the provision of answers to the Committee's questions on notice relating to the portfolio areas of Mineral Resources and Fisheries until Monday 3 July 2000.

The Committee deliberated.

Resolved on the motion of Ms Gardiner that any additional questions relating to the portfolio area of Health be lodged with the Clerk of the Committee by 5.00pm Wednesday 21 June 2000.

The Committee deliberated.

Resolved on motion of Ms Gardiner that pursuant to the provisions of Section 4 of the Parliamentary Papers (Supplementary Provisions) Act 1975 and under the authority of Standing Order 252, the Committee authorises the Clerk of the Committee to publish the documents tabled during today's hearing.

The Committee deliberated

Resolved on motion of Mr Dyer that the Committee hold a deliberative meeting at 10.15am on Thursday 22 June 2000 in the Legislative Council antechamber to consider the Chairman's draft report. on budget estimates.

5. Adjournment

The meeting adjourned at 7.40pm until 10.15am Thursday 22 June 2000.

Tony Davies
Clerk to the Committee

Minutes No. 16

Thursday 22 June 2000
At Parliament House at 10.15 am

1. Members Present

Dr Pezzutti (in the Chair)
Dr Chesterfield-Evans
Mr Dyer
Ms Gardiner (Moppett)
Ms Burnswoods (Saffin)
Mr Tsang

2. Apologies

Mr Corbett

3. Confirmation of minutes

Resolved, on the motion of Mr Dyer, that minutes of meeting number 15 be confirmed.

4. Correspondence

The Chair tabled one item of Correspondence received:

Letter and attachments, dated 20 June 2000 from Dr Col Gelatly, Director-General, Premier's Department, to the Committee Chair regarding the Committee's resolution of 9 June 2000 calling for documents relating to the appointment of Mr Steve Dunn as Director of NSW Fisheries.

5. Budget Estimates reference

The Chair advised that Ms Gardiner would be representing Mr Moppett and Ms Burnswoods would be representing Ms Saffin.

The Chairman submitted his draft report entitled "Budget Estimates 2000-2001, Volume 1", which having been circulated to each Member of the Committee, was accepted as being read.

Resolved, on the motion of Ms Gardiner, that the introductory paragraph of Chapter 1 be amended by adding the following sentences to the end of the paragraph: "A brief summary of the issues discussed at the hearing is provided below. The discussion on these topics appears in the evidence and answers to questions on notice."

Resolved, on the motion of Mr Dyer, that the first paragraph of the introduction to Chapter 2 be amended by inserting the title "Dr" before the name of the Chief Health Officer of New South Wales.

Resolved, on the motion of Ms Gardiner, that the second paragraph of the introduction to Chapter 2 be amended by adding the following sentence after the first sentence of the paragraph: "The discussion on these topics appears in the evidence and answers to questions on notice."

Resolved, on the motion of Ms Burnswoods, that the introductory paragraph of Chapter 3 be amended by adding the following sentences to the end of the paragraph: "A brief summary of the issues discussed at the hearing is provided below. The discussion on these topics appears in the evidence and answers to questions on notice."

Resolved, on the motion of Dr Chesterfield-Evans, that the introductory paragraph of Chapter 4 be amended by adding the following sentences to the end of the paragraph: "A brief summary of the issues discussed at the hearing is provided below. The discussion on these topics appears in the evidence and answers to questions on notice."

Resolved, on the motion of Ms Gardiner, that paragraph 4.12 be amended by replacing the words "Director-General" wherever they appear with the word "Director" and adding the following sentence to the end of the paragraph: "The Minister subsequently provided the Committee with a copy of the Director's Curriculum-Vitae, the advertisement placed for the position, and a job description for Director of NSW Fisheries."

Resolved, on the motion of Mr Dyer, that paragraph 5.4 be amended by adding the following sentence to the end of the paragraph: "The Director-General addressed some of these issues during the additional hearing held on 19 June 2000."

Resolved, on the motion of Mr Dyer, that paragraph 5.7 be deleted and replaced by the following: "The Committee has set Friday 14 July 2000 as the date by which all Ministers should respond to questions placed on notice."

Resolved, on the motion of Dr Chesterfield-Evans, that the report be signed by the Chair and presented to the House in accordance with the resolution referring the Budget Estimates.

Resolved, on the motion of Ms Gardiner, that the documents received in relation to the inquiry be tabled with the report and made public.

The Committee deliberated.

Resolved, on the motion of Mr Dyer, that 5pm on Friday 14 July 2000 be the date by which Ministers are requested to respond to questions placed on notice in relation to each of the portfolios examined by the Committee, and that answers received be made available to Members of the Committee by 5pm on Monday 17 July 2000.

Resolved, on the motion of Mr Dyer, that pursuant to the provisions of section 4 of the Parliamentary Papers (Supplementary Provisions) Act 1975 and under the authority of Standing Order 252, the Committee authorises the Clerk of the Committee to publish the answers provided to questions placed on notice, after these answers have been circulated to Committee Members.

Resolved on motion of Ms Gardiner, that the President and Committee Members be advised of any questions not answered by Ministers within the timeframe set by the Committee, including any reasonable extension agreed to by the Committee Chair, and that the President be requested to report to the House any questions not so answered

6. Adjournment

The meeting adjourned at 11.00am sine die.

Tony Davies
Clerk to the Committee