



LEGISLATIVE COUNCIL

PORTFOLIO COMMITTEE NO. 4

Budget Estimates 2020-2021

Report 47

May 2021

4



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Portfolio Committee No. 4 - Industry

Budget Estimates 2020-2021

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Chair: The Hon. Mark Banasiak MLC.

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Terms of reference

1. That the Budget Estimates and related papers for the financial year 2020-2021 presenting the amounts to be appropriated from the Consolidated Fund be referred to the Portfolio Committees for inquiry and report.
2. That, further to the resolution of the House of 11 November 2020 adopting the 2021 sitting calendar, the 2020-2021 initial budget estimates hearings be scheduled as follows:

Day One: Thursday 25 February 2021

PC 6 Transport and Roads

PC 1 Special Minister of State, Public Service and Employee Relations, Aboriginal Affairs and the Arts

Day Two: Friday 26 February 2021

PC 4 Deputy Premier, Regional New South Wales, Industry and Trade

PC 5 Families, Communities and Disability Services

Day Three: Monday 1 March 2021

PC 3 Tertiary Education and Skills

PC 4 Water, Property and Housing

PC 1 The Legislature

Day Four: Tuesday 2 March 2021

PC 5 Attorney General and Prevention of Domestic Violence

PC 7 Energy and Environment

Day Five: Wednesday 3 March 2021

PC 3 Education and Early Childhood Learning

PC 4 Agriculture and Western New South Wales

Day Six: Thursday 4 March 2021

PC 2 Health and Medical Research

PC 1 Premier

Day Seven: Friday 5 March 2021

PC 5 Sport, Multiculturalism, Seniors and Veterans

PC 6 Better Regulation and Innovation

Day Eight: Monday 8 March 2021

PC 1 Treasury

PC 6 Customer Service

Day Nine: Tuesday 9 March 2021

PC 5 Counter Terrorism and Corrections

PC 7 Planning and Public Spaces

Day Ten: Wednesday 10 March 2021
 PC 1 Jobs, Investment, Tourism and Western Sydney
 PC 6 Regional Transport and Roads

Day Eleven: Thursday 11 March 2021
 PC 7 Local Government
 PC 2 Mental Health, Regional Youth and Women

Day Twelve: Friday 12 March 2021
 PC 5 Police and Emergency Services
 PC 1 Finance and Small Business

3. That for the purposes of the Budget Estimates inquiry 2020-2021:
- (a) each scheduled day for the initial round of hearings will begin at 9.30 am and conclude by 8.30 pm,
 - (b) the committees must hear evidence in public,
 - (c) the committees may ask for explanations from ministers, parliamentary secretaries or officers of departments, statutory bodies or corporations, relating to the items of proposed expenditure,
 - (d) witnesses, including ministers, may not make an opening statement before the committee commences questions,
 - (e) members may lodge supplementary questions with the committee clerk by 5.00 pm within two business days, following a hearing, and
 - (f) answers to questions on notice and supplementary questions are to be published, except those answers for which confidentiality is requested, after they have been circulated to committee members.
4. That the committees present a final report to the House by 30 June 2021.

The terms of reference were referred to the committee by the Legislative Council on Wednesday 18 November 2020.¹

¹ *Minutes*, NSW Legislative Council, 18 November 2020, pp 1693-1695.

Committee details

Committee members

The Hon Mark Banasiak MLC	Shooters, Fishers and Farmers Party	<i>Chair</i>
The Hon Emma Hurst MLC	Animal Justice Party	<i>Deputy Chair</i>
The Hon Lou Amato MLC	Liberal Party	
The Hon Catherine Cusack MLC	Liberal Party	
The Hon Sam Faraway MLC	The Nationals	
The Hon Peter Primrose MLC	Australian Labor Party	
The Hon Mick Veitch MLC	Australian Labor Party	

Non-substantive members who attended the hearings

Ms Abigail Boyd MLC	The Greens
Ms Cate Faehrmann MLC	The Greens
Mr Justin Field MLC	Independent
The Hon John Graham MLC	Australian Labor Party
The Hon Daniel Mookhey MLC	Australian Labor Party
The Hon Tara Moriarty MLC	Australian Labor Party
The Hon Penny Sharpe MLC	Australian Labor Party
Mr David Shoebridge MLC	The Greens

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Chair's foreword

I am pleased to present this report on the Inquiry into Budget Estimates 2020-2021. 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.

Portfolio Committee No. 4 - Industry is responsible for the scrutiny of the following portfolio areas:

- Agriculture and Western New South Wales
- Water, Property and Housing
- Regional New South Wales, Industry and Trade.

The key evidence gathering mechanism of this Inquiry is through the conduct of public hearings. This report lists the key issues raised during the hearings. Transcripts, tabled documents and additional answers provided after the hearings are published on the [Inquiry's webpage](#).

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 Mark Banasiak MLC
Chair

Chapter 1 Introduction

The Inquiry into Budget Estimates is one of the key mechanisms for parliamentary committees to scrutinise government expenditure, performance and effectiveness. It holds ministers and government officials to account and provides a greater level of transparency to the public.

The Inquiry is conducted annually by the Legislative Council's Portfolio Committees. Each committee examines the budget estimates of its responsible portfolios, with ministers and senior public servants as the primary witnesses. The evidence taking process of the Inquiry consists of answers provided during public hearings and answers to post-hearing written questions (known as supplementary questions). There is no provision for written submissions.

Budget Estimates 2020-2021

- 1.1 The Inquiry into Budget Estimates 2020-2021 ('the Inquiry') was referred to the portfolio committees for inquiry and report on 11 November 2020 by the Legislative Council.² The budget estimates resolution establishing the Inquiry, which sets out the rules for the Inquiry, is reproduced on pages iv and v.
- 1.2 The resolution authorised the committees to conduct one round of initial hearings, from 9.30 am to 8.30 pm, to examine all portfolios for each minister.³
- 1.3 In previous estimates inquiries, three rounds of hearings (initial, supplementary and further) were conducted and portfolios under the same minister were examined for six hours duration per hearing. Given the COVID-19 pandemic, hearings were delayed this year with no provision for supplementary or further hearings.
- 1.4 The budget estimates resolution stated that the committee could seek explanations from ministers, parliamentary secretaries or officers of departments, statutory bodies or corporations, relating to the items of proposed expenditure.⁴ Each committee was free to determine the time and allocation of questions for each hearing within the parameters set by the resolution.
- 1.5 Initial hearings were held over 12 days from 25 February to 26 February 2021, 1 March to 5 March 2021, and 8 March to 12 March 2021.⁵

Hearings

- 1.6 The committee held three public hearings as follows:
 - Friday 26 February 2021 – Deputy Premier, Regional New South Wales, Industry and Trade
 - Monday 1 March 2021 – Water, Property and Housing

² *Minutes*, NSW Legislative Council, 11 November 2020, pp 1563.

³ *Minutes*, NSW Legislative Council, 11 November 2020, pp 1563.

⁴ *Minutes*, NSW Legislative Council, 18 November 2020, pp 1681-1683.

⁵ *Minutes*, NSW Legislative Council, 11 November 2020, p 1563.

- Wednesday 3 March 2021 – Agriculture and Western New South Wales

Transcripts, questions on notice and supplementary questions

- 1.7 Transcripts of the hearings, questions taken on notice, supplementary questions and answers to these questions are available on the Budget Estimates web page at: www.parliament.nsw.gov.au/budget-estimates.

Chapter 2 Issues raised during hearings

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

Deputy Premier, Regional New South Wales, Industry and Trade

2.1 A hearing examining the portfolio of Deputy Premier, Regional New South Wales, Industry and Trade was held on Friday 26 February 2021. The following issues were raised during the committee's examination of this portfolio:

- Operation of the Bushfire Local Economic Recovery Fund (BLER)
- Raising the wall of Wyangala Dam
- Forestry supply, impact of 2019/20 bushfires and Integrated Forestry Operations Approvals (IFOAs)
- Culling of Snowy Mountains brumbies
- Digital connectivity and Special Activation Precincts in regional NSW
- Various mining and gas projects in regional NSW
- Resilience NSW's role/knowledge of Minister Constance's request to remove roadside vegetation
- Koala habitat and Forestry Corporation's protocols following the bushfires
- Coastal IFOAs – Forestry Corporation logging areas of burnt/unburnt forest
- Weed control
- Forestry Corporation's compliance record with the NSW EPA
- COVID 19 – Impact on tertiary education sector and focus to bring international students back.

Water, Property and Housing

2.2 A hearing examining the portfolio of Water, Property and Housing was held on Monday 1 March 2021. The following issues were raised during the committee's examination of this portfolio:

- Crown Reserves Improvement Fund
- Protection for Crown Lands with regard to the proposed Amalfi Beach Club at Bondi Beach
- Crown Lands tenancy reviews
- Additional social housing funding
- Regional social housing

- Decision making regarding Warragamba Dam, including the relationship between DPIE and InfrastructureNSW
- Roles and responsibilities of WaterNSW and DPIE – Water Infrastructure
- DPIE Capital works summary
- Funding of Wyangala, Dungowan and Mole River Dams, including the impact on WaterNSW's credit investment rating
- Price rises for water users
- Enforcement of water laws, including prosecutions, by the National Resource Access Regulator (NRAR)
- Status of water sharing plans
- Wellbeing of NRAR staff
- Regional Investment Corporation
- DPIE response to ICAC report November 2020
- Impact and operation of Water Management (General) Amendment (Emergency Works Exemption) Regulation 2021
- Water management issues: Response to recommendations of ICAC Report, water sharing hierarchy, department assessment and reporting processes, inclusion of impacts on animals in water strategy
- Funding of NRAR
- Water Infrastructure: funding, costings and specifications of dam projects including Dungowan, Wyangala, Warragamba
- Floodplain harvesting
- Water Management (General) Amendment (Emergency Works Exemption) Regulation 2021
- Murray-Darling river system: fish kills, algae management, bank erosion and mitigation
- Cemeteries in NSW: capacity, management, changes in industry practice
- Crown Lands Strategic Plan: digital innovation and online publication
- Housing: housing stock, affordability, land releases, housing development and transport corridor planning at Cawdor
- Aboriginal Land Claims: processing timeframes and review of practices
- Wombat mange issues and research trial at Bendeela Recreation Area.

Agriculture and Western New South Wales

2.3 A hearing examining the portfolio of Agriculture and Western New South Wales was held on Wednesday 3 March 2021. The following issues were raised during the committee's examination of this portfolio:

- Funding from Local Land Services to Monaro Farming System
- Recognising court-ordered bans in other states in relation to protection of cruelty to animals legislation
- Ban on yabby traps
- Effect of COVID-19 border restrictions on the agricultural workforce
- Animal breeding facilities
- Commercial fishing shares
- Auditor-General's report on biosecurity risk management
- Appointment of NSW Agriculture Commissioner
- Draft report from the independent panel on poultry standards
- Role and reporting lines of CEO, Local Land Services
- NSW animal welfare action plan
- Statutory review of Biodiversity Conservation Act
- Biosecurity
- Impact of harvesting on turtle population
- Animal experimentation including rehoming of animals used for experimentation
- Trials of shark nets and smart drumlines
- Drought recovery and current activity
- Young Farmer Business Program
- Timber harvested from private native forest
- Commercial fishers share allocation, value and access
- Recreational Fishing Trust Fund
- Regulations surrounding the treatment of exhibited animals.

Appendix 1 Witnesses at hearings

Deputy Premier, Regional New South Wales, Industry and Trade – Friday 26 February 2021

Name	Position and Organisation
Hon John Barilaro MP	Deputy Premier and Minister for Regional New South Wales, Industry and Trade
Mr Gary Barnes	Secretary, Department of Regional NSW
Mr Scott Hansen	Director General, Department of Primary Industries
Commissioner Shane Fitzsimmons AFSM	Commissioner, Resilience NSW
Mr Anshul Chaudhary	Acting Chief Executive Officer, Forestry Corporation
Mr Anthony Keon	Executive Director, NSW Resources Regulator
Ms Kylie Bell	Executive Director, Industry, Trade and Investment, NSW Treasury
Ms Georgina Beattie	Deputy Secretary, Mining, Exploration and Geoscience, Department of Regional NSW
Mr Chris Hangar	Deputy Secretary, Public Works Advisory and Regional Development Group, Department of Regional NSW
Mr James McTavish	NSW Cross Border Commissioner, Department of Regional NSW
Ms Fiona Dewar	Acting Deputy Secretary, Strategy Delivery and Performance, Department of Regional NSW

Water, Property and Housing – Monday 1 March 2021

Name	Position and Organisation
Hon Melinda Pavey MP	Minister for Water, Property and Housing
Mr Jim Betts	Secretary, Department of Planning, Industry and Environment
Mr Jim Bentley	Deputy Secretary, Water, Department of Planning, Industry and Environment
Ms Melanie Hawyes	Deputy Secretary, Crown Lands, Department of Planning, Industry and Environment
Mr Andrew George	Acting Chief Executive Officer, Water NSW
Mr Roch Cheroux	Managing Director, Sydney Water

Name	Position and Organisation
Mr Darren Cleary	Managing Director, Hunter Water
Mr Grant Barnes	Chief Regulatory Officer, Natural Resource Access Regulator
Mr Michael Wright	Group Deputy Secretary, Housing and Property, Department of Planning, Industry and Environment
Ms Amanda Jones	Chief Strategy Officer, Department of Planning, Industry and Environment
Mr Michael Cassel	Chief Executive Officer, Land and Housing Corporation, Department of Planning, Industry and Environment
Mr Leon Walker	Deputy Secretary, Property and Development NSW, Department of Planning, Industry and Environment
Professor Richard Bush	Crown Lands Commissioner, Department of Planning, Industry and Environment
Ms Anissa Levy	Chief Executive Officer, Water Infrastructure NSW, Department of Planning, Industry and Environment

Agriculture and Western New South Wales – Wednesday 3 March 2021

Name	Position and Organisation
Hon Adam Marshall MP	Minister for Agriculture and Western New South Wales
Mr Scott Hansen	Director General, Department of Primary Industries
Mr Gary Barnes	Secretary, Department of Regional NSW
Mr Daryl Quinlivan	NSW Agriculture Commissioner
Mr David Witherdin	Chief Executive Officer, Local Land Services
Mr Brett Fifield	Deputy Director General, Engagement and Industry Assistance, Department of Primary Industries
Ms Kate Lorimer-Ward	Deputy Director General, Agriculture, Department of Primary Industries
Dr John Tracey	Deputy Director General, Biosecurity and Food Safety, Department of Primary Industries
Mr Sean Sloan	Deputy Director General, Fisheries, Department of Primary Industries
Mr Russell Reichelt	Chair, Marine Estate Management Authority

: -

Name	Position and Organisation
Dr Natalie Moltschaniwskyj	Director, Fisheries Research, Department of Primary Industries

Appendix 2 Minutes

Minutes no. 34

Wednesday 3 February 2021

Portfolio Committee No. 4 - Industry

Macquarie Room, Parliament House, Sydney at 9.16 am

1. Members present

Mr Banasiak, *Chair*

Ms Hurst, *Deputy Chair*

Mr Amato (via Webex)

Ms Cusack (via Webex from 9.20 am)

Mr Fang (substituting for Mr Farraway)

Mr Primrose

Mr Veitch

2. Previous minutes

Resolved, on the motion of Ms Hurst: That draft minutes no. 33 be confirmed.

3. ***

4. Inquiry into Budget Estimates 2020-2021 – procedural resolutions

The committee noted the Budget Estimates timetable for 2020-2021 agreed to by the House, with hearings commencing at 9.30 am and concluding by 8.30 pm, for Portfolio Committee No. 4:

Date	Portfolio
Friday 26 February 2021	Deputy Premier, Regional New South Wales, Industry and Trade (Barilaro)
Monday 1 March 2021	Water, Property and Housing (Pavey)
Wednesday 3 March 2021	Agriculture and Western New South Wales (Marshall)

4.1 Allocation of question time and total hearing time

Resolved, on the motion of Mr Amato: That with no government questions being asked:

- the Deputy Premier, Regional New South Wales, Industry and Trade portfolios be examined from 9.30 am to 12.30 pm and from 2.00 pm to 5.00 pm, with an additional 15 minutes reserved for government questions,
- the Water, Property and Housing portfolios be examined from 9.30 am to 12.30 pm and from 2.00 pm to 5.00 pm, with an additional 15 minutes reserved for government questions.
- the Agriculture and Western New South Wales portfolios be examined from 9.30 am to 12.30 pm and from 2.00 pm to 5.00 pm, with an additional 15 minutes reserved for government questions.

Resolved, on the motion of Mr Amato: That:

- the Minister and Parliamentary Secretary appear from 9.30 am until 12.30 pm
- departmental staff appear from 9.30 am until 5.15 pm.

: -

4.2 Order for examination of portfolios

Resolved, on the motion of Mr Primrose: That the portfolios of Water, Property and Housing be examined concurrently.

4.3 Witness requests

Resolved, on the motion of Mr Veitch: That the committee provide witness requests to the secretariat by 12 pm, Thursday 4 February 2021.

Resolved, on the motion of Mr Veitch: That the committee invite Mr Michael Johnsen MP, Parliamentary Secretary for Agriculture to appear as a witness at the hearing.

5. ***

6. Adjournment

The committee adjourned at 12.05 pm, until Friday 26 February 2021 (Budget Estimates hearing).

Sarah Dunn
Committee Clerk

Minutes no. 35

Friday 26 February 2021

Portfolio Committee No. 4 - Industry

Macquarie Room, Parliament House, Sydney, at 9.17 am

1. Members present

Mr Banasiak, *Chair* (from 2.00 pm until 3.09 pm, and from 3.14 pm)

Ms Hurst, *Deputy Chair* (from 2.06 pm until 3.43 pm, and from 5.02 pm)

Mr Amato (from 2.05 pm until 2.45 pm, and from 2.59 pm until 3.45 pm, then from 4.15 pm)

Ms Cusack (from 2.05 pm until 3.06 pm, and from 3.40 pm until 4.24 pm, then from 5.00 pm)

Mr Faraway (from 2.05 pm)

Mr Primrose

Mr Veitch

Ms Fachrmann (participating until 11.14 am, and from 11.53 am until 12.30 pm)

Mr Field (participating from 9.30 am until 2.42 pm, and from 2.48 pm until 3.27 pm, and from 3.37 pm until 4.06 pm, then from 4.12 pm)

Mr Mookhey (participating from 2.00 pm until 2.22 pm)

Mr Shoebridge (participating from 11.12 am until 11.48 am, and from 3.40 pm until 4.06 pm, then from 4.31 pm until 4.43 pm)

2. Apologies

Ms Boyd

3. Previous minutes

Resolved, on the motion of Mr Amato: That draft minutes no. 34 be confirmed.

4. Correspondence

The committee noted the following items of correspondence:

Received

- 29 January 2021 - Email from Hon Natasha Maclaren-Jones MLC, Government Whip to secretariat, advising of Government substitutions for Budget Estimates 2020-2021 initial meetings

- 2 February 2021 - Letter from Hon Natasha Maclaren-Jones MLC, Government Whip to secretariat, advising that Hon Wes Fang MLC is substituting for Hon Sam Farrow MLC in the PC 4 Budget Estimates initial meeting
- 9 February 2021 - Email from Hon Mark Buttigieg MLC, Opposition Whip to secretariat, advising of Opposition substitution and participating members for Budget Estimates 2020-2021 initial hearings
- 12 February 2021 - Email from Hon Natasha Maclaren-Jones MLC, Government Whip to secretariat, advising of Government substitutions and participating members for Budget Estimates 2020-2021 initial hearings
- 15 February 2021 - Email from Ms Abigail Boyd MLC to secretariat, advising of Greens Crossbench substitutions and participating members for Budget Estimates 2020-2021 initial hearings
- 15 February 2020 - Email from Ms Susanna Montrone, Office of Deputy Premier Barilaro to secretariat, confirming witness attendance for the Deputy Premier, Regional New South Wales, Industry and Trade hearing on 26 February 2021
- 16 February 2021 - Email from Ms Susanna Montrone, Office of Deputy Premier Barilaro to secretariat, confirming attendance of Ms Fiona Dewar, Acting Deputy Secretary, Strategy Delivery and Performance, Department of Regional NSW for the Deputy Premier, Regional New South Wales, Industry and Trade hearing on 26 February 2021
- 17 February 2021 - Email from Ms Imogen Posa, Office of Minister Pavey to secretariat, confirming witness attendance for the Water, Property and Housing hearing on 1 March 2021
- 17 February 2021 - Email from Ms Imogen Posa, Office of Minister Pavey to secretariat, updating the position title of witness Mr Darren Cleary for the Water, Property and Housing hearing on 1 March 2021
- 17 February 2021 - Email from Ms Imogen Posa, Office of Minister Pavey to secretariat, updating confirmed witnesses for the Water, Property and Housing hearing on 1 March 2021
- 17 February 2021 - Email from Mr Connor McGoverne, Office of Minister Marshall to secretariat, confirming witness attendance for the Agriculture and Western New South Wales hearing on 3 March 2021
- 22 February 2021 - Email from Ms Imogen Posa, Office of Minister Pavey to secretariat, advising Mr Chris Reynolds is no longer employed and the position is now filled by Ms Melanie Hawyes, and confirming attendance of Ms Amanda Jones, Chief Strategy Officer
- 26 February 2021 - Email from Ms Cara Punch, Office of Hon Mark Buttigieg MLC, Opposition Whip to secretariat, advising Hon Daniel Mookhey MLC will be participating in the Deputy Premier, Regional NSW, Industry and Trade hearing on 26 February 2021
- 26 February 2021 - Email from Ms Alysha Hardy, Office of Ms Abigail Boyd MLC to secretariat, advising Ms Boyd will be an apology for the PC 5 Families, Communities and Disability Services hearing on 26 February 2021 and the PC 4 Deputy Premier, Regional NSW, Industry and Trade hearing on 26 February 2021.

Sent

- 4 February 2021 - Email from secretariat to Hon John Barilaro MP, Deputy Premier, Minister for Regional New South Wales, Industry and Trade, attaching witness invitation for Budget Estimates 2020-2021 initial hearings
- 4 February 2021 - Email from secretariat to Hon Melinda Pavey MP, Minister for Water, Property and Housing, attaching witness invitation for Budget Estimates 2020-2021 initial hearings
- 4 February 2021 - Email from secretariat to Hon Adam Marshall MP, Minister for Agriculture and Western New South Wales, attaching witness invitation for Budget Estimates 2020-2021 initial hearings
- 22 February 2021 - Email from secretariat to Ms Imogen Posa, Office of Minister Pavey, requesting attendance of certain witnesses or an explanation for their absence
- 22 February 2021 - Email from secretariat to Mr Connor McGoverne, Office of Minister Marshall, requesting attendance of certain witnesses or an explanation for their absence.

5. Inquiry into Budget Estimates 2020-2021 – initial hearings

5.1 Order for examination of portfolios

The committee noted that it had previously resolved that the portfolios of Deputy Premier, Regional New South Wales, Industry and Trade be examined concurrently by Opposition and Crossbench members only, from 9.30 am to 12.30 pm, and from 2.00 pm to 5.00 pm, with an additional 15 minutes reserved for Government questions for each of the morning and afternoon sessions.

The committee noted that the allocation of Crossbench questions would be determined by negotiation prior to each round, then communicated to the clerk.

5.2 Public hearing: Deputy Premier, Regional New South Wales, Industry and Trade

Deputy Premier, departmental 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 Hon John Barialro MP, Deputy Premier and Minister, for Regional New South Wales, Industry and Trade, was admitted.

The following witnesses were sworn:

- Mr Gary Barnes, Secretary, Department of Regional NSW
- Mr Scott Hansen, Director General, Department of Primary Industries
- Commissioner Shane Fitzsimmons AFSM, Commissioner, Resilience NSW
- Mr Anshul Chaudhary, Chief Executive Officer, Forestry Corporation
- Mr Anthony Keon, Executive Director, NSW Resources Regulator
- Ms Kylie Bell, Executive Director, Industry, Trade and Investment, NSW Treasury
- Ms Georgina Beattie, Deputy Secretary, Mining, Exploration and Geoscience, Department of Regional NSW
- Mr Chris Hanger, Deputy Secretary, Public Works Advisory and Regional Development Group, Department of Regional NSW
- Mr James McTavish, NSW Cross Border Commissioner, Department of Regional NSW
- Ms Fiona Dewar, Acting Deputy Secretary, Strategy Delivery and Performance at the Department of Regional NSW.

The Chair declared the proposed expenditure for the portfolios of «Portfolio» open for examination.

The Deputy Premier and departmental witnesses were examined by the committee.

Mr Banasiak tendered the following document:

- A collection of documents presented to members of Cabinet by the Hon. Robert Borsak MLC.

The Deputy Premier withdrew at 12.30 pm.

The public hearing continued.

Mr Mookhey tendered the following documents:

- Letter from Hon Andrew Constance MP, Minister for Transport and Roads, to Mr Rodd Staples, Secretary, Transport for NSW, entitled: *Urgent: Road Access and Safety*, dated 27 February 2020
- Letter from Mr Rodd Staples, Secretary, Transport for NSW, to Hon Andrew Constance MP, Minister for Transport and Roads, and Hon Paul Toole MP, Minister for Regional Transport and Roads, entitled: *Re: Road access and safety*, dated 31 July 2020

- Administrative Arrangements (Administrative Changes-Resilience NSW) Order 2020 under the *Constitution Act 1902*.

Commissioner Fitzsimmons AFSM tendered the following document:

- Memorandum of Understanding between the following parties, dated 1 May 2020
 - The State of New South Wales by its Department of Communities and Justice
 - The State of New South Wales by its Department of Premier and Cabinet
 - The State of New South Wales by its Executive Agency Resilience NSW.

Mr Barnes tendered the following document:

- NSW Government, Regional NSW, Policy, Workforce regionalisation, Policy number PEC-002, Version 1.9, Effective date 17 November 2020.

The evidence concluded and the witnesses withdrew.

The public hearing concluded at 5.01 pm.

The public and media withdrew.

5.3 Tendered documents

Resolved, on the motion of Ms Cusack: That the committee accept and publish the following documents tendered during the Deputy Premier, Regional New South Wales, Industry and Trade hearing held on 26 February 2021:

- Various documents presented to Cabinet by the Hon. Robert Borsak MLC, tendered by Mr Mark Banasiak MLC
- Letter from Hon Andrew Constance MP, Minister for Transport and Roads, to Mr Rodd Staples, Secretary, Transport for NSW, entitled: *Urgent: Road Access and Safety*, dated 27 February 2020, tendered by Mr Daniel Mookhey MLC
- Letter from Mr Rodd Staples, Secretary, Transport for NSW, to Hon Andrew Constance MP, Minister for Transport and Roads, and Hon Paul Toole MP, Minister for Regional Transport and Roads, entitled: *Re: Road access and safety*, dated 31 July 2020, tendered by Mr Daniel Mookhey MLC
- Administrative Arrangements (Administrative Changes-Resilience NSW) Order 2020 under the Constitution Act 1902, tendered by Mr Daniel Mookhey MLC.

Resolved, on the motion of Ms Cusack: That the Chair, on behalf of the committee, write to Commissioner Fitzsimmons AFSM and Mr Barnes requesting written reasons as to why the following documents tendered during the Deputy Premier, Regional New South Wales, Industry and Trade hearing held on 26 February 2021, be kept confidential:

- Memorandum of Understanding between the following parties, dated 1 May 2020, tendered by Commissioner Shane Fitzsimmons AFSM, Commissioner, Resilience NSW
 - The State of New South Wales by its Department of Communities and Justice
 - The State of New South Wales by its Department of Premier and Cabinet
 - The State of New South Wales by its Executive Agency Resilience NSW
- NSW Government, Regional NSW, Policy, Workforce regionalisation, Policy number PEC-002, Version 1.9, Effective date 17 November 2020, tendered by Mr Gary Barnes, Secretary, Department of Regional NSW.

: -

6. Adjournment

The committee adjourned at 5.13 pm, until 9.15 am, Monday 1 March 2021, Jubilee Room, Budget Estimates hearing — Water, Property and Housing.

Jenelle Moore and Helen Hong

Committee Clerks

Minutes no. 36

Monday 1 March 2021

Portfolio Committee No. 4 - Industry

Jubilee Room, Parliament House, Sydney, at 9.18 am

1. Members present

Mr Banasiak, *Chair*

Ms Hurst, *Deputy Chair* (until 4.51 pm)

Mr Amato

Ms Cusack

Mr Faraway (until 3.57 pm)

Ms Moriarty (substituting for Mr Primrose)

Mr Veitch

Ms Faehrmann (participating from 9.31 am)

Mr Field (participating from 9.26 am)

Mr Graham (participating from 11.21 am until 12.09 pm)

Ms Sharpe (participating)

Mr Shoebridge (participating from 12.22 pm until 12.34 pm, and from 2.08 pm until 2.40 pm)

2. Correspondence

The committee noted the following items of correspondence:

Received

- 24 February 2021 - Email from Ms Imogen Posa, Office of Minister Pavey, Minister to secretariat, providing an updated witness list including Professor Richard Bush, Crown Lands Commissioner
- 24 February 2021 - Email from Ms Imogen Posa, Office of Minister Pavey to secretariat, confirming attendance of Mr Leon Walker, Deputy Secretary, Property & Development NSW, providing explanation for absence of Ms Jody Broun, Chief Executive Aboriginal Housing Office and Group and Deputy Secretary Aboriginal Outcomes, with updated witness list reflecting changes for the Water, Property and Housing hearing on 1 March 2021
- 25 February 2021 – Email from Ms Imogen Posa, Office of Minister Pavey to secretariat, providing explanation for absence of Ms Vanessa O'Keefe, A/Executive Director, Policy, Planning and Sciences, Department of Planning, Industry and Environment for the Water, Property and Housing hearing on 1 March 2021
- 26 February 2021 - Email from Hon Mark Buttigieg MLC, Opposition Whip to secretariat, advising that Hon John Graham MLC will be a participating member at the PC 4 Water, Property and Housing hearing on 1 March 2021
- 1 March 2021 – Email from Hon Mark Buttigieg MLC, Opposition Whip to secretariat, advising that Hon Tara Moriarty MLC will be substituting for Hon Peter Primrose MLC for the Water, Property and Housing hearing on 1 March 2021.

Sent

- 23 February 2021 - Email from secretariat to Ms Imogen Posa, Office of Minister Pavey, seeking clarification regarding attendance of Professor Richard Bush, Crown Lands Commissioner for the Water, Property and Housing hearing on 1 March 2021
- 24 February 2021 – Email from secretariat to Ms Imogen Posa, Office of Minister Pavey, seeking clarification regarding attendance of Mr Leon Walker, Deputy Secretary, Property & Development NSW and Ms Jody Broun, Chief Executive Aboriginal Housing Office and Group, and Deputy Secretary Aboriginal Outcomes for the Water, Property and Housing hearing on 1 March 2021
- 25 February 2021 – Email from secretariat to Ms Imogen Posa, Office of Minister Pavey, seeking clarification regarding attendance of Ms Vanessa O'Keefe, A/Executive Director, Policy, Planning and Sciences, Department of Planning, Industry and Environment for the Water, Property and Housing hearing on 1 March 2021.

3. Inquiry into Budget Estimates 2020-2021 – initial hearings**3.1 Order for examination of portfolios**

The committee noted that it had previously resolved that the portfolios of Water, Property and Housing be examined concurrently by Opposition and Crossbench members only, from 9.30 am to 12.30 pm, and from 2.00 pm to 5.00 pm, with an additional 15 minutes reserved for Government questions for each of the morning and afternoon sessions.

3.2 Public hearing: Water, Property and Housing

The Minister, departmental 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 Hon Melinda Pavey MP, Minister for Water, Property and Housing, was admitted.

The following witnesses were sworn:

- Mr Jim Betts, Secretary, Department of Planning, Industry and Environment
- Mr Jim Bentley, Deputy Secretary, Water, Department of Planning, Industry and Environment
- Ms Melanie Hawyes, Deputy Secretary, Crown Lands, Department of Planning, Industry and Environment
- Mr Andrew George, Acting Chief Executive Officer, Water NSW
- Mr Roch Cheroux, Managing Director, Sydney Water
- Mr Darren Cleary, Managing Director, Hunter Water
- Mr Grant Barnes, Chief Regulatory Officer, National Resource Access Regulator
- Mr Michael Wright, Group Deputy Secretary, Housing and Property, Department of Planning, Industry and Environment
- Ms Amanda Jones, Chief Strategy Officer, Department of Planning, Industry and Environment
- Mr Michael Cassel, Chief Executive Officer, Land and Housing Corporation, Department of Planning, Industry and Environment
- Mr Leon Walker, Deputy Secretary, Property and Development NSW, Department of Planning, Industry and Environment
- Professor Richard Bush, Crown Lands Commissioner, Department of Planning, Industry and Environment
- Ms Anissa Levy, Chief Executive Officer, Water Infrastructure NSW, Department of Planning, Industry and Environment.

: -

The Chair declared the proposed expenditure for the portfolios of Water, Property and Housing open for examination.

The Minister and departmental witnesses were examined by the committee.

Mr Veitch tendered the following document:

- Media article excerpt from the Weekend Australian regarding mining and water management in New South Wales, dated Saturday 6 February 2021 (highlighted).

Minister Pavey tendered the following document:

- Document entitled 'Water Management (General) Amendment (Emergency Works Exemption) Regulation 2021: Fact sheet information'.

Ms Faehrmann tendered the following document:

- Excerpts of document entitled 'Capital delivery program summary – FINAL DRAFT' and excerpt of index showing where document returned to an order of the House.

Ms Hurst tendered the following document:

- Media article from The Guardian entitled 'NSW has failed to properly assess impact on wildlife of Warragamba dam changes, federal government says', dated 15 August 2020.

Ms Faehrmann tendered the following document:

- Email thread from NSW Treasury regarding Media Release of the Hon Melinda Pavey, MP entitled 'Next steps to fast track delivery of new dams'.

The Minister withdrew at 12.34 pm.

The public hearing continued.

Ms Hawyes and Professor Richard Bush withdrew at 2.45 pm.

Mr Wright, Mr Cassel and Mr Walker withdrew at 3.06 pm.

The evidence concluded and the witnesses withdrew.

The public hearing concluded at 5.03 pm.

The public and media withdrew.

3.3 Tendered documents

Resolved, on the motion of Mr Veitch: That the committee accept and publish the following documents tendered during the Water, Property and Housing hearing held on Monday 1 March 2021:

- Media article excerpt from the Weekend Australian regarding mining and water management in New South Wales, dated Saturday 6 February 2021, tendered by Mr Mick Veitch MLC
- Document entitled 'Water Management (General) Amendment (Emergency Works Exemption) Regulation 2021: Fact sheet information, tendered by Hon Melinda Pavey MP, Minister for Water, Property and Housing
- Excerpts of document entitled 'Capital delivery program summary – FINAL DRAFT' and excerpt of index showing where document returned to an order of the House, tendered by Ms Cate Faehrmann MLC
- Media article from The Guardian entitled 'NSW has failed to properly assess impact on wildlife of Warragamba dam changes, federal government says', dated 15 August 2020, tendered by Ms Emma Hurst MLC

- Email thread from NSW Treasury regarding Media Release of the Hon Melinda Pavey, MP entitled 'Next steps to fast track delivery of new dams', tendered by Ms Cate Faehrmann MLC.

4. **Adjournment**

The committee adjourned at 5.04 pm, until 9.15 am, Wednesday 3 March 2021, Jubilee Room, Budget Estimates hearing — Agriculture and Western New South Wales.

Allison Stowe and Madeleine Dowd

Committee Clerks

Minutes no. 37

Wednesday 3 March 2021

Portfolio Committee No. 4 - Industry

Jubilee Room, Parliament House, Sydney, at 9.16 am

1. **Members present**

Mr Banasiak, *Chair*

Ms Hurst, *Deputy Chair*

Mr Amato (until 10.02 am, and from 10.37 am)

Ms Cusack (until 3.00 pm, and from 4.00 pm)

Mr Faraway (until 4.01 pm)

Mr Primrose (until 4.29 pm)

Mr Veitch

Ms Boyd (participating from 10.46 am until 11.43 am)

Mr Field (participating from 9.41 am until 12.30 pm, and from 2.20 pm until 2.50 pm, then from 3.26 pm)

Ms Faehrmann (participating from 9.37 am until 10.16 am)

2. **Correspondence**

The committee noted the following items of correspondence:

Received

- 25 February 2021 – Email from Abigail Boyd MLC to secretariat, advising she will be a participating member for the Agriculture and Western NSW hearing on 3 March 2021
- 26 February 2021 – Email from Mr Connor McGoverne, Office of Minister Marshall to secretariat, providing explanation for the non-attendance of certain witnesses requested for the Agriculture and Western NSW hearing on 3 March 2021
- 1 March 2021 - Email from Ms Harriet Whyte, Department of Regional NSW, to secretariat, advising document tabled by Mr Gary Barnes, Secretary, Department of Regional NSW at the Deputy Premier, Regional New South Wales, Industry and Trade hearing on 26 February 2021 is not confidential and can be published
- 2 March 2021 - Letter from Commissioner Shane Fitzsimmons AFSM, Commissioner, Resilience NSW to Chair, advising that the document tabled at the Deputy Premier, Regional New South Wales, Industry and Trade hearing on 26 February 2021 is to remain confidential until third party participants agree to publication.

Sent

- 1 March 2021 – Letter from Chair to Mr Gary Barnes, Secretary, Department of Regional NSW, seeking justification for request for confidentiality of tabled document

- 1 March 2021 – Letter from Chair to Commissioner Shane Fitzsimmons AFSM, Commissioner, Resilience NSW, seeking justification for request for confidentiality for confidentiality for tabled document.

3. Inquiry into Budget Estimates 2020-2021 – initial hearings

3.1 Tended documents: Deputy Premier, Regional New South Wales, Industry and Trade

Resolved on the motion of Mr Primrose: That the committee publish the following document tendered during the Deputy Premier, Regional New South Wales, Industry and Trade hearing held on 26 February 2021:

- Memorandum of Understanding between the following parties, dated 1 May 2020
 - The State of New South Wales by its Department of Communities and Justice
 - The State of New South Wales by its Department of Premier and Cabinet
 - The State of New South Wales by its Executive Agency Resilience NSW

Resolved on the motion of Mr Veitch: That the committee publish the following document tendered during the Deputy Premier, Regional New South Wales, Industry and Trade hearing held on 26 February 2021:

- NSW Government, Regional NSW, Policy, Workforce regionalisation, Policy number PEC-002, Version 1.9, Effective date 17 November 2020

3.2 Order for examination of portfolios

The committee noted that it had previously resolved that the portfolios of Agriculture and Western New South Wales be examined concurrently by Opposition and Crossbench members only, from 9.30 am to 12.30 pm, and from 2.00 pm to 5.00 pm, with an additional 15 minutes reserved for Government questions for each of the morning and afternoon sessions.

3.3 Public hearing: Agriculture and Western New South Wales

Minister, departmental 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 Hon Adam Marshall MP, Minister for Agriculture and Western New South Wales, was admitted.

The Chair also reminded the following witnesses that they did not need to be sworn, as they had been sworn at another Budget Estimates hearing for the same committee:

- Mr Scott Hansen, Director General, Department of Primary Industries
- Mr Gary Barnes, Secretary, Department of Regional NSW.

The following witnesses were sworn:

- Mr Darryl Quinlivan, NSW Agriculture Commissioner
- Mr David Witherdin, Chief Executive Officer, Local Land Services
- Mr Brett Fifield, Deputy Director General, Engagement and Industry Assistance, Department of Primary Industries
- Ms Kate Lorimer-Ward, Deputy Director General, Agriculture, Department of Primary Industries
- Dr John Tracey, Deputy Director General, Biosecurity and Food Safety, Department of Primary Industries
- Mr Sean Sloan, Deputy Director General, Fisheries, Department of Primary Industries
- Mr Russell Reichelt, Chair, Marine Estate Management Authority
- Dr Natalie Moltschanivskyj, Director, Fisheries Research, Department of Primary Industries.

The Chair declared the proposed expenditure for the portfolios of Agriculture and Western New South Wales open for examination.

The Minister and departmental witnesses were examined by the committee.

Mr Veitch tendered the following document:

- Newspaper article, by Anne Davies and Lisa Cox, entitled “John Barilaro thanked for \$107,000 grant to agricultural group associated with Angus Taylor’s family”, dated Wednesday 3 March 2021.

Mr Banasiak tendered the following document:

- Public papers returned to order of the House regarding the NSW Commercial Fisheries Business Adjustment Program Barclay Report.

The Minister withdrew at 12.27 pm.

The public hearing continued.

The evidence concluded and the witnesses withdrew.

The public hearing concluded at 5.05 pm.

The public and media withdrew.

3.4 Tendered documents

Resolved, on the motion of Mr Veitch: That the committee accept the following documents tendered during the Agriculture and Western New South Wales hearing held on Wednesday 3 March 2021:

- Newspaper article, by Anne Davies and Lisa Cox, entitled “John Barilaro thanked for \$107,000 grant to agricultural group associated with Angus Taylor’s family”, dated Wednesday 3 March 2021, tendered by Mr Mick Veitch MLC
- Public papers returned to order of the House regarding the NSW Commercial Fisheries Business Adjustment Program Barclay Report, tendered by Mr Mark Banasiak MLC.

4. Adjournment

The committee adjourned at 5.08 pm, *Sine die*.

Shaza Barbar and Susan Want

Committee Clerks

Minutes no. 38

Thursday 25 March 2021

Portfolio Committee No. 4 – Industry

Members' Lounge, Parliament House, Sydney, at 2.46 pm

1. Members present

Mr Banasiak, *Chair*

Ms Hurst, *Deputy Chair*

Mr Amato

Mr Farraway

Mr Primrose

: -

Mr Veitch

2. Apologies

Ms Cusack

3. Previous minutes

Resolved on the motion of Mr Veitch: That draft minutes nos. 35, 36 and 37 be confirmed.

4. ***

5. ***

6. Adjournment

The committee adjourned at 2.54 pm, *sine die*.

Stephen Frappell
Committee Clerk

Minutes no. 39

Monday 10 May 2021

Portfolio Committee No. 4 - Industry

Room 1043, Parliament House, Sydney at 1.04 pm

1. Members present

Mr Banasiak, *Chair*

Ms Hurst, *Deputy Chair*

Mr Amato

Ms Cusack

Mr Farraway (from 1.05 pm)

Mr Primrose

Mr Veitch

2. Previous minutes

Resolved, on the motion of Mr Veitch: That draft minutes no. 38 be confirmed.

3. Inquiry into Budget Estimates 2020-2021

3.1 Correspondence

The committee noted the following items of correspondence relating to the Budget Estimates inquiry:

Received

- 25 March 2021 – Letter from the Hon Melinda Pavey MP, Minister for Water, Property and Housing to secretariat, clarifying evidence given at the Water, Property and Housing hearing on 1 March 2021
- 29 March 2021 – Letter from Mr Scott Hansen, Director General, NSW Department of Primary Industries to secretariat, clarifying evidence given at the Agriculture and Western New South Wales hearing on 3 March 2021
- 21 April 2021 - Letter from Mr Scott Hansen, Director General, NSW Department of Primary Industries to secretariat, clarifying evidence given at the Deputy Premier, Regional New South Wales, Industry and Trade hearing on 26 February 2021.

Sent

- 3 March 2021 – Email from the secretariat to Hon John Barilaro MP, Deputy Premier, Regional New South Wales, Industry and Trade, attaching transcript of evidence with questions on notice highlighted and supplementary questions
- 4 March 2021 – Email from the secretariat to Hon Melinda Pavey MP, Minister for Water, Property and Housing, attaching transcript of evidence with questions on notice highlighted and supplementary questions
- 8 March 2021 – Email from the secretariat to Hon Adam Marshall MP, Minister for Agriculture and Western New South Wales, attaching transcript of evidence with questions on notice highlighted and supplementary questions
- 29 March 2021 - Email from the secretariat to Ms Bridgette Joyce, Office of Deputy Premier, seeking formal letter from Mr Scott Hansen, Director General, NSW Department of Primary Industries clarifying evidence given at the hearing on 26 February 2021.

3.2 Answers to questions on notice and supplementary questions

The committee noted that the following answers to questions on notice and supplementary questions were published by the committee clerk under the authorisation of the resolution establishing the Inquiry:

- answers to questions on notice and supplementary questions from the Hon John Barilaro MP, Deputy Premier, Regional New South Wales, Industry and Trade, received 24 March 2021
- answers to questions on notice and supplementary questions from Hon Melinda Pavey MP, Minister for Water, Property and Housing, received 25 March 2021
- answers to questions on notice and supplementary questions from the Hon Adam Marshall MP, Minister for Agriculture and Western New South Wales, received 29 March 2021.

3.3 Consideration of Chair's draft report

The Chair submitted his draft report entitled '*Budget Estimates 2020-2021*', which, having been previously circulated, was taken as being read.

Resolved on the motion of Ms Hurst: That paragraph 2.2 be amended by inserting the following new bullet point at the end: 'wombat mange issues and research trial at Bendeela Recreation Area'.

Resolved, on the motion of Ms Hurst: That paragraph 2.3 be amended by inserting the following new bullet point at the end: 'regulations surrounding the treatment of exhibited animals'.

Resolved, on the motion of Ms Hurst: That:

- a) The draft report as amended be the report of the committee and that the committee present the report to the House;
- b) The transcripts of evidence, tabled documents, answers to questions on notice and supplementary questions, and correspondence relating to the inquiry be tabled in the House with the report;
- c) Upon tabling, all unpublished transcripts of evidence, tabled documents, answers to questions on notice and supplementary questions, and correspondence relating to the inquiry, be published by the committee, except for those documents kept confidential by resolution of the committee;
- d) The committee secretariat correct any typographical, grammatical and formatting errors prior to tabling;
- e) The report be tabled in the House on Thursday 13 May 2021.

4. ***

5. Adjournment

The committee adjourned at 2.10 pm, *sine die*.

Sarah Dunn
Committee Clerk

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