



LEGISLATIVE COUNCIL

GENERAL PURPOSE STANDING COMMITTEE NO. 5

Budget Estimates 2016-2017



Report 44

November 2016

5

www.parliament.nsw.gov.au

General Purpose Standing Committee No. 5

Budget Estimates 2016-2017

Ordered to be printed 25 November 2016 according to
Standing Order 231

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

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

Budget estimates, 2016-2017 / General Purpose Standing Committee No. 5 [Sydney, N.S.W.] : the Committee, 2016. [viii, 22] pages ; 30 cm. (Report no. 44 / General Purpose Standing Committee No. 5)

“November 2016”

Chair: Hon. Robert Brown MLC.

ISBN 9781922258236

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. 44

328.94407 (DDC22)

Table of contents

	Terms of reference	iv
	Committee details	vi
	Chair's foreword	vii
Chapter 1	Introduction	1
	Referral of the 2016-2017 Budget Estimates	1
	Hearings	1
	Transcripts	1
	Questions on notice	1
Chapter 2	Issues raised during hearings	3
	Industry, Resources and Energy	3
	Primary Industries, Lands and Water	3
	The Environment, Heritage	4
Appendix 1	Witnesses at hearings	5
Appendix 2	Minutes	7

Terms of reference

1. That upon tabling, the Budget Estimates and related papers for the financial year 2016 - 2017 presenting the amounts to be appropriated from the Consolidated Fund be referred to the General Purpose Standing Committees for inquiry and report.
2. That, notwithstanding the House's resolution of 6 May 2015 allocating portfolio responsibilities to the General Purpose Standing Committees, for the purposes of the 2016-2017 budget estimates inquiry General Purpose Standing Committee No. 5 is to examine the Legislature portfolio.
3. That the initial hearings be scheduled as follows:

Day One: Monday 29 August 2016

GPSC 2	Family and Community Services, Social Housing	9.00 am – 12.00 pm
GPSC 2	Roads, Maritime and Freight	2.00 pm – 6.00 pm
GPSC 3	Early Childhood Education, Aboriginal Affairs	9.00 am – 11.00 am
GPSC 3	The Legislature	11.15 am – 12.00 pm
GPSC 3	Education	2.00 pm – 6.00 pm

Day Two: Tuesday 30 August 2016

GPSC 2	Ageing, Disability Services, Multiculturalism	9.00 am – 12.00 pm
GPSC 2	Transport and Infrastructure	2.00 pm – 6.00 pm
GPSC 3	Mental Health, Medical Research, Women, Prevention of Domestic Violence and Sexual Assault	9.00 am – 1.00 pm
GPSC 3	Health	2.00 pm – 6.00 pm

Day Three: Wednesday 31 August 2016

GPSC 4	Trade, Tourism and Major Events, Sport	9.00 am – 12.00 pm
GPSC 4	Planning	2.00 pm – 6.00 pm
GPSC 1	Finance, Services and Property	9.00 am – 12.00 pm
GPSC 5	Industry, Resources and Energy	2.00 pm – 5.00 pm

Day Four: Thursday 1 September 2016

GPSC 4	Justice and Police, Arts, Racing	9.00 am – 1.00 pm
GPSC 4	Attorney General	2.00 pm – 4.00 pm
GPSC 1	Treasury, Industrial Relations	9.00 am – 1.00 pm
GPSC 1	Premier, Western Sydney	2.00 pm – 6.00 pm
GPSC 6	Innovation and Better Regulation	4.15 pm – 6.00 pm

Day Five: Friday 2 September 2016

GPSC 5	Primary Industries, Lands and Water	9.00 am – 1.00 pm
GPSC 5	The Environment, Heritage	2.00 pm – 5.00 pm
GPSC 6	Local Government	9.00 am – 11.00 am
GPSC 6	Regional Development, Skills, Small Business	11.15 am – 1.00 pm
GPSC 6	Corrections, Emergency Services, Veterans Affairs	2.00 pm – 5.00 pm

4. That supplementary hearings be scheduled during the week of 4 to 7 October 2016.
5. That each scheduled day for the initial round of hearings will begin at 9.00 am and conclude by 6.00 pm.
6. That the committees must hear evidence in public.
7. That 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. That ministers may not make an opening statement before the committee commences questions.
9. That the committees are to present a final report to the House by 16 December 2016.
10. That members may lodge supplementary questions with the committee clerk by 5.00 pm, within two days, excluding Saturday and Sunday, following the hearing.
11. That answers to questions on notice and supplementary questions be published, except those answers for which confidentiality is requested, after these answers have been circulated to committee members.

These terms of reference were referred to the committee by the House on 1 June 2016, see LC Minutes 1 June 2016, pp 935-938.

Committee details

Committee members

The Hon Robert Brown MLC	Shooters, Fishers and Farmers Party	<i>Chair</i>
The Hon Mick Veitch MLC	Australian Labor Party	<i>Deputy Chair</i>
Mr Jeremy Buckingham MLC	The Greens	
The Hon Richard Colless MLC	The Nationals	
Mr Scot MacDonald MLC	Liberal Party	
The Hon Greg Pearce MLC	Liberal Party	
The Hon Penny Sharpe MLC	Australian Labor Party	

Non-substantive members who attended the hearings

The Hon Adam Searle MLC	Australian Labor Party
The Hon Mark Pearson MLC	Animal Justice Party
Dr Mehreen Faruqi MLC	The Greens
The Hon Daniel Mookhey MLC	Australian Labor Party

Website	www.parliament.nsw.gov.au
Email	budget.estimate@parliament.nsw.gov.au
Telephone	(02) 9230 3081

Chair's foreword

I am pleased to present this report on the Inquiry into Budget Estimates 2016-2017. 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 Legislative Council.

The inquiry consisted of three hearings to examine the following portfolios:

- Industry, Resources and Energy
- Primary Industry, Lands and Water
- Environment, Heritage.

A supplementary hearing to examine the portfolios of Primary Industry and Lands and Water was also held.

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.



The Hon Robert Brown MLC
Chair

Chapter 1 Introduction

Referral of the 2016-2017 Budget Estimates

- 1.1 On 1 June 2016, the Legislative Council resolved that ‘the Budget Estimates and related papers for the financial year 2016-2017 presenting the amounts to be appropriated from the Consolidated Fund be referred to the General Purpose Standing Committees for inquiry and report’.¹ The resolution (hereafter referred to as the Budget Estimates resolution) requires each committee to examine the Budget Estimates for the relevant portfolios and report to the House by 16 December 2016.²
- 1.2 The Budget Estimates resolution further stipulated that the initial hearings will be held in the week commencing 29 August 2016 and the initial round of supplementary hearings be scheduled during the week of 4-7 October 2016.³

Hearings

- 1.3 The committee held four public hearings as follows:
- Wednesday 31 August 2016 – Industry, Resources and Energy
 - Friday 2 September 2016 – Primary Industries, Lands and Water
 - Friday 2 September 2016 – The Environment, Heritage.
- 1.4 In addition, a supplementary hearing was also held on Friday 14 October 2016 to examine the Primary Industry and Lands and Water portfolios.
- 1.5 A brief summary of the key issues raised during the hearings is contained in Chapter 2.

Transcripts

- 1.6 Transcripts of the hearings are available on the committee’s web page at: <http://www.parliament.nsw.gov.au/gpsc5>.

Questions on notice

- 1.7 Questions taken on notice and the answers to these questions are also available on the committee’s web page.

¹ Minutes, *NSW Legislative Council*, 1 June 2016, pp 935 - 938.

² Minutes, *NSW Legislative Council*, 1 June 2016, p 936.

³ Minutes, *NSW Legislative Council*, 1 June 2016, pp 935 - 936.

Chapter 2 Issues raised during hearings

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

Industry, Resources and Energy

2.1 A hearing examining the portfolio of Industry, Resources and Energy was held on Wednesday 31 August 2016. The following issues were raised during the committee's examination of the Industry, Resources and Energy portfolio:

- Compliance regulations
- Wollongong Coal Limited
- Energy Industry employees mental health
- Coal extraction tonnage
- Renewable energy
- Coal Seam Gas industry
- Retail electricity prices
- Fossicking
- National energy market reform
- Shenhua-Watermark licence renewal negotiations
- Mining anti-protest legislation.

Primary Industries, Lands and Water

2.2 A hearing examining the portfolios of Primary Industries, Lands and Water was held on Friday 2 September 2016. The following issues were raised during the committee's examination of the Primary Industries, Lands and Water portfolios:

- Burial sites and crematoriums in Sydney
- Animal welfare including fox euthanasia, cats and trap neuters, piggeries and farrowing crates
- Sydney Water – dividends, desalination plant, health of Sydney Harbour
- Probity auditor for Structural Adjustment Review Committee and share trading

- Broken Hill water supply and pipeline
- Climate change and the department's climate unit response and budgeting allocation
- Forestry and pesticides
- Local land services, biodiversity, budget and staffing.

2.3 A supplementary hearing examining the portfolios Primary Industries, Lands and Water was held on Friday 14 October 2016. The following issues were raised during the committee's examination of the Primary Industries, Lands and Water portfolios:

- Seafood country-of-origin labelling
- Productivity Commission's report into commercial fishing
- The potential for shark commercial fishing on the North Coast
- Support and training given to Fisheries NSW staff in their dealings with commercial fishers
- Commercial fishers' accessibility of the Department's information about the reform process
- Investigations into the recent whale incident in Port Stephens
- Native Title claims and the involvement of the Department of Industry – Lands.

The Environment, Heritage

2.4 A hearing examining the portfolio of The Environment, Heritage was held on Friday 2 September 2016. The following issues were raised during the committee's examination of The Environment, Heritage portfolio:

- Water contamination at Williamtown RAAF base
- 200th anniversary of Cadman's Cottage
- Preservation of Butterfly Cave
- National Parks and Wildlife Service restructure
- Biodiversity offsets policy and legislative reforms
- Protection of the albino humpback whale, Migaloo
- Safety of environment compliance officers
- Trustees on the Centennial Park and Moore Park Trust
- Population management measures for wild brumbies in Mt Kozioko National Park.

Appendix 1 Witnesses at hearings

Industry, Resources and Energy – Wednesday 31 August 2016

Name	Position and Organisation
The Hon Anthony Roberts MP	Minister for Industry, Resources and Energy
Mr Simon Smith	Secretary, NSW Department of Industry, Skills and Regional Development
Ms Kylie Hargreaves	Deputy Secretary, Resources and Energy, NSW Department of Industry, Skills and Regional Development
Mr Gary Barnes	Deputy Secretary, Economic Skills and Industry Policy, NSW Department of Industry, Skills and Regional Development.

Primary Industries, Lands and Water – Friday 2 September 2016

Name	Position and Organisation
The Hon Niall Blair MLC	Minister for Primary Industries and Lands and Water
Mr Simon Smith	Secretary, NSW Department of Industry, Skills and Regional Development
Mr Scott Hansen	Director General, Department of Primary Industries
Mr Nicholas Roberts	Chief Executive Officer, Forestry Corporation of NSW
Mr Kevin Young	Managing Director, Sydney Water
Dr Jim Bentley	Managing Director, Hunter Water
Mr David Harris	Chief Executive Officer, Water NSW
Ms Alison Stone	Deputy Director-General – Lands, NSW Department of Industry, Skills and Regional Development

The Environment, Heritage – Friday 2 September 2016

Name	Position and Organisation
The Hon Mark Speakman	Minister for the Environment and Minister for Heritage
Mr Terry Bailey	Chief Executive, Office of Environment and Heritage
Mr Mark Gifford	Acting Chair and Chief Executive Officer, Environment Protection Authority
Mr Stephen Beaman	Executive Director, Waste and Resource Recovery, Environment Protection Authority
Mr Kim Ellis	Executive Director, Botanic Gardens and Centennial Parklands
Mr Michael Wright	Deputy Chief Executive, National Parks and Wildlife Services

Primary Industries, Lands and Water – Friday 14 October 2016 (supplementary hearing)

Name	Position and Organisation
Mr Simon Smith	Secretary, NSW Department of Industry, Skills and Regional Development
Mr Scott Hansen	Director General, Department of Primary Industries
Ms Kylie Hargreaves	Deputy Secretary, Resources and Energy, NSW Department of Industry, Skills and Regional Development
Ms Alison Stone	Deputy Director-General – Lands, NSW Department of Industry, Skills and Regional Development
Mr David Clarke	Group Director, Governance and Strategy – Lands, NSW Department of Industry, Skills and Regional Development

Appendix 2 Minutes

Draft minutes no. 11

Wednesday 22 June 2016

General Purpose Standing Committee No. 5

Members' Lounge, Parliament House, Sydney at 10.45 am

1. Members present

Mr Brown, *Chair*

Mr Colless

Dr Faruqi (substituting for Mr Buckingham)

Mr MacDonald

Mr Mookhey (substituting for Mr Veitch)

Mr Pearce

Ms Sharpe

2. Previous minutes

Resolved, on the motion of Mr MacDonald: That draft minutes no. 10 be confirmed.

3. Inquiry into Budget Estimates 2016-2017

The committee noted that the Budget Estimates timetable for 2016-2017 was agreed to by the House, with the following GPSC 5 hearings:

Date	Time	Portfolio	Room
Wednesday 31 August 2016	2.00 pm – 5.00 pm	Industry, Resources and Energy (Roberts)	Macquarie
Friday 2 September 2016	9.00 am – 1.00 pm	Primary Industries, Lands and Water (Blair)	Jubilee
	2.00 pm – 5.00 pm	The Environment, Heritage (Speakman)	Jubilee

3.1 Allocation of question time

The committee noted that under the resolution establishing General Purpose Standing Committees, the sequence of questions at hearings is to alternate between opposition, crossbench and government members, with equal time allocated to each, unless the committee decides otherwise.

3.2 Government questions

Mr MacDonald moved: That with no questions asked by government members:

- On Wednesday 31 August 2016, the portfolios of Industry, Resources and Energy be examined from 2.00 pm until 4.00 pm
- On Friday 2 September 2016, the portfolios of Primary Industries, Lands and Water be examined from 9.00 am to 11.40 am
- On Friday 2 September 2016, the portfolios of The Environment and Heritage be examined from 2.00 pm to 4.00 pm.

Dr Faruqi moved: That the motion be amended to omit everything after 'That with no questions asked by government members' and insert instead: 'the timing of the hearings remain as per the hearing schedule, with the time to be divided equally among the opposition and cross bench members'.

Amendment of Dr Faruqi put.

The committee divided.

Ayes: Dr Faruqi, Mr Mookhey, Ms Sharpe

Noes: Mr Brown, Mr Colless, Mr MacDonald, Mr Pearce.

Amendment of Dr Faruqi resolved in the negative.

Original question of Mr MacDonald put and passed.

3.3 Order for examination of portfolios

The committee noted that the portfolios would be considered concurrently.

3.4 Witness requests

Resolved, on the motion of Dr Faruqi: That members provide any additional witnesses, or changes to witnesses listed in last year's hearing notices to the secretariat by 5.00 pm Friday 24 June 2016.

4. Consideration of terms of reference

The Chair tabled the following proposed self reference:

Inquiry into aspects of the evidence given to the General Purpose Standing No. 5 inquiry into the Wambelong fire

That General Purpose Standing Committee No. 5 inquire into and report on aspects of the evidence given by the Office of Environment and Heritage to the committee's inquiry into the Wambelong fire.

Resolved, on the motion of Mr Pearce: That the committee adopt the terms of reference.

5. Conduct of the inquiry into Wambelong fire inquiry evidence

Resolved, on the motion of Mr MacDonald: That the committee adopt the following approach to conducting the inquiry:

Submissions

- by invitation only, to Mr John Shobbrook and Mr Terry Bailey, Chief Executive, Office of Environment and Heritage
- due date of 29 July 2016 (five weeks)
- if other material is received, such as the people who provided photographic/video evidence to Mr Shobbrook, the committee could consider whether to accept the material as submissions

Correspondence from Mr Shobbrook and Mr Bailey to be provided to each other

- provide to Mr Bailey the material from Mr Shobbrook in his correspondence of 8 March 2016, including the 27 page document and video files provided on USB, and the correspondence of 26 May and attached photographs
- provide to Mr Shobbrook the correspondence from Mr Bailey dated 25 May 2016
- publish Mr Shobbrook's name, eg. in correspondence and the minutes of proceedings. Mr Shobbrook's name was previously kept confidential on the basis that an inquiry was not underway and there was some doubt as to whether he was protected by parliamentary privilege

Letters inviting submissions

- inform Mr Shobbrook and Mr Bailey that an *in camera* hearing is likely to be held in August, to which they may be invited as witnesses
- advise Mr Shobbrook that he may wish to refer the other concerns he raised in his correspondence of 8 March 2016 to the relevant authorities, that is the concerns about evidence given by National Parks and Wildlife Service rangers to the coronial inquiry

Advertising

- no media release or tweet to announce the inquiry, no public call for submissions

Website

- place inquiry on the committee's website, after the terms of reference are reported to the House
- do not activate the web portal to enable people to make submissions
- place a note on the website advising that the committee is not receiving public submissions and providing contact details for the secretariat

***In camera* hearing**

- hold half-day in camera hearing in August with Mr Shobbrook and Mr Bailey as witnesses
- consider publishing the *in camera* transcript after the hearing, as well as the correspondence from Mr Shobbrook of 8 March and 26 May 2016, and the correspondence from Mr Bailey of 25 May 2016. The committee may wish to consult witnesses regarding publication, although the decision as to what is published rests with the committee

Reporting date

- September 2016

6. Adjournment

The committee adjourned at 10.59 am *sine die*.

Madeleine Foley

Clerk to the Committee

Minutes no. 12

Wednesday 10 August 2016

General Purpose Standing Committee No. 5

Members' Lounge, Parliament House, Sydney at 10.30 am

7. Members present

Mr Brown, *Chair*

Mr Veitch, *Deputy Chair*

Mr Colless

Dr Faruqi (substituting for Mr Buckingham for the duration of the inquiry)

Mrs Houssos (substituting for Ms Sharpe)

Mr MacDonald

8. Apologies

Mr Pearce

9. Previous minutes

Resolved, on the motion of Mr Colless: That draft minutes no. 11 be confirmed.

10. Correspondence

The committee noted the following items of correspondence:

Received

- 20 June 2016 – Email from Mr Buckingham to secretariat, advising that Dr Faruqi will be substituting for Mr Buckingham for the duration of the inquiry into Wambelong fire inquiry evidence
- 28 July 2016 – Letter from the Hon. Mark Speakman MP, Minister for the Environment and Heritage to secretariat, regarding witnesses for the upcoming Budget Estimates hearing for the Environment and Heritage portfolios

- 29 July 2016 – Letter from Mr Terry Bailey, Chief Executive, Office of Environment and Heritage, requesting clarification of the scope of the inquiry.

Sent

- 27 June 2016 – Letter from Chair to Mr John Shobbrook, inviting him to provide a written submission
- 27 June 2016 – Letter from Chair to Mr Terry Bailey, Chief Executive, Office of Environment and Heritage, inviting him to provide a written submission.

11. Inquiry into Budget Estimates 2016-2017**11.1 Witnesses for portfolios of the Environment, Heritage**

Resolved, on the motion of Mr Veitch: That, in response to the advice of the minister's office, the secretariat write to the minister's office again to request the attendance of the Executive Director, Botanic Gardens and Centennial Parklands and the Deputy Chief Executive, National Parks and Wildlife Services at the hearing for the portfolios of the Environment and Heritage on 2 September 2016.

12. Inquiry into Wambelong fire inquiry evidence**12.1 Confidential correspondence**

Resolved, on the motion of Dr Faruqi: That the committee keep confidential the following correspondence concerning the inquiry:

- 27 June 2016 – from the Chair to Mr Shobbrook
- 27 June 2016 – from the Chair to Mr Bailey, Chief Executive, Office of Environment and Heritage
- 29 July 2016 – from Mr Bailey, Chief Executive, Office of Environment and Heritage to the Chair.

12.2 Confidential submissions

Resolved, on the motion of Mr Colless: That the committee keep submission nos 1 and 2 confidential as they contain sensitive information and/or potential adverse mention, subject to Mr Shobbrook being provided with submission no 2 on a confidential basis, and Mr Bailey being provided with submission no 1 on a confidential basis.

12.3 Draft correspondence and scope of the inquiry

Resolved, on the motion of Mr Veitch: That the committee authorise the following letters to be sent:

- Draft letter from Chair to Mr Bailey acknowledging receipt of his submission and clarifying the scope of the inquiry
- Draft letter from Chair to Mr Shobbrook acknowledging receipt of his submission and clarifying the scope of the inquiry.

12.4 Hearing schedule

The committee noted the following hearing schedule for the *in camera* hearing on Monday 22 August 2016:

- 1.00 to 1.10 pm – deliberative meeting
- 1.15 to 2.05 pm – Mr John Shobbrook
- 2.05 to 2.15 pm – afternoon tea break
- 2.15 to 3.05 pm – Mr Terry Bailey, Chief Executive, Office of Environment and Heritage
- 3.10 to 3.30 pm – possible recall of Mr Shobbrook (if necessary)
- 3.30 to 3.45 pm – deliberative meeting (if necessary).

12.5 Attendance of Mr Shobbrook's wife

Resolved, on the motion of Mr Colless: That, as previously agreed, the committee allow Mrs Janette Shobbrook to be present while Mr Shobbrook is giving evidence at the *in camera* hearing.

12.6 Report deliberative

Resolved, on the motion of Mr Veitch: That the committee hold the report deliberative on Friday 14 October 2016, subject to the secretariat confirming the availability of members via email.

13. Adjournment

The committee adjourned at 10.47 am, until 1.00 pm, Monday 22 August 2016 at Parliament House, Sydney (*in camera* hearing, inquiry into Wambelong fire inquiry evidence).

Beverly Duffy

Clerk to the Committee

Minutes no. 14

Wednesday 31 August 2016

General Purpose Standing Committee No. 5

Macquarie Room, Parliament House, Sydney, at 1.45 pm

1. Members present

Mr Brown, *Chair*

Mr Veitch, *Deputy Chair*

Mr Buckingham (from 1.55pm)

Mr Colless

Mr MacDonald

Mr Pearce

Mr Searle (substituting for Ms Sharpe)

2. Correspondence

The committee noted the following items of correspondence:

Received

- 25 July 2016 – Email from Mr Callum Fountain, Office of the Minister for Industry, Resources and Energy – providing the list of witnesses for the Budget Estimates hearing.
- 21 July 2016 – Email from Ms Lindsay Cohen, NSW Department of Industry, Skills and Regional Development – providing the list of witnesses for Minister Blair’s Budget Estimates hearing.
- 28 July 2016 – Letter from the Hon Mark Speakman MP, Minister for the Environment and Minister for Heritage – providing the list of witnesses for the Budget Estimates hearing.
- 29 July 2016 – Email from Mr Callum Fountain, Office of the Minister for Industry, Resources and Energy – providing advice on the list of witnesses for the Budget Estimates hearing.
- 16 August 2016 – Letter from the Hon Mark Speakman MP, Minister for the Environment and Minister for Heritage – advising that the Executive Director, Botanic Gardens and Centennial Parklands and Deputy Chief Executive, National Parks and Wildlife Service will attend the Budget Estimates hearing.
- 18 August 2016 – Email from Ms Lindsay Cohen, NSW Department of Industry, Skills and Regional Development – providing a change to the list of witnesses for the Lands and Water portfolio.
- 30 August 2016 – Email from Mr Callum Fountain, Parliamentary Liaison Officer, Office of the Minister for Industry, Resources and Energy – advising that Ms Lee Shearer would be unable to attend the Budget Estimates hearing on 31 August 2016 due to illness.

Sent

- 1 July 2016 – Letter from Committee Director to the Hon Anthony Roberts MP, Minister for Industry, Resources and Energy – requesting witnesses for the Budget Estimates hearing.
- 1 July 2016 – Letter from Committee Director to the Hon Niall Blair MLC, Minister for Primary Industries and Minister for Lands and Water – requesting witnesses for the Budget Estimates hearing.
- 1 July 2016 – Letter from Committee Director to the Hon Mark Speakman MP, Minister for the Environment and Minister for Heritage – requesting witnesses for the Budget Estimates hearing.
- 28 July 2016 – Email from Committee Director to Mr Callum Fountain, Office of the Minister for Industry, Resources and Energy – requesting advice on witnesses proposed for the Budget Estimates hearing.
- 10 August 2016 – Letter from Committee Director to the Hon Mark Speakman MP, Minister for the Environment and Minister for Heritage – requesting the attendance of the Executive Director, Botanic Gardens and Centennial Parklands and Deputy Chief Executive, National Parks and Wildlife Service, at the Budget Estimates hearing.

3. Inquiry into water augmentation

Resolved, on the motion of Mr Veitch: That Mr Mookhey, who has advised the committee that he intends to participate for the duration of the inquiry into water augmentation, be provided with copies of meeting papers and unpublished submissions

Resolved, on the motion of Mr Veitch: That all costs associated with Mr Mookhey's participation in the inquiry into water augmentation be covered by the committee.

4. Inquiry into Budget Estimates 2016-2017

Mr Buckingham joined the meeting.

Mr Searle moved: That the committee, through the Minister for Industry, Resources and Energy, invite Mr A. Pryke and Mr N. McDermott, to attend a supplementary hearing of the inquiry.

Debate ensued.

Question put.

The committee divided.

Ayes: Mr Buckingham, Mr Searle, Mr Veitch.

Noes: Mr Brown, Mr Colless, Mr MacDonald, Mr Pearce.

Question resolved in the negative.

5. Public hearing: Inquiry into Budget Estimates 2016-2017 – Industry, Resources and Energy

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 Roberts MP was admitted.

The following witnesses were sworn and examined:

- Mr Simon Smith, Secretary, NSW Department of Industry, Skills and Regional Development
- Ms Kylie Hargreaves, Deputy Secretary, Resources and Energy, NSW Department of Industry, Skills and Regional Development

- Mr Gary Barnes, Deputy Secretary, Economic Skills and Industry Policy, NSW Department of Industry, Skills and Regional Development.

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

The Minister and departmental witnesses were examined by the committee.

Mr Searle tendered a file note concerning proposed consent orders for legal proceedings no. 956/2007 and no. 957/2007.

Minister Roberts tendered a map entitled 'Renewable energy resources of New South Wales'.

Minister Roberts tendered correspondence from Mr Luke Foley, NSW Labor Leader, to Mr Stephen Galilee, CEO, NSW Minerals Council, dated 24 March 2015, concerning the NSW Minerals Council's policy proposals for the 2015 NSW election.

The chair sought the concurrence of the Minister to remain and continue to answer questions beyond 4.00 pm for a short period.

The hearing continued.

The evidence concluded and the witnesses withdrew.

The public hearing concluded at 4.05 pm.

The public and media withdrew.

5.1 Extension of time of public hearing

The chair noted that the committee had previously resolved that the public hearing would conclude at 4.00 pm. The chair further noted that technical difficulties had disrupted the commencement of the hearing, and as a result the chair, on behalf of the committee, had sought the concurrence of the Minister to remain beyond the scheduled hearing conclusion time for a short period.

Resolved, on the motion of Mr Buckingham: That the committee extend to 4.05 pm, the time for the public hearing into Industry, Resources and Energy.

5.2 Tended documents

Resolved, on the motion of Mr Buckingham: That the committee accept the following documents tendered during the Industry, Resources and Energy hearing held on Wednesday 31 August 2016:

- File note regarding proposed consent orders for legal proceeding, tendered by Mr Searle.
- Document entitled 'Renewable energy resources of New South Wales', tendered by Minister Roberts.
- Correspondence from Mr Foley to Mr Galilee, tendered by Minister Roberts.

5.3 Supplementary hearings

Resolved, on the motion of Mr Veitch: That the committee hold a further meeting to deliberate on whether to hold supplementary hearings for the portfolio of Industry, Resources and Energy on a date to be determined following receipt of answers to questions on notice and supplementary questions.

6. Adjournment

The committee adjourned at 4.10 pm, until 8.45 am, Friday 2 September 2016, Jubilee Room (*Primary Industries, Lands and Water*).

John Young

Clerk to the Committee

Minutes no. 15

Friday 2 September 2016

General Purpose Standing Committee No. 5

Jubilee Room, Parliament House, Sydney, at 8.48 am

1. Members present

Mr Brown, *Chair*

Mr Veitch, *Deputy Chair*

Mr Buckingham (from 8.55 am to 11.00 am)

Mr Colless

Mr Pearce (from 9:09 am)

Mr MacDonald

Ms Sharpe

Mr Pearson (participating)

Mr Mookhey (participating from 9.39 am to 10.23 am)

Dr Faruqi (participating from 11.06 am)

2. Inquiry into Budget Estimates 2016-2017

2.1 Public hearing: Budget Estimates 2016-2017 – Primary Industries, Lands and Water

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.

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

Minister Niall Blair MLC was admitted.

The following witnesses were sworn and examined:

- Mr Scott Hansen, Director General, Department of Primary Industries
- Mr Nicholas Roberts, Chief Executive Officer, Forestry Corporation of NSW
- Mr Kevin Young, Managing Director, Sydney Water
- Dr Jim Bentley, Managing Director, Hunter Water
- Mr David Harris, Chief Executive Officer, Water NSW
- Ms Alison Stone, Deputy Director-General – Lands NSW

The chair declared the proposed expenditure for the portfolios of Primary Industries and Lands and Water 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 11.41 am.

The public and media withdrew.

2.2 Supplementary hearings

Resolved, on the motion of Mr Veitch: That the committee hold a further meeting to deliberate on whether to hold supplementary hearings for the portfolios of Primary Industries, and Lands and Water on a date to be determined following receipt of answers to questions on notice.

3. Adjournment

The committee adjourned at 11.42 am, until 1.45 pm, Friday 2 September 2016, Jubilee Room (*The Environment, Heritage*).

Emma Rogerson
Clerk to the Committee

Minutes no. 16

Friday 2 September 2016

General Purpose Standing Committee No. 5

Jubilee Room, Parliament House, Sydney, at 1.55 pm

1. Members present

Mr Brown, *Chair*

Mr Veitch, *Deputy Chair*

Mr Colless

Dr Faruqi (substituting for Mr Buckingham)

Mr MacDonald

Mr Pearce

Ms Sharpe

Mr Pearson (participating until 3.20 pm)

2. Inquiry into Budget Estimates 2016-2017

2.1 Public hearing: Budget Estimates 2016-2017 – Environment, Heritage

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 Mark Speakman MP was admitted.

The following witnesses were sworn and examined:

- Mr Terry Bailey, Chief Executive, Office of Environment and Heritage
- Mr Mark Gifford, Acting Chair and Chief Executive Officer, Environment Protection Authority
- Mr Stephen Beaman, Executive Director, Waste and Resource Recovery, Environment Protection Authority
- Mr Kim Ellis, Executive Director, Botanic Gardens and Centennial Parklands
- Mr Michael Wright, Deputy Chief Executive, National Parks and Wildlife Services

The chair declared the proposed expenditure for the portfolios of the Environment and Heritage open for examination.

The Minister and departmental witnesses were examined by the committee.

Mr Pearson left the hearing at 3.20 pm.

The evidence concluded and the witnesses withdrew.

The public hearing concluded at 4.00 pm.

The public and media withdrew.

2.2 Supplementary hearings

Resolved, on the motion of Mr Veitch: That the committee hold a further meeting to deliberate on whether to hold supplementary hearings for the portfolios of the Environment and Heritage on a date to be determined following receipt of answers to questions on notice.

3. Adjournment

The committee adjourned at 4.02 pm, until sine die.

Samuel Griffith

Clerk to the Committee

Minutes no. 17

Tuesday 4 October 2016

General Purpose Standing Committee No. 5

Members' Lounge, Parliament House, Sydney, 10.01 am

1. Members present

Mr Brown *Chair*

Mr Veitch *Deputy Chair*

Mr Buckingham (via teleconference)

Mr Colless

Mr MacDonald (via teleconference)

Mr Pearce

Ms Sharpe

2. Previous minutes

Resolved, on the motion of Mr Veitch: That draft minutes nos. 13-16 be confirmed.

3. Correspondence

Received:

- 27 September 2016 – Email from Callum Fountain, Office of the Minister for Industry, Resources and Energy – attaching signed cover letter, responses to supplementary questions, responses to questions taken on notice and corrected transcript.
- 28 September 2016 – Email from Bavi Varathalingam, Office of the Minister for Primary Industries and Lands and Water – attaching signed cover letter, responses to supplementary questions, and responses to questions taken on notice.

- 28 September 2016 – Email from Michael Cox, Office of the Minister for Environment and Heritage – attaching signed cover letter, responses to supplementary questions, responses to questions taken on notice and corrected transcript.
- 30 September 2016 – Email from Julian Luke, Office of the Minister for Primary Industries and Lands and Water – attaching the full list of consolidated answers to supplementary questions, including answers that were not provided initially.

Sent:

- 6 September 2016 – Email from Committee Director to Mr Callum Fountain, Office of the Minister for Industry, Resources and Energy – attaching transcript of evidence with questions on notice highlighted, supplementary questions and instructions on how to correct the transcript and return answers to questions.
- 7 September 2016 – Email from Committee Director to Mr Michael Cox, Office of the Minister for the Environment and Heritage – attaching transcript of evidence with questions on notice highlighted, supplementary questions and instructions on how to correct the transcript and return answers to questions.
- 7 September 2016 – Email from Committee Director to Mr Julian Luke, Office of the Minister for Primary Industries and Minister for Lands and Water – attaching transcript of evidence with questions on notice highlighted, supplementary questions and instructions on how to correct the transcript and return answers to questions.

4. Inquiry into water augmentation

Resolved, on the motion of Mr Colless: That Mr Green, who has advised the committee that he intends to participate for the duration of the inquiry into water augmentation, be provided with copies of meeting papers and unpublished submissions

Resolved, on the motion of Mr Colless: That all costs associated with Mr Green's participation in the inquiry into water augmentation be covered by the committee.

5. Inquiry into Budget Estimates 2016-2017**5.1 Supplementary hearings**

Resolved, on the motion of Mr Pearce: That the committee hold no further hearings to consider matters relating to the Industry, Resources and Energy, The Environment and Heritage portfolios.

Resolved, on the motion of Mr Veitch: That the committee hold a further two hour hearing to consider matters relating to the Primary Industries and Lands and Water portfolios on a date to be determined by the Chair in consultation with the members.

6. Adjournment

The committee adjourned at 10.06am, until Friday 14 October 2016 at 10.00 am (report deliberative – Wambelong evidence inquiry).

Rebecca Main
Clerk to the Committee

Minutes no. 19

Friday 14 October 2016

General Purpose Standing Committee No. 5

Macquarie Room, Parliament House, Sydney, at 1.45 pm

1. Members presentMr Brown, *Chair*Mr Veitch, *Deputy Chair*

Mr Colless

Mr Clarke (substituting for Mr MacDonald)

Mr Pearce

Ms Sharpe (from 2.13 pm)

2. Apologies

Ms Barham

3. Previous minutes

Resolved, on the motion of Mr Veitch: That draft minutes no. 17 be confirmed.

4. Correspondence

The committee noted the following items of correspondence:

Received

- 11 October 2016 – Email from Mr James Piggot, Adviser, Minister Blair's office, providing the list of witnesses that will attend the supplementary hearing on 14 October 2016 (attached).

Sent

- 6 October 2016 – Letter from Committee Director to Hon Niall Blair MLC, Minister for Primary Industries and Minister for Lands and Water – notifying the Minister of the supplementary hearing on 14 October 2016 to consider matters relating to the portfolios of Primary Industries, Lands and Water.

5. Inquiry into Budget Estimates 2016-2017 – Supplementary Hearing**5.1 Public hearing: Budget Estimates 2016-2017 – Primary Industries, Lands and Water**

Witnesses, the public and media were admitted.

The chair made an opening statement regarding the broadcasting of proceedings and other matters.

The chair reminded Mr Simon Smith, Mr Scott Hansen, Ms Kylie Hargreaves and Ms Alison Stone that they did not need to be sworn, as they had been sworn at another Budget Estimates hearing.

The following witness was sworn and examined:

- Mr David Clarke, Group Director, Governance and Strategy, Department of Industry - Lands

The chair declared the proposed expenditure for the portfolios of Primary Industries and Lands and Water open for examination.

The evidence concluded and the witnesses withdrew.

The public hearing concluded at 2.52 pm.

The public and media withdrew.

6. Supplementary hearings

Resolved, on the motion of Mr Colless: That the committee hold no further hearings to consider matters relating to the portfolios of Primary Industries and Lands and Water.

7. Adjournment

The committee adjourned at 2.52 pm, until 1.30 pm Monday 17 October 2016, Waratah Room (*Briefing on the Inquiry into Water Augmentation*).

Rebecca Main

Clerk to the Committee

Draft Minutes No. 24

Thursday 17 November 2016

General Purpose Standing Committee No. 5

Members' Lounge, Parliament House, Sydney, at 2.15 pm

1. Members present

Mr Brown, *Chair*

Mr Veitch, *Deputy Chair*

Mr Buckingham (from 2.22 pm)

Mr Colless

Mr MacDonald

Mr Pearce

Ms Sharpe (from 2.19 pm)

2. Previous minutes

Resolved, on the motion of Mr Veitch: That draft minutes no. 23 be confirmed.

3. Correspondence

The committee noted the following items of correspondence:

Received:

- 9 November 2016 – Email from Mr Julian Luke, Office of the Minister for Primary Industries and Minister for Lands and Water – attaching answers to questions on notice.
- 16 November 2016– Letter from Mr Brown, Mr Colless and Mr Veitch requesting a meeting of GPSC No. 5 to consider a proposed self-reference into commercial fishing.

Sent:

- 19 October 2016 – Email from Committee Director to Mr Julian Luke, Office of the Minister for Primary Industries and Minister for Lands and Water – attaching transcript of evidence with questions on notice highlighted, supplementary questions and instructions on how to correct the transcript and return answers to questions.

4. Inquiry into Budget Estimates 2016-2017**4.1 Transcript correction**

Resolved on the motion of Mr Colless: That Mr Scott Hansen's correction to his evidence of 14 October 2016 at the supplementary Budget Estimates hearing be made.

4.2 Consideration of Chair's draft report – Budget Estimates 2016-2017

Resolved on the motion of Mr MacDonald:

- 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, tabled documents, answers to questions on notice and supplementary questions, minutes of proceedings and correspondence relating to the Budget Estimates hearings be tabled in the House with the report;
- That upon tabling, all unpublished transcripts of evidence, tabled documents, answers to questions on notice and supplementary questions, minutes of proceedings and correspondence relating to the Budget Estimates hearings, be published 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 the report be tabled on Friday 25 November 2016.

5. Consideration of terms of reference – Commercial fishing in New South Wales

The Chair tabled the following self-reference:

1. That General Purpose Standing Committee No. 5 inquire into and report on commercial fishing in New South Wales, and in particular:
 - (a) the history of commercial fishing in New South Wales, including reforms to the industry since 1994,
 - (b) the value of the commercial fishing industry to the New South Wales economy,
 - (c) the scientific research underpinning fisheries management,
 - (d) current arrangements for the assessment of fisheries by the NSW Department of Primary Industries Fisheries Resource Assessment Unit,
 - (e) the New South Wales Government's Commercial Fisheries Business Adjustment Program and its aims, including:
 - (i) the relevance of the Draft Productivity Commission Report into Marine Fisheries and Aquaculture,
 - (ii) the implementation of the restructure to date,
 - (iii) the impact on industry and regional communities to date, including economic, social and cultural impacts,
 - (iv) the economic modelling underpinning the restructure and any independent analysis of that modelling,
 - (v) the approach of other jurisdictions.
2. That the Committee table an interim or final report by 6 April 2017.

Resolved, on the motion of Mr Colless: That the terms of reference be amended by deleting paragraph 2 and inserting instead "2. That the committee table an interim or final report by 28 February 2017.

Resolved, on the motion of Mr Colless: That the committee adopt the terms of reference as amended

6. Conduct of the inquiry into commercial fishing

6.1 Proposed timeline

Resolved, on the motion of Mr Veitch: That the committee adopt the following timeline for the administration of the inquiry:

- that the closing date for submissions be 9 December 2016
- that the committee hold a 1 ½ days of public hearings on 12 and 14 December 2016.

6.2 Stakeholder list

Resolved, on the motion of Mr Veitch: That the committee secretariat make contact with the Minister's office, who have advised they can provide a list of relevant stakeholders and that members provide any additional stakeholders by close of business Friday 18 November 2016.

6.3 Advertising

Resolved, on the motion of Mr Colless: That the inquiry be advertised via twitter, stakeholder letters and a media release distributed to all media outlets in New South Wales, including local inner city media outlets.

7. Adjournment

The committee adjourned at 2.26 pm, *sine die*.

Rebecca Main
Clerk to the Committee

