

General Purpose Standing Committee No. 5

# **Budget Estimates 2014-2015**

Ordered to be printed 23 October 2014.

New South Wales Parliamentary Library cataloguing-in-publication data:

**New South Wales. Parliament. Legislative Council. General Purpose Standing Committee No. 5**

Budget estimates, 2014-2015 / General Purpose Standing Committee No. 5 [Sydney, N.S.W.] : the Committee, 2014. 20 p. ; 30 cm. (Report no. 39 / General Purpose Standing Committee No. 5) "October 2014"

Chair: Hon. Robert Brown, MLC.

ISBN 9781920788841

1. New South Wales. Parliament. Legislative Council. General Purpose Standing Committee No. 5—Appropriations and expenditures.
- I. Brown, Robert.
- II. Title.
- III. Series: New South Wales. Parliament. Legislative Council. General Purpose Standing Committee No. 5. Report ; no. 39  
328.94407 (DDC22)

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## Terms of reference

1. That upon tabling, the Budget Estimates and related papers for the financial year 2014-2015 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 initial hearings be scheduled as follows:

### Day One: Monday 18 August 2014

GPSC2	Health, Medical Research	9.00 am - 1.00 pm
GPSC2	Citizenship and Communities, Aboriginal Affairs, Veterans Affairs	2.00 pm - 5.00 pm
GPSC5	Primary Industries	10.30 am - 1.00 pm
GPSC5	Natural Resources, Lands and Water, Western NSW	2.00 pm - 5.00 pm

### Day Two: Tuesday 19 August 2014

GPSC3	Transport, The Hunter	9.00 am - 1.00 pm
GPSC3	The Legislature	2.00 pm - 2.45 pm
GPSC3	Local Government	3.00 pm - 4.30 pm
GPSC2	Ageing, Disability Services, The Illawarra	9.00 am - 12.00 pm
GPSC2	Mental Health	12.15 pm - 1.15 pm
GPSC2	Education	2.00 pm - 6.00 pm

### Day Three: Wednesday 20 August 2014

GPSC4	Police and Emergency Services, Sport and Recreation	9.00 am - 1.30 pm
GPSC4	Attorney General, Justice	2.00 pm - 6.00 pm
GPSC5	The Environment, Heritage, The Central Coast	9.00 am - 1.00 pm
GPSC5	Resources and Energy, Special Minister of State	2.00 pm - 6.00 pm

### Day Four: Thursday, 21 August 2014

GPSC3	Trade and Investment, Regional Infrastructure and Services, Tourism and Major Events, Small Business, The North Coast	9.00 am - 1.00 pm
GPSC3	Roads and Freight	2.00 pm - 6.00 pm
GPSC1	Planning, Women	9.00 am - 1.00 pm
GPSC1	Premier, Infrastructure, Western Sydney	2.00 pm - 6.00 pm

### Day Five: Friday 22 August 2014

GPSC1	Treasury, Industrial Relations	9.00 am - 1.00 pm
GPSC1	Finance and Services	2.00 pm - 5.00 pm
GPSC4	Fair Trading	9.00 am - 10.30 am
GPSC4	Hospitality, Gaming and Racing, The Arts	10.45 am - 12.15 pm
GPSC4	Family and Community Services	2.00 pm - 5.00 pm

3. That an initial round of supplementary hearings be scheduled during the week of 7 to 10 October 2014.
4. That each scheduled day for the initial round of hearings will begin at 9.00 am and conclude by 6.00 pm.
5. The committees must hear evidence in public.
6. 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.
7. There is no provision under this resolution for a Minister to make an opening statement before the committee commences questions.
8. A daily Hansard record is to be published as soon as practicable after each day's proceedings.
9. The committees are to present a final report to the House by 19 December 2014.
10. Members may lodge questions on notice with the Clerk to the committee during a Budget Estimates hearing and up to two days following.
11. All answers to questions taken on notice during the hearing, and questions on notice lodged up to two days following the hearing, must be provided within 21 days, or as otherwise determined by the committee.

These terms of reference were referred to the Committee by the House on 12 November 2013, see *LC Minutes* (12/11/13), p 2161, Item 31; amended by *LC Minutes* (15/05/2014)2527-2529, Item 21.

## Committee membership

### General Purpose Standing Committee No. 5

The Hon Robert Brown MLC	The Shooters and Fishers Party	<i>Chair</i>
Mr Jeremy Buckingham MLC	The Greens	<i>Deputy Chair</i>
The Hon Rick Colless MLC	The Nationals	
The Hon Greg Donnelly MLC	Australian Labor Party	
Mr Scot MacDonald MLC	Liberal Party	
The Hon Dr Peter Phelps MLC	Liberal Party	
The Hon Peter Primrose MLC	Australian Labor Party	

### Non-substantive members who attended the hearings

Dr Mehreen Faruqi MLC	The Greens
The Hon Amanda Fazio MLC	Australian Labor Party
The Hon Luke Foley MLC	Australian Labor Party
Dr John Kaye MLC	The Greens
Mr David Shoebridge MLC	The Greens
The Hon Mick Veitch	Australian Labor Party
The Hon Steve Whan	Australian Labour Party
The Hon Ernest Wong	Australian Labour Party

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## Chair's foreword

I am pleased to present this report on the Inquiry into Budget Estimates 2014-2015. This annual inquiry into the budget estimates ensures parliamentary oversight of the budget, and provides an important mechanism for the accountability of the executive government to the Council.

The inquiry consisted of four hearings to examine the portfolio areas of:

- Primary Industries
- Natural Resources, Lands and Water, Western NSW
- The Environment, Heritage, The Central Coast
- Resources and Energy, Special Minister of State.

On behalf of the committee, I would like to thank the ministers and their officers who assisted the committee during this important inquiry. I am grateful to my fellow committee members and the secretariat staff for their contributions to the inquiry process.



Hon Robert Brown MLC

**Chairman**



# Chapter 1 Introduction

## Referral of the 2014-2015 Budget Estimates

- 1.1 On 12 November 2013 the Legislative Council resolved to hold the initial hearings of the General Purpose Standing Committees' Inquiry into the Budget Estimates during the weeks commencing 18 August and 25 August 2014.<sup>1</sup>
- 1.2 On 15 May 2014, the Legislative Council further resolved that 'the Budget Estimates and related papers for the financial year 2014-2015 presenting the amounts to be appropriated from the Consolidated Fund be referred to the General Purpose Standing Committees for inquiry and report'.<sup>2</sup> The resolution required each committee to examine the Budget Estimates for the relevant portfolios and report to the House by 19 December 2014. Furthermore, the resolution stipulated that the initial hearings would be held in the week commencing 18 August and the initial round of supplementary hearings be scheduled during the week of 7-10 October.

## Hearings

- 1.3 The Committee held four public hearings as follows:
- Monday 18 August 2014 – Primary Industries
  - Monday 18 August 2014 – Natural Resources, Lands and Water, Western NSW
  - Wednesday 20 August 2014 – The Environment, Heritage, The Central Coast
  - Wednesday 20 August 2014 – Resources and Energy, Special Minister of State.
- 1.4 A brief summary of the key issues raised during the hearings is contained in Chapter 2.

## Transcripts

- 1.5 Transcripts of the hearings are available on the Committee's web page at: [www.parliament.nsw.gov.au/gpsc5](http://www.parliament.nsw.gov.au/gpsc5).

## Questions on notice

- 1.6 Questions taken on notice and the answers to these questions are also available on the Committee's webpage.

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<sup>1</sup> *Minutes*, Legislative Council, 12 November 2013, p 2161.

<sup>2</sup> *Minutes*, Legislative Council, 15 May 2014, pp 2527-2529.



## Chapter 2 Issues raised during hearings

This chapter provides a brief summary by portfolio of the key issues raised during the hearings.

### Primary Industries

2.1 A hearing examining the portfolio of Primary Industries was held on Monday 18 August 2014. The following issues were raised during the committee's examination of the Primary Industries portfolio:

- drought declarations and drought support
- water saving infrastructure grants
- coal seam gas mining and agriculture
- Recreational Fishing Licence fee
- study to identify development opportunities for the New South Wales dairy industry
- LLS and the IPART review
- Glenbog State Forest and Forestry Corporation.

### Natural Resources, Lands and Water, Western NSW

2.2 A hearing examining the portfolio of Natural Resources, Lands and Water was held on Monday 18 August 2014. The following issues were raised during the committee's examination of the Natural Resources, Lands and Water portfolio:

- potential privatisation of Sydney and Hunter water
- staffing matters at Sydney Water including a recent restructure of the organisation
- water recycling performance
- water utility rebates
- potential amendments to the *Native Vegetation Act 2003*
- the NSW Aquifer Interference Policy
- drought management policy
- status of the *Payroll Tax Rebate Scheme (Jobs Action Plan) Amendment (Fresh Start Support) Bill 2014*
- levee and flood protection.

2.3 The following issues were raised during the committee's examination of the Western NSW portfolio:

- operation of the Public Reserves Management Fund Program
- work of the Cross-Border Commissioner.

## **The Environment, Heritage, The Central Coast**

**2.4** A hearing examining the portfolio of the Environment, Heritage, The Central Coast was held on Wednesday 20 August 2014. The following issues were raised during the committee's examination of the Environment portfolio:

- Election commitment to renewable energy targets
- Biodiversity legislation review process
- Native vegetation
- Environmental Sustainability Principles
- IUCN World Parks Congress,

**2.5** The following issues were raised during the committee's examination of the Heritage portfolio:

- Conflict within portfolio
- Newcastle heritage
- Cumberland Hospital
- Aboriginal cultural heritage and mining
- Millers Point

**2.6** The following issues were raised during the committee's examination of the Central Coast portfolio:

- Whether the Premier would apologise to Newcastle
- Other LA members for Central Coast areas
- Homelessness
- Youth unemployment
- Brisbane Waters National Park
- Proposed Wyong airport

## **Resources and Energy, Special Minister of State**

**2.7** A hearing examining the portfolio of Resources and Energy, Special Minister of State was held on Wednesday 20 August 2014. The following issues were raised during the committee's examination of the Resources and Energy portfolio:

- Metgasco licensing and operations
- Wallarah 2 coal project
- Mining (Development Consent) Bill 2013 and gold and copper resources
- Petroleum (Onshore) Amendment Bill 2013

- mine subsidence
- ethanol mandate and minimum percentage mix for E10 legislation
- petroleum title application process
- Gladstone LNG terminal development and gas prices
- regulation of gas prices and gas reservation policies
- electricity supply, generation, pricing and regulation
- uranium mining and exploration licences
- renewable energy
- rehabilitation of the Woodsreef asbestos mine
- maintenance of electricity infrastructure and bushfires
- small scale solar generators
- exploration and management of coal and mineral resources
- foreign investment in mining
- coal seam gas
- land access arbitration process and review
- gold mining leases and royalties.

**2.8** The following issues were raised during the committee's examination of the Special Minister of State portfolio:

- role of Special Minister of State.



## Appendix 1 Witnesses at hearings

### Primary Industries - Monday 18 August 2014

Name	Position and Organisation
The Hon Katrina Hodgkinson MP	Minister for Primary Industries
Mr Mark Paterson AO	Secretary, NSW Trade & Investment
Mr Scott Hansen	Director General, Department of Primary Industries

### Natural Resources, Land and Water, Western NSW - Monday 18 August 2014

Name	Position and Organisation
The Hon Kevin Humphries MP	Minister for Natural Resources, Lands and Water, and Minister for Western Sydney
Mr Mark Paterson AO	Secretary, NSW Trade & Investment
Mr Scott Hansen	Director General, Department of Primary Industries
Ms Renata Brooks	Deputy Director General, Department of Primary Industries, Land and Natural Resources
Mr Kevin Young	Managing Director, Sydney Water
Mr Kim Wood	Managing Director, Hunter Water
Mr Stephen Brady	Deputy Secretary, Department of Premier and Cabinet

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**The Environment, Heritage, The Central Coast - Wednesday 20 August 2014**


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<b>Name</b>	<b>Position and Organisation</b>
The Hon Rob Stokes MP	Minister for the Environment, Minister for Heritage, Minister for the Central Coast
Mr Barry Buffier	Chair and CEO, Environment Protection Authority
Mr Mark Gifford	Chief Environmental Regulator, Environment Protection Authority
Mr Steve Beaman	Director, Waste and Resource Recovery, Environment Protection Authority
Mr Craig Lamberton	Director, Hazardous Incidents and Environmental Health, Environment Protection Authority
Mr Steve Hartley	Principal Manager Forestry, Environment Protection Authority
Mr Terry Bailey	Chief Executive, Office of Environment and Heritage
Mr Ian French	Chief Financial Officer, Office of Environment and Heritage
Mr Alan Blackman	Senior Regional Coordinator, Department of Premier and Cabinet, Gosford
Dr Tracey Avery	Director, Heritage Division

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**Resources and Energy, Special Minister of State - Wednesday 20 August 2014**


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<b>Name</b>	<b>Position and Organisation</b>
The Hon Anthony Roberts MP	Minister for Resources and Energy
Mr Mark Paterson AO	Secretary, NSW Trade & Investment
Ms Kylie Hargreaves	Deputy Secretary, Division of Resources and Energy
Mr Andrew Lewis	Executive Director - Energy, Division of Resources and Energy
Mr Brad Mullard	Executive Director - Mineral Resources, Division of Resources and Energy
Ms Rachel Connell	Director, Office of Coal Seam Gas



## Appendix 2 Tabled Documents

**Monday 18 August 2014**

**Natural Resources, Land and Water, Western NSW**

- 1 Intergovernmental agreement on national drought program reform', tendered by the Minister for Primary Industries, Ms Hodgkinson MP

## Appendix 3 Minutes

### Minutes no. 57

Thursday 19 June 2014

General Purpose Standing Committee No. 5

Members' Lounge, Parliament House, 1.18 pm

#### 1. Members present

Mr Brown, *Chair*

Mr Buckingham, *Deputy Chair*

Mr Colless

Mr Donnelly

Mr MacDonald

Dr Phelps

Mr Primrose

#### 2. Previous minutes

Resolved, on the motion of Dr Phelps: That draft minutes no. 56 be confirmed.

#### 3. Correspondence

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#### 4. Inquiry into Budget Estimates 2014-2015 – procedural resolutions

##### 4.1 Allocation of question time

Resolved, on the motion of Dr Phelps: That the sequence of questions be asked during the hearing rotate between opposition, cross bench and government members, in that order, with an equal amount of time allocated to each group.

##### 4.2 Order for examination of portfolios: If portfolios are not to be considered concurrently

Resolved, on the motion of Mr Colless:

That on Monday 18 August 2014, the:

- Natural Resources, Lands and Water portfolios be examined from 2.00 pm until 4.00 pm
- Western NSW portfolio be examined from 4.00 pm until 5.00pm.

That on Wednesday 20 August 2014, the:

- The Environment portfolio be examined from 9.00 am until 10.45 am
- Heritage portfolio be examined from 11.00 am until 12.00 pm
- The Central Coast portfolio be examined from 12.00 pm until 1.00 pm
- Resources and Energy portfolios be examined from 2.00 pm until 5.00 pm
- Special Minister of State portfolio be examined from 5.00 pm until 6.00 pm.

##### 4.3 Witness requests

Members were asked to provide any witness requests to the Secretariat by 5:00pm, Friday 4 July 2014.

**5. Adjournment**

The Committee adjourned at 1.25 pm until 1.50 pm on Monday 18 August 2014, in Room 814/815 (*Natural Resources, Land and Water, Western NSW*).

Stewart Smith  
**Clerk to the Committee**

**Minutes no. 59**

Monday 18 August 2014  
 General Purpose Standing Committee No. 5  
 Room 814/815, Parliament House, Sydney, at 10.16 am

**1. Members present**

Mr Brown, *Chair*  
 Mr Buckingham, *Deputy Chair*  
 Mr Colless  
 Mr MacDonald  
 Dr Phelps  
 Mr Shoebridge (participating) (arrived at 11.26 am)  
 Mr Veitch (substituting for Mr Primrose)  
 Mr Whan (substituting for Mr Donnelly)

**2. Apologies****3. Draft minutes**

Resolved, on the motion of Dr Phelps: That draft minutes no. 58 be confirmed.

**3.1 Correspondence**

The committee noted the following items of correspondence:

***Received***

- 29 July 2014 – Letter from Hon Katrina Hodgkinson MP, Minister for Primary Industries – seeking committee’s approval to forgo Government questions at hearing on 18 August 2014.
- 29 July 2014 – Email from Mr Brandon Jacobs, Minister Roberts’ office to Budget Estimates secretariat advising of witnesses attending hearing into Resources and Energy and Special Minister of State.
- 31 July 2014 – Email from Ms Jodie Bartholomew, Minister Hodgkinson’s office to Budget Estimates secretariat advising of witnesses attending hearing into Primary Industries.
- 1 August 2014 – Email from Mr Daniel Hill, Minister Stokes office to Budget Estimates secretariat advising of witnesses attending hearing into The Environment, Heritage and The Central Coast.
- 1 August 2014 – Email from Ms Clare Barclay, Minister Humphries office to Budget Estimates secretariat advising of witnesses attending hearing into Natural Resources, Lands and Water, Western NSW.
- 4 August 2014 – Email from Jodie Bartholomew, Minister Hodgkinson’s office – unavailability of Mr Nick Roberts, CEO, Forestry Corp to attend Budget Estimates hearing on 18 August 2014.
- 6 August 2014 – Email from Daniel Hill, Minister Rob Stokes’ office – confirming attendance of Dr Tracey Avery, Director, Heritage Division, as requested by committee members.
- 6 August 2014 – Email from Daniel Hill, Minister Rob Stokes’ office - seeking committee’s approval to forgo Government questions at hearing on 20 August 2014.

**Sent**

- 8 July 2014 – Letter from Committee Director to the Hon Kevin Humphries MP, Minister for Natural Resources, Lands and Water and Minister for Western NSW, inviting the minister to the Budget Estimates 2014/15 hearings.
- 8 July 2014 – Letter from Committee Director to the Hon Katrina Hodgkinson MP, Minister for Primary Industries, inviting the minister to the Budget Estimates 2014/15 hearings.
- 8 July 2014 – Letter from Committee Director to the Hon Rob Stokes MP, Minister for the Environment, Minister for Heritage, Minister for the Central Coast, inviting the minister to the Budget Estimates 2014/15 hearings.
- 8 July 2014 – Letter from Committee Director to the Hon Anthony Roberts MP, Minister for Resources and Energy, and Special Minister of State, inviting the minister to the Budget Estimates 2014/15 hearings.
- 4 August 2014 – Email to Minister Stokes' office, The Environment, Heritage - request for confirmation of unavailability of witness requested by GPSC5 to appear at Budget Estimates 2014/15 hearings.

**4. Inquiry into Budget Estimates 2014-2015****4.1 Allocation of questioning**

Resolved, on the motion of Dr Phelps: That with no questions asked by government members on Monday 18 August 2014 the Primary Industries portfolio be examined from 10.30 am until 12.10 pm.

Resolved, on the motion of Mr Colless: That with no questions asked by government members on Monday 18 August 2014 the Natural Resources, Lands and Water, Western NSW portfolio be examined from 2.00 pm until 4.00 pm.

**4.2 Public hearing: Budget Estimates 2014-2015 – Primary Industries**

Witnesses, the public and media were admitted.

The chair made an opening statement regarding proceedings and other matters. The chair noted that members of Parliament swear an oath to their office, and therefore do not need to be sworn prior to giving evidence before a committee.

Minister Hodgkinson MP was admitted and examined.

The following witnesses were sworn and examined:

- Mr Mark Paterson, Secretary, NSW Trade & Investment
- Mr Scott Hansen, Director General, Department of Primary Industries.

The chair declared the proposed expenditure for the portfolio of Primary Industries open for examination.

The Minister and departmental witnesses were examined by the committee.

Minister Hodgkinson MP tendered the following document:

- Intergovernmental agreement on national drought program reform.

The evidence concluded and the witnesses withdrew.

The public hearing concluded at 12.10 pm.

The public and media withdrew.

**5. Adjournment**

The committee adjourned at 12.11 pm, until 1.45 pm, Monday 18 August 2014, Room 814/815 (*Natural Resources, Land and Water, Western NSW*).

Kate Mihaljek  
**Clerk to the Committee**

**Minutes no. 60**

Monday 18 August 2014  
 General Purpose Standing Committee No. 5  
 Room 814/815, Parliament House, Sydney, at 1.57 pm

**1. Members present**

Mr Brown, *Chair*  
 Mr Buckingham, *Deputy Chair*  
 Mr Colless  
 Dr Kaye (participating – Natural Resources, Lands and Water) (until 3.24 pm)  
 Mr MacDonald  
 Dr Phelps  
 Mr Primrose (until 3.24 pm)  
 Mr Veitch (substituting for Mr Donnelly)  
 Mr Whan (participating).

**2. Inquiry into Budget Estimates 2014-2015****2.1 Public hearing: Budget Estimates 2014-2015 – Natural Resources, Land and Water, Western NSW**

Witnesses, the public and media were admitted.

The chair made an opening statement regarding the proceedings and other matters. The chair noted that members of Parliament swear an oath to their office, and therefore do not need to be sworn prior to giving evidence before a committee.

The chair also reminded Mr Mark Paterson and Mr Scott Hansen, they did not need to be sworn, as they had been sworn at another Budget Estimates hearing.

Minister Humphries MP was admitted and examined.

The following witnesses were sworn and examined:

- Ms Renata Brooks, Deputy Director General, Department of Primary Industries, Land and Natural Resources
- Mr Kevin Young, Managing Director, Sydney Water
- Mr Kim Wood, Managing Director, Hunter Water.

The chair declared the proposed expenditure for the portfolios of Natural Resources, Land and Water, Western NSW open for examination.

The Minister and departmental witnesses were examined by the committee.

Departmental witnesses Mr Young and Mr Wood withdrew.

Dr Kaye and Mr Primrose left the meeting.

The following witness was sworn and examined:

- Mr Stephen Brady, Deputy Secretary, Department of Premier and Cabinet.

The public hearing concluded at 4.00 pm.

The public and media withdrew.

## 2.2 Tendered documents

Resolved, on the motion of Dr Phelps: That the committee accept and publish the following document tendered during the Primary Industries hearing held on Monday 18 August 2014:

- 'Intergovernmental agreement on national drought program reform', tendered by the Minister for Primary Industries, Ms Hodgkinson MP.

## 2.3 Supplementary hearings

Resolved, on the motion of Dr Phelps: That the committee hold a further meeting to deliberate on whether to hold supplementary hearings for the portfolios of Natural Resources, Land and Water, Western NSW on a date to be determined following receipt of answers to questions on notice.

## 3. Adjournment

The committee adjourned at 4.03 pm, until 8.45 am, Wednesday 20 August 2014, Room 814/815 (*The Environment, Heritage, The Central Coast*).

Alex Stedman

**Clerk to the Committee**

## Minutes no. 61

Wednesday 20 August 2014

General Purpose Standing Committee No. 5

Room 814/815, Parliament House, Sydney, at 8.47 am

### 1. Members present

Mr Brown, *Chair*

Mr Colless

Mr Donnelly

Dr Faruqi (substituting for Mr Buckingham - The Environment)

Ms Fazio (substituting for Mr Donnelly - The Environment, Heritage; substituting for Mr Primrose - The Central Coast)

Mr Foley (substituting for Mr Primrose - The Environment)

Dr Kaye (substituting for Mr Buckingham - Heritage, The Central Coast)

Mr MacDonald

Dr Phelps

Mr Wong (substituting for Mr Primrose - Heritage)

### 2. Apologies

### 3. Inquiry into Budget Estimates 2014-2015

#### 3.1 Allocation of questioning

Resolved, on the motion of Dr Phelps: That with no questions asked by government members on Wednesday 20 August 2014 the:

- Environment portfolio be examined from 9.00 am until 10.10 am
- Heritage portfolio be examined from 10.15 am until 10.50 am
- Central Coast portfolio be examined from 11.05 am until 11.45 am.

#### 3.2 Election of temporary deputy chair

The Chair called for nominations for Deputy Chair

Resolved, on the motion of Dr Phelps: That Mr Colless be made Deputy Chair for the duration of the hearing.

#### 3.3 Public hearing: Budget Estimates 2014-2015 – The Environment, Heritage, The Central Coast

Witnesses, the public and media were admitted.

The chair made an opening statement regarding the broadcasting of proceedings and other matters. The chair noted that members of Parliament swear an oath to their office, and therefore do not need to be sworn prior to giving evidence before a committee.

Minister Stokes MP was admitted and examined.

The following witnesses were sworn and examined:

- Mr Barry Buffier, Chair and CEO, Environment Protection Authority
- Mr Mark Gifford, Chief Environmental Regulator, Environment Protection Authority
- Mr Steve Beaman, Director, Waste and Resource Recovery, Environment Protection Authority
- Mr Craig Lamberton, Director, Hazardous Incidents and Environmental Health, Environment Protection Authority
- Mr Steve Hartley, Principal Manager Forestry, Environment Protection Authority
- Mr Terry Bailey, Chief Executive, Office of Environment and Heritage
- Mr Ian French, Executive Director, Office of Environment and Heritage
- Dr Tracey Avery, Director, Heritage Division
- Mr Alan Blackman, Senior Regional Coordinator, Central Coast, Department of Premier and Cabinet, Gosford.

The chair declared the proposed expenditure for the portfolios of The Environment, Heritage, The Central Coast open for examination.

The Minister and departmental witnesses were examined by the committee.

The evidence concluded and the witnesses withdrew.

The public hearing concluded at 11.45 am.

The public and media withdrew.

#### 3.4 Supplementary hearings

Resolved, on the motion of Dr Kaye: That the committee hold a further meeting to deliberate on whether to hold supplementary hearings for the portfolios of The Environment, Heritage, The Central Coast on a date to be determined following receipt of answers to questions on notice.

**4. Adjournment**

The committee adjourned at 11.45 am, until 1.45 pm, Wednesday 20 August 2014, Room 814/815  
(*Resources and Energy, Special Minister of State*).

Kate Mihaljek

**Clerk to the Committee**

**Minutes no. 62**

Wednesday 20 August 2014

General Purpose Standing Committee No. 5

Room 814/815, Parliament House, Sydney, at 1.49 pm

**1. Members present**

Mr Brown, Chair

Mr Buckingham, Deputy Chair, (from 3.11 pm)

Mr Colless

Dr Kaye (substituting for Mr Buckingham - Special Minister of State)

Dr Kaye (participating - Resources and Energy)

Mr MacDonald

Dr Phelps

Mr Primrose

Mr Whan (substituting for Mr Donnelly) (until 5.00 pm)

**2. Apologies**

Mr Buckingham for late arrival.

**3. Inquiry into Budget Estimates 2014-2015****3.1 Allocation of questioning**

The committee has previously resolved that for the initial round of hearings into the Budget Estimates 2014-2015, the sequence of questions to be asked during the hearing rotate between opposition, cross bench and government members, in that order, with an equal amount of time allocated to each group.

Resolved, on the motion of Mr Colless: That with questions to be asked by government members for the Resources and Energy portfolio and not for the Special Minister of State portfolio on Wednesday 20 August 2014 the:

- Resources and Energy portfolio be examined from 2.00 pm until 5.00 pm.
- Special Minister of State portfolio be examined from 5.05 pm until 5.45 pm

**3.2 Public hearing: Budget Estimates 2014-2015 – Resources and Energy, Special Minister of State**

Witnesses, the public and the media were admitted.

The chair made an opening statement regarding the broadcasting of proceedings and other matters. The chair noted that members of Parliament swear an oath to their office, and therefore do not need to be sworn prior to giving evidence before a committee.

The chair also reminded Mr Mark Patterson AO, that he did not need to be sworn, as he had been sworn at another Budget Estimates hearing.

Minister Roberts MP and Mr Mark Patterson AO were admitted and examined.



The following witnesses were sworn and examined:

- Ms Kylie Hargreaves, Deputy Secretary, NSW Division of Resources and Energy
- Mr Andrew Lewis, Executive Director - Energy, NSW Division of Resources and Energy
- Mr Brad Mullard, Executive Director - Mineral Resources, NSW Division of Resources and Energy
- Ms Rachel Connell, Director, NSW Office of Coal Seam Gas

The chair declared the proposed expenditure for the portfolios of Resources and Energy, open for examination.

The Minister and departmental witnesses were examined by the committee.

Mr Buckingham arrived at 3.11 pm.

The departmental witnesses withdrew.

The committee adjourned at 5.00 pm. Mr Buckingham and Mr Whan left the meeting.

The hearing resumed at 5.05 pm.

The Chair declared the proposed expenditure for the portfolio of Special Minister of State open for examination.

The Minister was examined by the committee.

The public hearing concluded at 5.31 pm.

The public and media withdrew.

### **3.3 Supplementary hearings**

Resolved, on the motion of Dr Kaye: That the committee hold a further meeting to deliberate on whether to hold supplementary hearings for the portfolios of Resources and Energy and Special Minister of State, on a date to be determined following receipt of answers to questions on notice.

#### **4. Inclusion of portfolio of Special Minister of State in the Budget Estimates process**

Resolved, on the motion of Mr Colless: That the Chair raise with the Chairs Committee the question of why the portfolio of Special Minister of State is included for examination in Budget Estimates.

#### **5. Adjournment**

The committee adjourned at 5.34 pm, Sine die.

Tina Higgins  
**Clerk to the Committee**

**Minutes no. 63**

Wednesday, 3 September 2014

General Purpose Standing Committee No. 5

General Aviation Terminal, Bankstown Airport, at 6.50 am

**1. Members present**

Mr Brown, *Chair*

Mr Colless, *Deputy Chair*

Mr Donnelly

Dr Faruqi

Mr MacDonald

Dr Phelps

Ms Voltz

**2. Previous minutes**

Resolved, on the motion of Mr MacDonald: That draft minutes nos 59, 60, 61 and 62 be confirmed.

**3. \*\*\***

**4. Adjournment**

The Committee adjourned at 7.00 pm until 8.45 am, Thursday 4 September 2014.

Merrin Thompson

**Clerk to the Committee**

**Minutes no. 65**

Monday 15 September 2014

General Purpose Standing Committee No. 5

Macquarie Room, Parliament House, Sydney, at 10.00 am

**1. Members present**

Mr Brown, *Chair*

Mr Colless, *Deputy Chair*

Mr Donnelly

Dr Faruqi

Mr MacDonald

Dr Phelps

Ms Voltz

**2. Confirmation of draft minutes**

Resolved, on the motion of Dr Phelps: That draft minutes nos 63 and 64 be confirmed.

**3. Correspondence**

***Received***

- 10 September 2014 – From Hon Katrina Hodgkinson MP, Minister for Primary Industries, to committee, providing answers to questions on notice and supplementary questions for the portfolio of Primary Industries
- 10 September 2014 – From Hon Kevin Humphries MP, Minister for Natural Resources, Land and Water and Minister for Western NSW, to committee, providing answers to questions on notice and supplementary questions for the portfolios of Natural Resources, Lands and Water, Western NSW
- \*\*\*

- 12 September 2014 – From the Office of the Hon Kevin Humphries MP, Minister for Natural Resources, Land and Water and Minister for Western New South Wales, to committee, providing corrections to an answer to a supplementary question from the Budget Estimates hearing.

#### 4. Inquiry into Budget Estimates 2014-2015

##### 4.1 Supplementary hearings

Dr Faruqi moved: That the committee hold further hearings on a date during the week of 7-10 October 2014, to be determined by the chair in consultation with members, to consider matters relating to each of the following portfolios:

- Primary Industries (Hodgkinson)
- Natural Resources, Lands and Water, Western NSW (Humphries)
- The Environment, Heritage, The Central Coast (Stokes)
- Resources and Energy, Special Minister of State (Roberts).

Question put.

The committee divided.

Ayes: Dr Faruqi.

Noes: Mr Brown, Mr Colless, Mr Donnelly, Mr MacDonald, Dr Phelps, Ms Voltz.

Question resolved in the negative.

Dr Phelps moved: That the committee hold no further hearings to consider matters relating to each of the following portfolios:

- Primary Industries (Hodgkinson)
- Natural Resources, Lands and Water, Western NSW (Humphries)
- The Environment, Heritage, The Central Coast (Stokes)
- Resources and Energy, Special Minister of State (Roberts).

Question put.

The committee divided.

Ayes: Mr Brown, Mr Colless, Mr Donnelly, Mr MacDonald, Dr Phelps, Ms Voltz.

Noes: Dr Faruqi.

Question resolved in the affirmative.

#### 5. \*\*\*

#### 6. Adjournment

The Committee adjourned at 3.40 pm until 9.30 am, Wednesday 17 September 2014 (*inquiry into the performance of the NSW Environment Protection Authority – deliberative meeting*).

Merrin Thompson

**Clerk to the Committee**

**Draft minutes no. 68**

Monday 20 October 2014

General Purpose Standing Committee No. 5

Room 1136, Parliament House, 9.15 am

**1. Members present**

Mr Brown, *Chair*

Mr MacDonald, *Deputy Chair*

Mr Colless

Mr Donnelly

Dr Faruqi (substituting for Mr Buckingham)

Mr Foley (substituting for Mr Primrose)

Dr Phelps

**2. Apologies**

**3. Previous minutes**

Resolved, on the motion of Mr Colless: That draft minutes no. 67 be confirmed.

**4. Correspondence**

\*\*\*

**5. Inquiry into Budget Estimates 2014-2015**

**5.1 Report deliberative**

Resolved, on the motion of Mr Donnelly:

- That the draft report be the report of the committee and that the committee present the report to the House;
- That the transcripts of evidence, submissions, tabled documents, answers to questions on notice and supplementary questions, minutes of proceedings and correspondence relating to the inquiry be tabled in the House with the report;
- That upon tabling, all transcripts of evidence, submissions, tabled documents, answers to questions on notice and supplementary questions, minutes of proceedings and correspondence relating to the inquiry not already made public, be made public by the committee, except for those documents kept confidential by resolution of the committee;
- That the committee secretariat correct any typographical, grammatical and formatting errors prior to tabling;
- That dissenting statements be provided to the secretariat within 24 hours of receipt of the minutes;
- That the report be tabled by Friday 24 October 2014.

**6. \*\*\***

**7. Adjournment**

The committee adjourned at 11.55 am until Tuesday 28 October 2014 (*EPA inquiry – site visit to Royal Camp State Forest, Lismore*).

Stewart Smith

**Clerk to the Committee**