PORTFOLIO COMMITTEE NO. 4 - INDUSTRY

Monday 2 March 2020

Examination of proposed expenditure for the portfolio area

AGRICULTURE AND WESTERN NEW SOUTH WALES

UNCORRECTED

The Committee met at 09:30.

MEMBERS

The Hon. Mark Banasiak (Chair)

The Hon. Lou Amato
The Hon. Catherine Cusack
Mr Justin Field
The Hon. Emma Hurst (Deputy Chair)
The Hon. Trevor Khan
The Hon. Daniel Mookhey
The Hon. Peter Primrose

PRESENT

The Hon. Adam Marshall, Minister for Agriculture and Western New South Wales **Mr Michel Johnsen**, Parliamentary Secretary for Agriculture

CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS

Corrections should be marked on a photocopy of the proof and forwarded to:

Budget Estimates secretariat Room 812 Parliament House Macquarie Street SYDNEY NSW 2000

The CHAIR: Welcome to the public hearing for the inquiry into budget estimates 2019-2020 further hearings. Before I commence, I acknowledge the Gadigal people, who are the traditional custodians of this land. I also pay respect to the Elders past and present of the Eora nation and extend that respect to other Aboriginals present. I welcome Minister Marshall and Parliamentary Secretary for Agriculture Michael Johnsen and accompanying officials to today's hearing. Today the Committee will examine the proposed expenditure for the portfolio area of Agriculture and Western New South Wales. Today's hearing is open to the public and is being broadcast live via the Parliament's website. In accordance with the broadcasting guidelines, while members of the media may film or record Committee members and witnesses, people in the public gallery should not be the primary focus of any filming or photography. I also remind media representatives that they must take responsibility for what they publish about the Committee's proceedings. The guidelines for the broadcast of proceedings are available from the secretariat.

All witnesses in budget estimates have a right to procedural fairness according to the procedural fairness resolution adopted by the House in 2018. There may be some questions that a witness could only answer if they had more time or certain documents to hand. In these circumstances witnesses are advised they can take a question on notice and provide an answer within 21 days. Any messages from advisers or members of staff seated in the public gallery should be delivered through the Committee secretariat. Minister, I remind you and the officers accompanying you that you are free to pass notes and refer directly to your advisers seated at the table behind you. A transcript of this hearing will be available on the web from tomorrow morning. Finally, could everyone turn their mobile phones to silent for the duration of this hearing. All witnesses from departments, statutory bodies or corporations will be sworn prior to giving evidence. I remind Minister Marshall and Mr Johnsen that they do not need to be sworn as they have already sworn an oath to their offices as a members of Parliament. I also remind the following witnesses that they do not need to be sworn as they have been sworn at an earlier budget estimates hearing of this Committee: Mr Scott Hansen, Mr Gary Barnes, Mr David Witherdin, Mr Peter Turnell and Dr Natalie Moltschaniwskyj.

SCOTT HANSEN, Director General, Primary Industries, Department of Planning, Industry and Environment, on former oath

GARY BARNES, Co-ordinator General Regions, Industry, Agriculture and Resources, Department of Planning, Industry and Environment, on former oath

DAVID WITHERDIN, Chief Executive Officer, Local Land Services, on former affirmation

PETER TURNELL, Group Director, Fisheries, Department of Primary Industries, on former oath

NATALIE MOLTSCHANIWSKYJ, Acting Deputy Director, General, Fisheries, Department of Primary Industries, on former oath

KATE LORIMER-WARD, Deputy Director General, Agriculture, Department of Primary Industries, affirmed and examined

SUZE ROBINSON, Director, Animal Welfare, Department of Primary Industries, affirmed and examined

RUSSELL REICHELT, Chair, Marine Estate Management Authority, affirmed and examined

The CHAIR: Today's hearing will be conducted from 9.30 a.m. to 12.30 p.m. and from 2.00 p.m. to 5.30 p.m. Any Government questions are reserved for the last half-hour of each session. I now declare the proposed expenditure for the portfolio area of Agriculture and Western New South Wales open for examination. As there is no provision for any witnesses to make an opening statement before the Committee commences, we will begin with questions from the Opposition.

The Hon. DANIEL MOOKHEY: Thank you, Minister and Parliamentary Secretary, for appearing today. I also thank the officials who are rejoining us and I welcome to the party the new officials who are here, as well. Minister, I want to start straightaway on the bushfires. Are you in a position to provide us with advice as to precisely how many primary producers are fire damaged?

Mr ADAM MARSHALL: Primary producers fire damaged across the State is estimated, although not an exact figure because we are still getting a lot of information in—combined with the north of the State and the south of State, we are probably seeing in excess of 10,000 primary producers who have been directly impacted by fires. That is, producers who have had fire actually on their property and caused some amount of damage. I have personally visited dozens and dozens of farmers in the north and south of the State who have been impacted. A lot of them have lost boundary and internal fencing, sheds, other structures and some, unfortunately, have lost their homes. Others have lost absolutely everything, including any stock they had on their properties. The damage does vary.

The Hon. DANIEL MOOKHEY: But we are talking about 10,000 primary producers that are, you said, "fire damaged". Does that include fire impacted?

Mr ADAM MARSHALL: Yes, that is what I am talking about—directly impacted. That is, they have actually had a fire come onto their property and do some sort of damage.

The Hon. DANIEL MOOKHEY: I am going to be uncharacteristically generous for an estimates hearing. Can you provide us with your own assessment about how your agencies are going in terms of providing assistance to primary producers who are fire damaged?

Mr ADAM MARSHALL: Sure. Thank you for the question because it is a really important one. There are a number of things. Immediately, the Department of Primary Industries [DPI] and Local Land Services [LLS] were involved as per our natural disaster response provisions in standing up multiple emergency fodder distribution provision points across the State—first in the north and then transitioning into the south, post-Christmas. I think at one point, Mr Hansen, we had eight or nine open at the one time in various parts of the State. As well as that, we opened a number of facilities at various showgrounds and community spaces, available for primary producers or, indeed, any member of the public, to bring their commercial animals and companion animals. Most of the animals we took in were horses and then companion animals. Through those fodder distribution points we distributed over 13,000 tonnes of emergency fodder absolutely free of charge.

We also coordinated the distribution of emergency water, particularly in cases where the Rural Fire Service took water from private water storages to fight fires, either by truck or by helicopter. Local Land Services had the on-ground responsibility for replacing that water. I cannot remember the exact amount of water but

Mr Witherdin will probably have that figure. We also provided in excess of 400 tonnes of emergency sugar syrup to apiarists to keep their hives going that had had their immediate resource area completely decimated by fire.

The Hon. DANIEL MOOKHEY: We will have the opportunity to explore in much further detail this afternoon with you or otherwise on those particular points, but I do appreciate the update. Has the Rural Assistance Authority [RAA] or, for that matter, Local Land Services, had an increase in resources since the first disaster declaration for the season made in January 2020?

Mr ADAM MARSHALL: Have we had an injection of resources since that time?

The Hon. DANIEL MOOKHEY: Yes. Have we had an increase in budget or have we had an increase in staff?

Mr ADAM MARSHALL: Yes, there certainly has been an increase in staff at the Rural Assistance Authority, given that it has the responsibility for processing and distributing—

The Hon. DANIEL MOOKHEY: How much?

Mr ADAM MARSHALL: I would have to ask Mr Hansen.

Mr HANSEN: The RAA's normal staffing contingent is 20 and we are currently running 120 staff in the RAA.

The Hon. DANIEL MOOKHEY: What about LLS?

Mr WITHERDIN: No additional staff but we have the flexibility to redirect staff from different program areas.

The Hon. DANIEL MOOKHEY: But no additional staff?

Mr WITHERDIN: No, that is correct.

The Hon. DANIEL MOOKHEY: Minister, I want to turn to the Special Disaster Grant. Is this the Commonwealth scheme that you are administering?

Mr ADAM MARSHALL: Yes, it is a scheme that is funded under the emergency disaster agreement between the State and the Commonwealth. We have responsibility in the RAA for administering that particular program.

The Hon. DANIEL MOOKHEY: Right, just checking that. How many people have applied so far?

Mr ADAM MARSHALL: So far the latest figure I have for primary producers who have applied for the Special Disaster Grant for bushfires is 1,205.

The Hon. DANIEL MOOKHEY: How many have been accepted?

Mr ADAM MARSHALL: So far 618 have been approved at a value of \$37,696,217, and those figures were accurate as of yesterday, 1 March. I get the figures through every morning after nine o'clock, but I have not had the chance to check those before this hearing. They were accurate as of yesterday.

The Hon. DANIEL MOOKHEY: How many have been rejected?

Mr ADAM MARSHALL: I will ask Mr Hansen. Not too many, but Mr Hansen might have that.

Mr HANSEN: Of the 1,200 that we have received, 190 have been rejected.

The Hon. DANIEL MOOKHEY: We will explore the reasons for that later. What is the average time it has taken to process them?

Mr ADAM MARSHALL: Three days.

The Hon. DANIEL MOOKHEY: Working out the mathematics of what you have just said, this is a grant that allows maximum support of \$75,000.

Mr ADAM MARSHALL: Correct.

The Hon. DANIEL MOOKHEY: You have just said that \$37 million has gone to 618. That works out to an average of circa—look, I could be off a bit—60,000.

Mr ADAM MARSHALL: Yes.

The Hon. DANIEL MOOKHEY: Why are people not getting the full 75?

Mr ADAM MARSHALL: Because they may not be asking for the full 75.

The Hon. DANIEL MOOKHEY: Is that precisely the reason why? Are you giving everyone who is asking the maximum amount that they are asking for?

Mr ADAM MARSHALL: To my understanding, yes.

Mr HANSEN: That is correct. Every applicant makes their application based on what assistance they require and not all have been asking for the 75.

The Hon. DANIEL MOOKHEY: Why doesn't the grant allow for the replacement of crops, grain, feed, fertiliser and timber?

Mr ADAM MARSHALL: The criteria for that particular program was laid down by the Commonwealth and agreed to by the States. The program allows for the funding to be used by primary producers to cover the cost of damage that was caused directly by bushfires on their property. I will ask Mr Hansen to cover the specifics there.

Mr HANSEN: These are part of longstanding agreements with regards to natural disaster relief and assistance provision. They cover assets and infrastructure but they have never covered in the past—nor do they now—crops, livestock or pastures.

The Hon. DANIEL MOOKHEY: Did you seek changes to that by any chance, Minister? Did you seek with the Commonwealth whether there was flexibility around that?

Mr ADAM MARSHALL: Yes, I did. I asked the Department of Primary Industries to negotiate with the Commonwealth to do a number of things. One was to dramatically reduce the size or the amount of paperwork required for primary producers to fill out. The form is about two-and-a-half pages long now. It might be three, sorry—three pages long. I also asked for a simpler process for a primary producer to demonstrate that they had fire damage. We have got the Commonwealth to agree that submitting five photographs from their property would be sufficient proof that a fire was on their property and that fire damage was incurred, and a number of other minor changes. That is part of the reason why the processing time is so quick—three days. We have been able, in the space of 41 days since the scheme opened, to get over \$37 million into the pockets of farmers that need it most.

The Hon. DANIEL MOOKHEY: And the scheme is closing on 31 July 2020. Is that correct?

Mr ADAM MARSHALL: I think it is 30 June.

The Hon. DANIEL MOOKHEY: Your website says 31 July 2020.

Mr ADAM MARSHALL: I will just check that.

Mr HANSEN: Sorry. It is the end of July.

The Hon. DANIEL MOOKHEY: So 31 July 2020?

Mr ADAM MARSHALL: Yes.

The Hon. DANIEL MOOKHEY: The scheme was opened on 20 January?

Mr ADAM MARSHALL: It was 21 January.

The Hon. DANIEL MOOKHEY: And it is closing on 31 July.

Mr ADAM MARSHALL: Yes.

The Hon. DANIEL MOOKHEY: At this point you have said that we have got over 10,000 primary producers that are fire damaged or fire impacted. To date, we have only had 618 applications come forward.

The Hon. TREVOR KHAN: That is not the case.

Mr ADAM MARSHALL: No, 1,205.

The Hon. DANIEL MOOKHEY: Sorry, 1,205, and 618 have been approved.

Mr ADAM MARSHALL: Yes.

The Hon. DANIEL MOOKHEY: That still means that there are roughly 9,000 people who have not come forward. Why are we closing this scheme on 31 July 2020 when clearly the need for it is going to be continuing well beyond that date?

Mr ADAM MARSHALL: Really good question. From my perspective, why we have only seen 1,205 farmers and there are still a lot that either have not—some, unfortunately, will make a decision probably not to apply. There are many primary producers out there that have a philosophical view about not wanting any government assistance. I know that because my grandfather is—he is not bushfire-affected, but I guarantee if he was, he would be one of those people that says, "I am never taking a cent from the Government." Also a lot of farmers are probably not in a position to apply yet, in that they have got other priorities or they are just not in a headspace at the moment where they are ready and they may well apply later. We have certainly got a lot of teams of staff on the ground, both DPI, LLS—our rural resilience officers—trying to encourage people to apply when they are ready and assist them with that.

But obviously if we are getting towards the end date of the scheme and it is the feeling of myself or the team or the Government that there are still a lot of people who need assistance that have not applied yet, then there is certainly the opportunity to request the Commonwealth to extend that scheme. Now, we are a long way away from being in a position of needing to do that. But I am happy to, in answering your question, advise you and advise the Committee that if that is the case and we are getting towards 31 July and in our view there is still a lot of unmet need there, then there is the flexibility to extend that. In my understanding that would just require—

The Hon. DANIEL MOOKHEY: When you say there is flexibility—

The Hon. TREVOR KHAN: Just let him finish.

The Hon. DANIEL MOOKHEY: He just did finish.

The Hon. TREVOR KHAN: Let him finish.

Mr ADAM MARSHALL: My understanding is it would just require the State and the Commonwealth, but primarily the Commonwealth, to agree to that. I will just confirm that with Mr Hansen.

Mr HANSEN: That is right. Sorry, could I just add one more piece in there? The two numbers are not directly comparable as well. One is the number of properties which we believe have been impacted, which is over 10,000. The second one is applications that are coming from primary producers. I know we will get into this.

The Hon. DANIEL MOOKHEY: Yes. We will get into that.

Mr HANSEN: The number one rejection or refusal trigger is actually not having the majority of your income coming from your farming enterprise. Therefore those two things—

The Hon. DANIEL MOOKHEY: Yes, which I do want to explore in the next set of questions, Mr Hansen. Thank you for that. Minister, I want to turn now to the loan scheme. Does an application for a grant suffice as an application for the loan?

Mr ADAM MARSHALL: No. They are different programs.

The Hon. DANIEL MOOKHEY: So you have to file two sets of paperwork if you want to access both the grant and the loan?

Mr ADAM MARSHALL: Are you still talking about the Special Disaster Loan or the Farm Innovation Fund?

The Hon. DANIEL MOOKHEY: The Special Disaster Loan.

Mr ADAM MARSHALL: Yes. They are two different programs. The reason why they are different is because in a grant we are just looking for eligibility and whether there has been damage on a property and to what extent. For the loans, as you would appreciate, the RAA has to comply with the same rules, as a responsible lender, as all the big four banks and any other financial institution. So they have to look a lot deeper at issues like the person's financial situation and their ability to pay, and we are required to do that by law. So that is why there are two different processes—two different requirements for paperwork information—and obviously the assessment is done differently as well.

The Hon. DANIEL MOOKHEY: You perhaps made fleeting reference to this. A farmer or primary producer who has applied for a loan under the Drought Assistance Fund or the Farm Innovation Fund, whichever source, but also requires a loan under the special bushfire loan scheme, does their application for the drought count for the purpose of assessing their eligibility for loans? Or are we effectively asking them to apply for a grant for drought and apply for a loan on bushfires and they have to produce the same information twice?

Mr ADAM MARSHALL: Technically they have to submit a different application because it is a different fund. But if they are already in our system—that is, they are already a recipient of a form of assistance

through the RAA or indeed a loan through the Farm Innovation Fund—then most of the information that the RAA would require, we would already have on file.

The Hon. DANIEL MOOKHEY: Hence farmers and primary producers are asking the question: Why are we having to file the same application twice, particularly now after we have seen bushfires and particularly after some records have been destroyed?

Mr ADAM MARSHALL: That is why on the forms we ask people to put their BP number in, which is their identifier number with the RAA, which brings up their file with all of the information. We only seek from the applicant any additional information that we require that we do not already have on file. Mr Hansen will talk you through that.

The Hon. DANIEL MOOKHEY: We will pick that up in the afternoon. My time is starting to become a bit more limited. I am happy to pick that point up afterwards. Minister, can we just get to some numbers now? How many people have actually applied for the bushfire loan?

Mr ADAM MARSHALL: For the Special Disaster Loan so far, as at yesterday, the information I have is 160 applications for the loans—that is, the under \$50,000 loan as well as the above \$50,000 loan.

The Hon. DANIEL MOOKHEY: So that is the working capital and the recovery?

Mr ADAM MARSHALL: Yes.

The Hon. DANIEL MOOKHEY: That is for both of them?

Mr ADAM MARSHALL: Yes, that is right. Of those, 142 were applications on behalf of small businesses, 11 were from primary producers, and there was another number for—whatever the remainder is, excuse my maths on the fly, is for all the not-for-profit organisations.

The Hon. DANIEL MOOKHEY: Sorry, did you say 142 of the 160 are small businesses that are not primary producers?

Mr ADAM MARSHALL: Correct.

The Hon. DANIEL MOOKHEY: Is that the implication?

Mr ADAM MARSHALL: Correct.

The Hon. DANIEL MOOKHEY: And that is now being processed by Service NSW. Is that correct?

Mr ADAM MARSHALL: No. Service NSW is processing the small business grants.

The Hon. DANIEL MOOKHEY: The grants, not the loans.

Mr ADAM MARSHALL: The loans are both the under \$50,000 and the over \$50,000. So the two loan packages are being processed by the Rural Assistance Authority.

The Hon. DANIEL MOOKHEY: Got it. So 142 of the 160 applications are small businesses; 18 are primary producers?

Mr ADAM MARSHALL: Eleven are primary producers and the remainder are not-for-profit organisations.

The Hon. DANIEL MOOKHEY: So 11 primary producers out of a maximum potential of 10,000 have applied for this scheme; that is correct?

Mr ADAM MARSHALL: Well, as Mr Hansen said, the maximum is probably not 10,000 because—

The Hon. DANIEL MOOKHEY: What do you think the maximum eligibility is for this scheme?

Mr ADAM MARSHALL: Well, we do not know. That is the point.

The Hon. DANIEL MOOKHEY: The point is there are presumably more than 11 primary producers that have been affected by bushfires?

Mr ADAM MARSHALL: Absolutely and primary producers, again, depending on their individual circumstances may not want to take a loan out under this scheme. They may well be accessing zero interest or low interest finance through the Farm Innovation Fund, which has always been there.

The Hon. DANIEL MOOKHEY: Have we seen a spike in applications under that fund since the bushfires?

Mr HANSEN: Steady application rates so we are at 2,807 applicants from primary producers for the Drought Assistance Fund, which is a zero interest fee or repayment fee, seven-year repayment period, \$50,000 loans for very similar terms—

The Hon. DANIEL MOOKHEY: When you say 2,807, over what period?

Mr HANSEN: I will have to take that on notice.

The Hon. DANIEL MOOKHEY: Last time on notice you told us that at that point there were 1,400.

The Hon. TREVOR KHAN: Point of order: My point of order is that amongst others who have to hear this is Hansard. The member keeps talking over the witness. He should at least allow time for a fraction of a breath so that it is not a constant conversation.

The Hon. DANIEL MOOKHEY: I will be nice, Mr Chair.

Mr ADAM MARSHALL: I can answer that question. For the Drought Assistance Fund—that is, the up to \$50,000 zero interest loan from 13 June 2018 until 24 February 2020—there have been 2,351 applications approved.

The Hon. DANIEL MOOKHEY: I appreciate that, but that covers a period—I have got limited time—well before the bushfires.

Mr ADAM MARSHALL: Correct.

The Hon. DANIEL MOOKHEY: I am concentrating on what has happened since the bushfires, particularly since January 2020 of which you said—

Mr ADAM MARSHALL: The bushfires started a long time before that.

The Hon. DANIEL MOOKHEY: The disaster declaration was 20 January, which is when the scheme opened.

Mr ADAM MARSHALL: No, not the Farm Innovation Fund. It has been open for a long time.

The Hon. DANIEL MOOKHEY: Yes, I am talking about the special bushfire loan scheme. We have had 11 primary producers—this scheme is closing on 4 August. Why are we not extending it?

Mr ADAM MARSHALL: Again, going back to my previous answer, if there is a need to do so we can request that from the Commonwealth. Primary producers have a number of options in terms of bushfires. They can access up to \$75,000 grant if they have been directly impacted. They can access through the Farm Innovation Fund low interest finance up to \$1 million. They can access zero interest finance up to \$50,000 through the Drought Assistance Fund.

The Hon. DANIEL MOOKHEY: I accept that and this information is publicly available.

Mr ADAM MARSHALL: And this loan is on top of that. The fact that the applications have been low could be an indication of all sorts of things, including there might not be an appetite to take on more finance or they are already accessing the finance they need through the Farm Innovation Fund.

The Hon. DANIEL MOOKHEY: As a point of reference, when there were floods in northern New South Wales which affected your electorate, Walcha and the Northern Tablelands in general, the disaster scheme opened in December 2018 for those floods. It is still open. It closes in March 2020. That category of people who were the victims of storms and floods had 18 months to apply—they can still apply if there is damage—but the worst bushfire season we have ever had in a very long time, of which as you said 10,000 businesses have been fire affected, of which you have confirmed just 11 primary producers have actually stepped forward for this, only have four months. If it is good enough for a flood victim in the Northern Tablelands to have 18 months why is it not good enough for a bushfire victim to have at least the same amount of time to make the decision about whether this is the assistance that they need?

Mr ADAM MARSHALL: They may well have that amount of time. As I said, that was a date given by the Commonwealth but the date can be extended. As I have said, if there is a need, or unmet need, I will be more than happy and the first person to ask the Commonwealth to extend it.

Mr JUSTIN FIELD: I would like to change track and talk about Batemans Marine Park. Minister, on 12 December 2019 you announced that the Government will allow fishing back in the five marine sanctuaries in the Batemans Marine Park. Did you mislead this Committee when at the hearing last September you assured it

and the public you would only make a decision concerning the future of marine sanctuaries in that marine park following a pilot review process and after the community has had its say?

Mr ADAM MARSHALL: No, not at all. What I announced in December last year was the Government's strong intention to give fishers greater access to sanctuary zones as per the election commitment and that in the interim the Government would oppose a compliance amnesty pending the publishing of the draft regulation and the required consultation that is required under the Act.

Mr JUSTIN FIELD: Let us be clear, Minister. In hearings on 10 September 2019 I asked you the following:

Can you assure the community that the review process, the pilot process currently being run, will be open and transparent and that no decisions with regards to rezonings will be made outside of that process?

You replied:

I can assure you and assure this Committee that the process that is being undertaken right now by the DPI in reviewing those sanctuary zones will be robust, will be fulsome and will ensure that all members of the public have a chance to have their say. Then I will make a considered decision at the conclusion of that process.

How did you not mislead the Committee given that only a couple of months later you took at decision to announce the amnesty well ahead of the community consultation?

Mr ADAM MARSHALL: Because making an announcement about an amnesty is not changing the zones. Changing of the zones can only be made through a statutory process that you know very well, as do I, and that is why that process will still be followed. But creating an amnesty on compliance is not a new thing. The Government has done that before in relation to line fishing from shore back in 2013 across 30 areas up and down the north and south coast of the State. So that is not a new thing, that has been done before. But the process of actually changing those zones requires regulation—

Mr JUSTIN FIELD: I accept it is not a new thing. On a number of issues this Government has allowed certain individuals to break the law in New South Wales without prosecution—

The Hon. TREVOR KHAN: Are you making a speech or asking a question?

Mr JUSTIN FIELD: I am getting to the point of the question. The Minister is basically saying it has become the norm. Is this what you are saying: It has become the norm in the New South Wales that the Government decides that some people do not comply with the law?

Mr ADAM MARSHALL: No, that is not what I am saying at all.

Mr JUSTIN FIELD: You keep pointing to this suggestion that it was an election commitment that was made to remove the sanctuary protections over these marine sanctuaries. You have pointed to a media statement that was made by the local member for Bega, Andrew Constance. Is that the political statement, the election statement, that gave the Government's commitment on this issue?

Mr ADAM MARSHALL: Yes, it is a formal commitment of the Government to do this.

Mr JUSTIN FIELD: Am I right in saying that no such decision was taken by the primary industries Minister or the environment Minister who have concurrent responsibilities under the Act before the election on that issue?

Mr ADAM MARSHALL: I cannot answer questions about what occurred prior to my appointment to this portfolio, only what I have done since my appointment. What I can say is that both the announcement that I made in December with the local member as well as—

Mr JUSTIN FIELD: You said it was an election commitment.

Mr ADAM MARSHALL: If I can answer the question—as well as the direction to Parliamentary Counsel to draft the new regulation, all has the concurrence of the environment Minister, who co-administers the Marine Estate Management Act.

Mr JUSTIN FIELD: Do you say that the regulation is currently being drafted but has not gone out yet to consultation?

Mr ADAM MARSHALL: No, it has not. It is required to and it will as soon as it is drafted by Parliamentary Counsel.

- **Mr JUSTIN FIELD:** Minister, you started your answer a little while ago that it was an election commitment. It was not mentioned in the Government's election commitment document.
 - Mr ADAM MARSHALL: Is that a question?
- **Mr JUSTIN FIELD:** Do you agree that in the election commitment document that was released by your Government before the last election there is no reference to removing sanctuary protection from Batemans Marine Park?
- **Mr ADAM MARSHALL:** All I can say is that the Government regards this as an election commitment and, as the Premier said, the Government will deliver on all election commitments.
- **Mr JUSTIN FIELD:** Do you agree in the Treasury statements made last budget whilst you were Minister that while there was mention of a review of the marine park at Port Stephens there was no mention in the budget document relating to election commitments relating to the removal of five marine sanctuaries in the Batemans Marine Park?
- **Mr ADAM MARSHALL:** As I said, as I have covered in previous answers in the draft regulations being drafted by Parliamentary Counsel the correct consultation will be gone through but DPI has already done a lot of consultation throughout 2019, targeted consultation, with recreational fishers, the former Batemans Marine Park Management Committee—
- **Mr JUSTIN FIELD:** We will get to the target consultation, Minister. Do you agree, given that you pointed to the statement by Andrew Constance in your answers to questions on notice to me, that in fact Andrew Constance made no commitment to remove sanctuary protections in Batemans Marine Park simply for a hastened community consultation process?
- **Mr ADAM MARSHALL:** No, I would not and if you would like, for the Committee's benefit, I will quote from the statement.
- **Mr JUSTIN FIELD:** We can both quote from the statement, Minister. I am happy for you to table it if you would like.
 - Mr ADAM MARSHALL: No. I will read it to you. It is only one sentence. It will not take long.
- **Mr JUSTIN FIELD:** It is a long statement, Minister, so I am happy to go tit for tat over what Andrew Constance did or did not say.
 - Mr ADAM MARSHALL: I will quote from the statement:
 - The New South Wales Government will fast track consultation on a range of issues, including opening no-take zones such as Montague Island, Brou Lake South, Wagonga Inlet and Nangudga Lake.
- **Mr JUSTIN FIELD:** Would you not agree that statement was a commitment to fast-track consultation, not a commitment to remove the sanctuary protection?
- **Mr ADAM MARSHALL:** Including opening the no-take zones. All the Government has done is indicated its direction. It has instigated an amnesty and the process of actually rezoning will go through as per the statutory requirements.
- **Mr JUSTIN FIELD:** Is it the case that the Marine Estate Management Authority [MEMA] was not consulted about this decision before you announced it on 12 December?
- **Mr ADAM MARSHALL:** That is correct because the Marine Estate Management Authority is not required to be consulted until the draft regulation is put out for public consultation and then the authority is consulted as per the requirements.
- **Mr JUSTIN FIELD:** I am sorry. What requirements are these, Minister? That is not my reading of the Act or the regulation. Did you just make those up?
 - Mr ADAM MARSHALL: No. I will ask Mr Hansen to address that.
- **Mr HANSEN:** We are required to seek advice from the Marine Estate Management Authority. At what point in that process up to making those regulations is not specified. In this decision, once the regulations are drafted that will be the point at which both the public consultation as well as consultation with the Marine Estate Management Authority will be undertaken.
- The Hon. EMMA HURST: Good morning, Minister. I want to talk to you about your role on the Australia and New Zealand Ministerial Forum for Food Regulation. In November last year you undertook to

develop a policy guideline to adequately differentiate synthetic animal products—that is, cell-based meat. Can you talk me through what some of your concerns are around cell-based meat and why you consider such a policy to be necessary?

Mr ADAM MARSHALL: I do not have any concerns with cell-based meat. I am a great believer in allowing consumers to choose what they wish to purchase and consume. The role of government is to make sure that consumers have all the information at their disposal to make informed choices. Some people will make choices based on price. Some people will make choices based on their ethical or moral beliefs, some on religious beliefs, some just on what tastes good or if the packaging looks nice. There are a whole variety of things that go into what people decide to pull off the supermarket shelf. What I and the Government are very interested in is making sure that we have good, strong, accurate labelling. So, depending on the type of product, we want to make sure that consumers know that product actually came from an animal or that particular product was actually grown artificially in a facility.

The Hon. EMMA HURST: The National Party has had a campaign in the past about other products, such as plant-based meats as well around the labelling. In fact, you have called plant-based meats and plant-based milks "fake foods". The Food Regulation Standing Committee [FRSC] actually did a piece of research, which you are probably aware of—part of the Department of Health—that found that consumers were not getting confused around the current labelling systems. Do you feel, therefore, that you need to continue this campaign around labelling on those specific products?

Mr ADAM MARSHALL: I will continue to campaign very hard to make sure all our primary produce is not only marketed well but labelled well. I want more Australians to eat more of our domestic primary produce, whether that comes from our oceans from our land. Having things labelled correctly is an important part of that.

The Hon. EMMA HURST: So you would consider yourself a truth-in-labelling advocate?

Mr ADAM MARSHALL: I do not know. I would not ascribe to myself those terms, others might. All I can say is what I have already said. Consumers ultimately should make the choice. Having good labelling, and all that, is an important part of it.

The Hon. EMMA HURST: You would be aware of Select Committee on the Use of Battery Cages for Hens in the Egg Production Industry?

Mr ADAM MARSHALL: Yes.

The Hon. EMMA HURST: You may have already seen one of the recommendations from that report was that the labelling of products containing eggs should include information about the production system used—so in products like mayonnaise and cakes. Considering your emphasis on truth in labelling, are you supportive of that kind of initiative?

Mr ADAM MARSHALL: I would love to answer that question but I do not want to pre-empt what the Government response will be to that inquiry. The Government is currently considering that report and will issue a response. I cannot really pre-empt that. If you want to ask me that question at the next estimates hearing we can go into that. The Government will be responding to that recommendation as well as all the others.

The Hon. EMMA HURST: AgriFutures Australia published a study on the opportunities of the emerging plant-based meat market which suggested that by 2030 alternative proteins could contribute \$3.1 billion to the economy. However, a lot of these organisations and companies are saying that if there is red tape in regard to the labelling they will have to set up overseas where that red tape does not exist. Do you have any concerns that we could be holding back a \$3.1 billion industry in Australia, therefore stopping job growth and greater economic benefit in New South Wales?

Mr ADAM MARSHALL: Yes. That is a really good question because it is always a balancing act for governments to weigh up, on one hand, the need to make it as easy as possible for producers and retailers to get their market out and to do that as cheaply as possible, as efficiently as possible. But also, on the other hand, balancing that with the need to inform the consumer. That question is a classic one being debated now in relation to the wine industry about the health labelling, the pregnancy warnings, and the industry is not supportive of changing the labelling to make it colourful and a bigger label warning pregnant women that drinking alcohol while pregnant will do damage to them.

The same question you pose is always a dilemma for governments to get that balance right between informing the consumer but not making the labelling process so onerous that it curtails the development of that industry. Over time, depending on consumer demand and where community standards are at, those labelling

requirements will change. So no, I am not here to curtail any industry. But we have to make sure that consumers have good quality, accurate information that is going to help them make an informed choice—if they so desire. Some consumers will not look at the labels at all. We all know that.

The Hon. EMMA HURST: Just going back to the research done by the FRSC, because some of the suggestions by the National Party were that instead of being called milk, they should be called juice—so soy juice and almond juice instead of milk.

Mr ADAM MARSHALL: Or extract or something.

The Hon. EMMA HURST: But the actual research and other independent research has shown that would create more consumer confusion because the idea of some of these labels indicates to consumers where they would actually use these products. So if you are using a milk alternative, you would put that in your coffee; you would not put juice in the coffee. Do you think that could potentially create more confusion?

Mr ADAM MARSHALL: I do not believe so. If you look internationally at some of our major trading competitors and partners throughout Europe and the United States of America, they actually have those very requirements right now. Milk is a product derived from a mammary gland on an animal. Anything else has to be labelled as an extract or a juice or something like that. That is why you see in some countries they get around these laws by not spilling milk "MILK"; they go "MYLK" to get around those labelling requirements.

The CHAIR: So shifting focus again and looking at commercial fishing.

Mr ADAM MARSHALL: Sure.

The CHAIR: In the petition debate just a few weeks ago, you scoffed at the idea of hidden documents or redacted documents, saying that they were "ludicrous". Were you aware that during the share trading scheme the office of then Minister Niall Blair was communicating with the commercial fishing industry advisory council about the share trading scheme in between the rounds and making decisions about how those rounds would operate?

Mr ADAM MARSHALL: No. As I said to a previous question from Mr Field, I cannot answer questions about things that occurred prior to my appointment in this role. As I have said before, if you have got evidence of anything like that or anything you want me to follow up outside of this Committee process, I am more than happy to do so. But I am not aware of that, no.

The CHAIR: I will just table this document, if I could, and I will give the Minister a copy. It is that letter that actually went out to the commercial fishing advisory during the share trading scheme and talked about essentially changing the rules. I will read it to you:

I accept the recommendations of the Council in regard to the BAP Regulation Consultation Process. Regarding the Council's recommendation on transfer of new species shares, in the first instance I would like to allow fishing business owners and fishers to have first opportunity to benefit from the new quota shares ...

So there is a previous commitment before the share trading scheme that this would not occur. They have changed the rules halfway through the share trading scheme and then potentially those people on the Commercial Fishing Advisory NSW Council who had gone away re-entered the share trading scheme with that knowledge. I will put to you that the former Minister has, by accident or deliberately, facilitated potentially insider trading on the share trading scheme.

Mr ADAM MARSHALL: Are you asking me if that is the case?

The CHAIR: I am asking for some commentary around it or a commitment that you will go away and look at this because you spoke about there being no hidden documents and now I have given you one.

Mr ADAM MARSHALL: I cannot provide any commentary on that letter; I have just seen it. But Mr Hansen or Mr Turnell might be able to.

Mr HANSEN: I would have to take that document and have a look at where it came in terms of time lines and so forth. The fact that it has obviously been provided openly to the commercial fishing advisory committee—I have only just seen this. The Government had communicated throughout that its prioritisation in the very first instance was always going to be to allow only existing fishing business owners and fishers to participate, which is what this seems to be further committing to, and instead saying that any opportunity for additional flexibility in allowing transfer of those shares to any persons would have to come after this process and further down the track that would need to be considered. I do not think that is inconsistent with the messages and

the rules at that point in time. But again, if you let me take this on notice, we will have a look at this and come back to you.

The CHAIR: I would appreciate that. Looking at the share subsidy trading scheme, Mr Hansen, you were quoted last time around saying that the full \$16 million was available throughout each round. Is that correct?

Mr HANSEN: That is correct.

The CHAIR: Was that in addition to the buyouts? Were the buyouts at an additional cost on top of that \$16 million?

Mr HANSEN: Mr Chair, I think the \$16 million included also money available for buyouts. I think that was the total assistance package that was available for the industry. That total amount of what would be available was available at each round of the share trading scheme.

The CHAIR: Assuming that is correct—and you are looking at the laptop so I am assuming you were just looking for some clarification—how much was spent on the buyouts then, because figures were quoted last time that it was, I think, \$2.24 million on fishing buyouts. Minister Niall Blair said that 235 buyouts were done, which would equate to \$4.7 million. That was done on the floor of the House. So if he has said that and then you have confirmed that he has misled the House, is that \$2.4 million correct?

Mr HANSEN: I will get to that number over the course of the questions, if we can. Given the fact that you are wanting us to confirm variations between numbers, we will make sure two different time periods as well, and buyouts continued to occur for an extended period of time. We will just make sure and confirm back those numbers for you, Chair.

The CHAIR: Thank you. Can you quickly talk about the probity that occurred because I know that you referenced that in the debate, Mr Marshall? What was the exact date that O'Connor Marsden from OCM was appointed as the probity auditor to prepare a review?

Mr ADAM MARSHALL: I do not have the exact date here in front of me, Mr Chair; Mr Hansen may, or we might have to take that on notice on the specific date and provide that later in the hearing, perhaps this afternoon. No, I think we will have to take that on notice. We cannot have that information just now.

The CHAIR: How much of the \$16 million and the fishing buyouts was paid from the Treasury and how much of it was paid from the commercial fishing trust?

Mr ADAM MARSHALL: Mr Hansen might have the information.

Mr HANSEN: We will come back to the next session with that break-up for you.

The Hon. DANIEL MOOKHEY: Minister, I want to resume questioning on the bushfires. Why is the Rural Assistance Authority recovering the cost of title searches, regardless of loan success?

Mr ADAM MARSHALL: I would have to ask Mr Hansen that.

Mr HANSEN: I think that would be just common practice.

The Hon. DANIEL MOOKHEY: It is not because it says in your eligibility scheme that no fees will be charged to borrowers. Then it says, as part of the assessment process, the authority will obtain title searches to confirm ownership of the land offered as security. This cost will be borne by the applicant, whether or not they take up the loan. The cost is—

Mr HANSEN: That is—

The Hon. DANIEL MOOKHEY: Sorry, let me just finish.

Mr HANSEN: Sorry, that has not been about whether they are eligible or not; it is whether they take up the loan. So it is only—

The Hon. DANIEL MOOKHEY: Yes, but it says here that the cost will be borne by the applicant, whether or not they take up the loan.

Mr HANSEN: That is right.

The Hon. DANIEL MOOKHEY: So we are charging everybody who is potentially applying for this loan \$340 or thereabouts. Why are we not just exempting them from that charge?

Mr HANSEN: That is only those who end up being eligible to be able to draw down the funding for that loan.

The Hon. DANIEL MOOKHEY: No, it says, as part of the assessment process, the authority will obtain the title searches to confirm ownership of the land offered as security. But even if accepting what you, Mr Hansen, are saying is correct, Minister, why are we not just exempting primary producers from having to pay this \$350?

Mr ADAM MARSHALL: Are you talking about the bushfire Special Disaster Loan or the farm innovation loan?

The Hon. DANIEL MOOKHEY: Yes, Special Disaster Loan.

Mr ADAM MARSHALL: I would have to take that on notice, Mr Mookhey.

The Hon. DANIEL MOOKHEY: But surely this is something we should have just done. It should not require much thought. These people have lost a lot of property, as you said. We actually do not apply this to other schemes but we are applying it to this one. Can you not just say that it will go?

Mr HANSEN: No, we cannot because of these criteria. This is a Federal set of criteria that are agreed with each and every State, not just the State of New South Wales. They apply across all States and across all natural disaster categories, going backwards for years and going forwards for years. So we do not have the same flexibility with this as we do with, say, our Drought Assistance Fund or our Farm Innovation Fund in which we solely get to set those rules.

The Hon. DANIEL MOOKHEY: Minister, have you taken this up with the Commonwealth to make the point that perhaps undertaking title searches is not something we should be charging primary producers who have been fire-damaged?

Mr ADAM MARSHALL: As Mr Hansen said, we do not have the level of flexibility because this scheme is a Commonwealth scheme.

The Hon. DANIEL MOOKHEY: My question is: Have you asked the Commonwealth?

Mr ADAM MARSHALL: No, I have not asked the Commonwealth.

The Hon. DANIEL MOOKHEY: Can you?

Mr ADAM MARSHALL: Yes, I can ask the Commonwealth, sure.

The Hon. DANIEL MOOKHEY: Thank you. Minister, do you accept that human activity creates climate change?

Mr ADAM MARSHALL: Yes, I do. To what extent I have no idea, not being a scientist, but, yes, climate change is certainly real. Farmers know that better than anyone.

The Hon. DANIEL MOOKHEY: But do you accept the science of climate change that says that humans are the overwhelming reasons why the climate is heating?

Mr ADAM MARSHALL: I accept the science that certainly human activity plays a part. There is various opinion about the extent and I would not posit a position myself—I am not an expert—but I certainly accept that humans contribute to it for sure.

The Hon. DANIEL MOOKHEY: When we have generally a consensus of circa 99 per cent of scientists saying that humans are the predominant reason why, just to be clear, you are not questioning that, are you?

Mr ADAM MARSHALL: No, I am not questioning scientists' opinion.

The Hon. DANIEL MOOKHEY: But you are not weighting it. You do not necessarily think that humans are the prime activity. I am trying to understand your position here.

Mr ADAM MARSHALL: Well, they may very well be, but I cannot say with any degree of certainty that they are, not being a scientist. I have to rely on all the advice that comes to me and the opinions of people who are experts in this field.

The Hon. DANIEL MOOKHEY: Do you support the Government's net zero emissions target by 2050?

Mr ADAM MARSHALL: Yes, I support the Government's policy position for sure.

The Hon. DANIEL MOOKHEY: What is your position on interim targets by 2030—35 per cent by 2030?

Mr ADAM MARSHALL: We do not have a formal position on that as far as I know.

The Hon. DANIEL MOOKHEY: But as the Minister responsible for the agriculture sector, of which many farmers would like to know the certainty of what is going on, what is your view on that? I am not asking what the Government's position is. I am asking you what is your view on the interim targets.

Mr ADAM MARSHALL: I will start from the beginning, farmers are some of our State's best environmentalists—they have to be, otherwise they simply do not have a viable business—and as the climate changes, farmers adapt and change their practices. That is why in DPI, through our world-leading research facilities, we have got a number of programs underway across our \$100 million research profile on climate change.

The Hon. DANIEL MOOKHEY: I appreciate that, but I am asking you about interim targets. Do you think we should be having interim targets by 2030?

Mr ADAM MARSHALL: I do not think there are any problems with having milestones or goals to get to the zero net emissions target, but anything that is proposed I would have to really look at and assess the impact that potentially would have on agriculture.

The Hon. DANIEL MOOKHEY: What about the suggestion of a 35 per cent target by 2030?

Mr ADAM MARSHALL: I think I would have to analyse that. I think there is opportunity here for farmers as well in that if we are able to come up with, as a nation, a really efficient and effective way of measuring and quantifying and putting a value on the carbon that is sequestered on farm, there is potential and opportunity, not just to take the agricultural sector itself to zero net emissions, but actually provide an alternative revenue stream for primary producers as they may look to trade those credits.

The Hon. DANIEL MOOKHEY: So is that an argument for an interim target of 35 per cent by 2030?

Mr ADAM MARSHALL: No, it is not an interim. I am not making an argument for or against interim targets at all. I am just suggesting that this policy setting does present some opportunities for farmers that currently do not exist.

The Hon. DANIEL MOOKHEY: Mr Johnsen, do you accept that human activity creates climate change?

Mr MICHAEL JOHNSEN: It would be impossible to think that humans live on this earth without having some form of impact.

The Hon. DANIEL MOOKHEY: Do you accept that human activity is the prime reason why the climate is heating?

Mr MICHAEL JOHNSEN: As the Minister said, it is a matter of debate and opinion, as is widely known, as to the level of extent that humans have.

The Hon. DANIEL MOOKHEY: So you think the level of human interaction with climate heating is something which is subject to debate?

Mr MICHAEL JOHNSEN: I recently read scientific articles that show we are at relatively low levels of CO2 in the atmosphere when you look at the last couple of thousand years. But am I to know this? No. Are you to know this? No. Is there evidence that the scientific community has developed to come up with such a paper? I would suggest there probably was, and I will leave it up to them.

The Hon. DANIEL MOOKHEY: Do you think that scientific opinion on this question is divided?

Mr MICHAEL JOHNSEN: I think it is probably fair to say that there is a fair bit of division. But I would also like to ask: Is there anything you would like to ask me in my capacity as Parliamentary Secretary?

The Hon. DANIEL MOOKHEY: Yes, there are a couple.

The Hon. CATHERINE CUSACK: That is why he keeps running out of time, and then he complains about it.

The Hon. DANIEL MOOKHEY: Mr Johnsen, when you say that this is subject to debate, do you think that there is not a scientific consensus that says that human activity creates climate heating?

Mr MICHAEL JOHNSEN: I think it is pretty obvious that—

The Hon. CATHERINE CUSACK: Can we do some budget estimates?

Mr MICHAEL JOHNSEN: —there is contention out there, and you only have to read around you and listen around you as to what is going on that there is a level of contention. But is that my responsibility as Parliamentary Secretary for Agriculture? No.

The Hon. DANIEL MOOKHEY: Do you think that the debate is too alarmist, Mr Johnsen?

Mr MICHAEL JOHNSEN: Is there any question you might have in my capacity as—

The Hon. DANIEL MOOKHEY: I just asked you that one. Mr MICHAEL JOHNSEN: Yes, I do think it is alarmist.

The Hon. DANIEL MOOKHEY: You think it is alarmist?

Mr MICHAEL JOHNSEN: Yes.

The Hon. DANIEL MOOKHEY: What part of the debate do you think is alarmist?

Mr MICHAEL JOHNSEN: Okay, if we are going to move it down this track, I am happy to point out that I do not believe in ensuring that we scare the bejesus out of the community by telling them that we are going to be extinct within 20 years. Such alarmist comments do nothing to further the cause of people doing their best possible work to minimise the impact that we have on this earth.

The Hon. DANIEL MOOKHEY: Therefore, do you support the Government's net zero emissions target by 2050?

Mr MICHAEL JOHNSEN: Again, like the Minister, I support the Government's agenda. It has been clearly stated on a number of occasions quite publicly that it is an aspirational target and, as the Minister said, there is nothing wrong with having aspirations and goals to work to.

The Hon. DANIEL MOOKHEY: Let me be clear, is this policy of the New South Wales Government aspirational or a target?

Mr MICHAEL JOHNSEN: I think I saw recently where the Deputy Premier said quite clearly, and I think he pointed to the fact that it was on the Government's website somewhere, that it was an aspirational target.

The Hon. DANIEL MOOKHEY: So when we have Ministers going to COAG saying that we have signed up to a net target of 2050, are they misleading COAG or not?

Mr MICHAEL JOHNSEN: No, I do not believe so.

The Hon. DANIEL MOOKHEY: Because it is a target. It is not aspirational, it is an actual target. That is the explicit policy of the New South Wales Government. That is correct, is it not, Minister?

Mr ADAM MARSHALL: Sorry, Mr Mookhey, could you repeat the question?

The Hon. DANIEL MOOKHEY: Is the net emissions target by 2050 a target or is it an aspiration?

Mr ADAM MARSHALL: I believe it is a target. We may well exceed that.

The Hon. DANIEL MOOKHEY: So it is a target. Mr Johnsen, do you support the target or do you support the aspiration? Because it is a policy. Do you support your Government's policy of net zero emissions by 2050?

Mr MICHAEL JOHNSEN: In my capacity as Parliamentary Secretary assisting the Minister, in this particular role I will always support the Government's agenda.

The Hon. DANIEL MOOKHEY: Do you support the Government's agenda to have net zero emissions by 2050? That is the question.

Mr MICHAEL JOHNSEN: I have already answered it.

The Hon. DANIEL MOOKHEY: What precisely was your answer? Just to be abundantly clear, do you support the target or not?

Mr MICHAEL JOHNSEN: In my capacity as Parliamentary Secretary assisting the Minister I fully support the Government's agenda.

The Hon. DANIEL MOOKHEY: But you think that the agenda is the result of an alarmist debate. Mesh what you said two minutes ago with what you just said now. Do you think the Government is responding to an alarmist debate?

Mr MICHAEL JOHNSEN: No. You asked two separate questions there and I gave two separate answers based on the questions. I will leave it at that.

The Hon. DANIEL MOOKHEY: Just to be abundantly clear, because I want to be fair to you, Mr Johnsen, do you support the Government's target to reduce emissions to net zero by 2050?

Mr MICHAEL JOHNSEN: I have already given an answer on that.

The Hon. DANIEL MOOKHEY: Let me ask you another one. Do you support a 35 per cent target by 2030?

Mr MICHAEL JOHNSEN: If the Government wants to take steps to achieve its target and set goals and ambitions to do that, then so be it, as the Minister said.

The Hon. DANIEL MOOKHEY: So if the Government was to set a target of 35 per cent by 2030, you are not going to have any objection to that?

Mr MICHAEL JOHNSEN: I have already given an answer based on that I will support the Government's agenda.

The Hon. DANIEL MOOKHEY: Just to be clear, in your capacity as Parliamentary Secretary for Agriculture, you are saying that you have got no problems with the aspirational target. What about as member for Upper Hunter?

Mr MICHAEL JOHNSEN: I am here as Parliamentary Secretary.

The Hon. DANIEL MOOKHEY: So do you have a different view as the member for Upper Hunter?

Mr MICHAEL JOHNSEN: Can you ask me a question about my role? That would be handy.

The Hon. DANIEL MOOKHEY: I am trying to understand your public comments on these questions.

The Hon. CATHERINE CUSACK: Point of order: The witness has indicated that he is happy to answer questions as Parliamentary Secretary, which is the capacity in which he has been called. It is budget estimates. Can I just ask that our questions, that are straying all over the place away from budget estimates, can at least be confined to his role as Parliamentary Secretary, which he has requested three times now?

The Hon. DANIEL MOOKHEY: I am just trying to understand his public comments as Parliamentary Secretary in this forum to his comments made in other forums.

Mr MICHAEL JOHNSEN: Mr Chair, correct me if I am wrong, but I am only here in my capacity as Parliamentary Secretary.

The CHAIR: That is correct.

The Hon. DANIEL MOOKHEY: So do you disagree with the member for Upper Hunter on these questions as Parliamentary Secretary?

The Hon. CATHERINE CUSACK: You are such a funny man.

Mr MICHAEL JOHNSEN: That is a really interesting question because sometimes I look in the mirror and think, "Why did I do that last night? But I feel a lot better now."

The Hon. DANIEL MOOKHEY: Many of us have that sensation as well. Minister, can we talk about the drought?

Mr ADAM MARSHALL: Sure.

The Hon. DANIEL MOOKHEY: Do you want to provide us with an update about what additional initiatives the New South Wales Government is considering currently in respect to the drought?

Mr ADAM MARSHALL: Sure. Thanks for the question. Despite the fact that we have had some really good falls of rain in various parts of the State since the new calendar year, still 98.5 per cent of the State is in drought. One positive thing from the last estimates hearing that I can report to the Committee is that just prior to Christmas we had about 56 per cent of the State in severe drought, like the absolute worst of the worst category.

That has now reduced to 19.6 per cent. That is what that rain has done: it has assisted knocking down a bit of the severity in a lot of the north and north-west of the State.

The Government is continuing to roll out its \$3.9 billion drought and water security package for drought across the State for farmers and non-farmers, and at the moment the Government is currently going through a process for considering some additional measures both on farm and off farm, refunding a number of very successful programs. I note the Deputy Premier will be appearing before this Committee later and he can probably talk you through some of those off-farm issues and measures, but the Government is looking at a number of measures including payroll tax, rate relief—issues like that are all being considered at the moment going forward.

The Hon. DANIEL MOOKHEY: When do you anticipate a decision being made on those?

Mr ADAM MARSHALL: Soon. They will be going through a Cabinet process so, soon. I do not have that exact day because the Deputy Premier has carriage of that as the lead Minister.

The Hon. DANIEL MOOKHEY: Minister, were these measures discussed at the last interagency working group?

Mr ADAM MARSHALL: I would have to ask Mr Hansen to talk you through that. A number of measures have been—or, Mr Barnes, actually.

Mr BARNES: I co-chaired that interagency working group with Jim Bentley. He is the Deputy Secretary for Water within the Department of Planning, Industry and the Environment. All Cabinet papers that are related to the drought come through that group as a matter of course.

The Hon. DANIEL MOOKHEY: That is good to hear. Minister, when was the last meeting of the Drought Interagency Working Group that you attended?

Mr ADAM MARSHALL: I have not attended one. It is an interagency group with public service.

The Hon. DANIEL MOOKHEY: You have not attended a meeting of the Drought Interagency Working Group?

Mr ADAM MARSHALL: No.

The Hon. DANIEL MOOKHEY: Has it occurred to you to attend?

Mr ADAM MARSHALL: No, because I have discussions all the time with my Cabinet colleagues, my department, Mr Barnes and the representatives who sit on the group.

The Hon. DANIEL MOOKHEY: But this is the interagency that is meant to be driving the New South Wales Government's response coordination. It is not uncommon for Ministers to attend such things—particularly to send a pretty important signal about how importantly you are taking it—but you are saying that you have not gone to one in the period that you have been Minister?

Mr ADAM MARSHALL: No, because the group does not drive drought, that is driven by the Ministers and Cabinet, in that they actually coordinate. I take drought incredibly seriously and I would defy anyone to suggest otherwise given the amount of travel I do, the amount of meetings I have and the amount of people I talk to.

The Hon. DANIEL MOOKHEY: I am not questioning that. Given the severity of the drought and the prolonged nature of the drought and the fact that the drought is not stopping, surely there is no harm in the primary industries Minister attending the Drought Interagency Working Group?

Mr ADAM MARSHALL: There is certainly no harm, but there is no material benefit, either, given—

The Hon. DANIEL MOOKHEY: It is not something you can prioritise? Even one meeting?

Mr BARNES: Mr Mookhey, if I might add, the chief of staff for the Minister is a standing member of that group and the chief of staff regularly comes to those meetings and contributes to that.

The Hon. DANIEL MOOKHEY: That is good to know. Minister, I want to turn now to the effect that the efficiency dividend has had on drought response, as well as bushfires. We have had back to us a document that went to your department's leadership. It says, "Treasury have now confirmed that cluster 2018-19 budget will be reduced by a further \$11 million to reflect the additional 1 per cent efficiency dividend announced in the 2018-19 budget. Each division agency will be required to absorb the additional efficiency within their existing budget allocation." Of course, that efficiency dividend was then repeated in the next budget.

Your leadership says, "Some \$89 million of unfunded risks were identified as part of the 2018-19 budget and subsequent processes. This includes \$78 million of unfunded initiatives that could not be met within existing regional divisional or agency budget allocations. Some \$22 million of those initiatives have now been addressed through other avenues, leaving a remaining total of \$67 million of unfunded budget risks." What were the \$67 million of unfunded budget risks that went to your cluster leadership and did it have any impact on the drought or bushfire readiness?

Mr ADAM MARSHALL: I am not aware of that document. Our cluster is an incredibly large cluster, given that Primary Industries and LLS are one part of that cluster. I can assure the Committee that we are prioritising drought relief and bushfire response and ensuring that any external impacts on our budgets do not impede the support or assistance that we provide to people that need it most.

The Hon. DANIEL MOOKHEY: I am trying to understand how I can reconcile that statement you just made with the fact that at the same time the drought was at its most severe, just before the most severe bushfire season we have had in a generation kicks in, documents are going to your department's leadership that state—

Mr ADAM MARSHALL: It is not my department. I have two departments here.

The Hon. DANIEL MOOKHEY: Well, it is going to the cluster leadership. It states that actually there are unfunded budget risks here. You make a point about the cluster having a large leadership, but it flags that at least 6.8 of this has to come from LLS. How can we take you seriously when you say that you are prioritising drought and bushfire relief while at the same time you are causing the two agencies that are on the front lines of dealing with both these crises to have to pocket a budget cut for which they are then reporting that this is unfunded and it is creating risk? Why did you not do anything about it? Why did you not go to Treasury and say, "Exempt us, we are dealing with the most severe drought in a generation and, by the way, we now have a bushfire"?

Mr ADAM MARSHALL: What I can say, Mr Mookhey, is that we have not seen any relaxing of the effort at all to support those people in need, nor have we seen any reduction in the funding support that is provided to those people at all. In fact, in Local Land Services, we have continuously had an increase in the number of on-the-ground staff that we employ to provide that direct support.

The Hon. DANIEL MOOKHEY: To be fair, earlier in the morning—

The Hon. TREVOR KHAN: Let him answer.

The Hon. DANIEL MOOKHEY: —the CEO of LLS said that since the bushfires have kicked in no additional resources have gone to LLS and, at the same time, we have documents stating that it has been forced to take a budget cut that it cannot find from the existing allocations, which, can I just say, contradicts what officials were telling us in the last budget hearings.

Mr ADAM MARSHALL: Mr Witherdin, would you like to explain—

The Hon. DANIEL MOOKHEY: Actually, I am asking you the question, Minister, because you are the only person who can go into the room and say, "We need more money for the drought. We need more money for the bushfires."

The Hon. TREVOR KHAN: Point of order—

Mr ADAM MARSHALL: We are getting more money—sorry, do you want to deal with the point of order first?

The Hon. TREVOR KHAN: I will take the point of order. The Minister is entitled to answer as he wishes, and that includes referring it to public servants, who, amongst others—

The Hon. DANIEL MOOKHEY: This Minister can answer a question like this.

The Hon. TREVOR KHAN: —have been required to be here and most of them have done bugger all so far.

The Hon. DANIEL MOOKHEY: You are honestly suggesting that the primary industries Minister should not be asking questions about getting his agencies more resources? Are you seriously suggesting that he cannot answer that question?

The Hon. TREVOR KHAN: He is entitled to answer the question as he likes.

The Hon. DANIEL MOOKHEY: Yes, or not answer it, in this respect.

The Hon. TREVOR KHAN: I am not here to answer the question. If he wants Mr Witherdin to contribute to assist the Committee, he is entitled to do so.

The CHAIR: As Mr Khan said, the Minister is allowed to answer the question as he sees fit. If he chooses to defer to Mr Witherdin, then he does so.

Mr ADAM MARSHALL: Thank you. All I was asking Mr Witherdin to do was to address the issue of the staffing increases over the years, which I will pass to him for in a moment. In answer to your question, Mr Mookhey, I can advise that I have been to the Expenditure Review Committee and to Cabinet multiple times and secured millions and millions of dollars of additional money for the Department of Primary Industries and Local Land Services—or our group, if you like—in respect to drought and bushfire relief. If you want the exact figures, I am happy to take that on notice. I can assure you that I am a very strong advocate.

The Hon. DANIEL MOOKHEY: I do want the exact figures.

Mr ADAM MARSHALL: I will ask Mr Witherdin to take you through the staffing numbers.

Mr WITHERDIN: In terms of staffing numbers, the Minister is absolutely correct. Local Land Services has been in existence for six years. The first year we had a headcount of 808 employees. Every year since then we have increased. We are now at—I think the latest figure for our headcount as at the end of December is 1,097, for a full-time equivalent of 978 staff.

Mr JUSTIN FIELD: Minister, coming back to Batemans Marine Park, you mentioned earlier that you had engaged in targeted consultation with the members of the local Batemans Marine Park Advisory Committee in relation to your decision to create an amnesty for five marine sanctuaries in that marine park. Why was it only targeted consultation?

Mr ADAM MARSHALL: As I said, the Department of Primary Industries undertook targeted consultation. Why was it only targeted? Because that was only for the creation or the decision point about amnesty areas. The full process to actually rezone will be much more rigorous, as we already discussed.

Mr JUSTIN FIELD: The targeted consultation—just to be clear, it was clear in your answer earlier and it was clear in your answers to my questions on notice—related to the Batemans advisory committee. One would draw the assumption that you or your department engaged with some members of the committee but not others. Can you just clarify—I am happy if Mr Hansen wants to answer—who on the advisory committee was consulted?

Mr ADAM MARSHALL: Before I defer to Mr Hansen, just to give you all the information that I have to hand, the latest advice is that DPI undertook targeted consultation last year with recreational fishers from the former Batemans Marine Park Advisory Committee, representatives from other interest groups on the advisory committee, representatives from commercial fishing, conservation interests and Aboriginal cultural fishing as well.

Mr HANSEN: That is correct. I might just ask Mr Turnell to make some comment on the groups that he consulted with.

Mr TURNELL: Sure.

Mr JUSTIN FIELD: If I could draw you back, though, I appreciate that you have extended what targeted consultation means. The answers were related to the engagement with the advisory committee. I appreciate the advisory committee has not been fully formed for some time. It had been in a state of—I know you are going through a reapplication process. Were all of the members of the previous advisory committee consulted with, with regards to the decision around the amnesty?

Mr TURNELL: No.

Mr JUSTIN FIELD: So only some members of the previous Batemans advisory committee were engaged with on that question?

Mr HANSEN: That is right. It was selected representatives from within the representative groups on that advisory committee, because the advisory committee's terms came to a conclusion in August and consultation was in September.

Mr JUSTIN FIELD: I appreciate that. Let us go to the next stage. I understand the advisory committee is being reformed. Has it been reformed at this point?

Mr ADAM MARSHALL: Mr Hansen makes those appointments, yes.

Mr HANSEN: Yes.

Mr JUSTIN FIELD: So all new members have been appointed?

Mr HANSEN: That is correct.

Mr JUSTIN FIELD: Could you provide the Committee with a list of those members? Is it published

yet?

Mr HANSEN: I think it is on the website.

Mr TURNELL: It should be.

Mr HANSEN: Yes. It is public and on the website but we can make sure you have a copy of that.

Mr JUSTIN FIELD: Minister, what is your process or what is your role in the appointment of the advisory committee?

Mr ADAM MARSHALL: I do not have one. Those appointments are made by the secretary—in this case the Director-General Mr Hansen.

Mr JUSTIN FIELD: So you had no engagement with Mr Hansen about the members who would be appointed to that advisory committee?

Mr ADAM MARSHALL: I did not, no.

Mr JUSTIN FIELD: Have you spoken with the member for Bega, Andrew Constance, about members of the advisory committee?

Mr ADAM MARSHALL: No, I have not.

Mr JUSTIN FIELD: Mr Hansen, has the member for Bega spoken to you about the members of the advisory committee?

Mr HANSEN: No.

Mr JUSTIN FIELD: Is there anyone else within your department that the member for Bega may have engaged with, with regards to the membership of the advisory committee?

Mr HANSEN: Not that I am aware of.

Mr JUSTIN FIELD: Maybe I could reform the question. Who else within the committee—

Mr HANSEN: We have got a lot of officers down there who are on the front line in terms of managing the marine park and managing the estate down there. I do not know who has had conversations.

Mr JUSTIN FIELD: Fair enough.

The Hon. TREVOR KHAN: That is a conspiracy—

Mr JUSTIN FIELD: No. We are just understanding the process here. I will get to why very soon and the Committee members will understand. Mr Hansen, what is the process for putting forward names of proposed people to be on the advisory committee?

Mr HANSEN: We put out a call for expressions of interest against which we were looking for certain criteria and to make sure certain sets of skills were represented. Those applications came in. Those applications are firstly assessed by staff within the marine estate area of the department. They make recommendations to the marine estate agency working group who then make recommendations to me for selection of candidates. We then write back to those candidates seeking their agreement to participate and for their sign-on to be a member of the advisory committee, and then we make that public.

Mr JUSTIN FIELD: And ultimately that is your decision?

Mr HANSEN: That is correct, in concert with—I consult with the CEO of the Office of Environment and Heritage, as it used to be called, or Environment, Energy and Science [EES] in current structures.

Mr JUSTIN FIELD: And you said that it gets put forward or it is done in consultation with the marine estate area of the department, but you are not talking about the Marine Estate Management Authority there. You are talking about DPI staff.

Mr HANSEN: That is correct.

Mr JUSTIN FIELD: How many names were put forward as part of this process to you?

Mr HANSEN: I will see if I have that number here. If I do not, we will try to get it for you by the end of the session.

Mr JUSTIN FIELD: Thank you.

Mr HANSEN: I think there were expressions of interest for four marine parks all open at the one time and we did have a number of nominations who nominated for multiple marine parks, based on a specific skill set.

Mr JUSTIN FIELD: Was anyone appointed to the committee who was not put forward through the expression of interest process?

Mr HANSEN: Not that I am aware of, no.

Mr JUSTIN FIELD: If you made the ultimate decision on the names, I can assume that it was only people from that list of names that were ultimately appointed to the advisory committee?

Mr HANSEN: That is right, and I am assuming that all those names have come through expression of interest applications. That is right.

Mr JUSTIN FIELD: What gets put forward to you, then? Is it just a list of names to sign off on, or do you make decisions on the relevant merits of people?

Mr HANSEN: No. In fact, given that in some cases there are multiple candidates for one category where someone might have put themselves forward as a tourism operator as well as a recreational boating participant, and we might not have any candidates for another category—I get a list of the candidates that have been put forward, the total list of those that are recommended. If there is an area in which we have a gap, I get given a proposal as to where someone who has identified themselves as being suitable for this category but has put themselves into another category—that we might look to appoint into that category instead, if there is a vacancy.

Mr JUSTIN FIELD: Thank you.

The Hon. TREVOR KHAN: Still waiting for the punchline, Mr Field.

Mr JUSTIN FIELD: Next one. Next one.

The Hon. EMMA HURST: I just want to take you back to some of the truth in labelling comments. Just before our time finished you mentioned that cows' milk is mammalian breastmilk. Would you then consider that, in regards to truth in labelling, these products should be labelled as such?

Mr ADAM MARSHALL: Sorry, I do not quite understand. Could you repeat that question?

The Hon. EMMA HURST: Just before we finished you referred to cows' milk as mammalian breastmilk. I have had quite a few people contact my office who are concerned about the lack of understanding by consumers around the process of cows' milk—that cows have to be impregnated to produce milk. Do you think clarification on that—that confusion in consumers—should be included on the labelling?

Mr ADAM MARSHALL: Jeez, the label is probably going to be bigger than the bottle.

The Hon. EMMA HURST: Is the process that long?

Mr ADAM MARSHALL: Well, I do not know if there is any confusion. Cows get milked and the milk gets processed.

The Hon. EMMA HURST: I suppose the process that we have had people contact us about is the impregnation of the cow, that obviously cows do not produce milk unless they have a baby, in the same way as all mammals do not produce milk unless they have a baby. Would that be something that could be clarified in some way on the labelling?

Mr ADAM MARSHALL: In theory it could, yes. You could in theory put almost anything on the labelling of a product. There is nothing preventing any company that markets milk from doing that right now.

The Hon. EMMA HURST: But what about the consumer issue that people are not aware, for example, as you would know, the male calves that are born into the industry are then taken to slaughter? That is one of the reasons a lot of people are moving towards plant-based milks. Do you think that there should be clarification for consumers around the process of some of these milks?

Mr ADAM MARSHALL: As I sit here as a consumer myself, I would say no. I have not seen any research or body of evidence that would indicate that there is mass confusion in the community about how milk is derived from cows. If you have some report I would be happy to have a read of it, but it would have to be substantial for government jointly through Food Standards Australia New Zealand [FSANZ] to take a very bold step of mandating that that sort of labelling be introduced on genuine milk products.

The Hon. EMMA HURST: So if there was an independent review and it did show consumer concern, just for the record, the Government would seriously consider—

Mr ADAM MARSHALL: Well, I said I would read it. I guess you could say that that is giving it consideration. It does not mean that we would do it, but I would certainly read it, for sure.

The Hon. EMMA HURST: We talked a little bit about some of the plant-based meats and some of the problems with red tape and how that could potentially collapse the industry. What are you doing as Minister to actually support and encourage the new, expanding plant-based enterprises in New South Wales?

Mr ADAM MARSHALL: Nothing.

The Hon. EMMA HURST: You are not doing anything? Do you have plans to support that industry?

Mr ADAM MARSHALL: I do not, as agriculture Minister, no. Not at the moment. We do not have any plans to encourage or support the industry, no.

The Hon. EMMA HURST: As agriculture Minister, do you only represent animal-based farming? You do not represent plant-based farmers as well?

Mr ADAM MARSHALL: No, we do. Absolutely. But there is nothing at this stage that is on our radar in terms of the issues that we need to address or approaches that have been made to support that particular sector as an individual sector, as against the agricultural sector generally. Again, if there is something that is identified or approaches are made, I am happy to meet with people and happy to consider issues as they arise. Your question was, do I have any plans or are we doing anything? The answer is at the moment, specific to that industry, no.

The Hon. EMMA HURST: Given the research by AgriFutures that it could be a potential \$3.1 billion industry that would really boost our economy, do you not think that maybe we should be doing something to support that industry?

Mr ADAM MARSHALL: Well, I am not sure that the industry itself has identified that it requires any support or encouragement. I certainly have not heard from anyone from that particular sector that would indicate that that is the case. At the moment we have got plenty of other industries in the State that are absolutely hurting and require our support and attention.

The Hon. EMMA HURST: So if these industries did reach out and say that they required some support and that they would bring more jobs and economic growth, would you be willing to provide some support?

Mr ADAM MARSHALL: I would certainly be willing to meet with them and discuss it or hear their arguments and their case. I know Mr Hansen and the department would be as well. Mr Hansen may have had some contact already.

Mr HANSEN: We do. I might point out. We do not have a large investment portfolio post-farm gate in either meat, plant, fish, processing, research and development or technologies. We tend to invest our skills, our capability in our investments pre-farm gate. On that front, I dare say, we would say we have done a lot for plant-based diet activity across the country. I think we have talked at previous hearings.

The Hon. EMMA HURST: Mr Hansen, I might come back to you this afternoon to expand on that.

Mr ADAM MARSHALL: She wants to grill me some more.

Mr HANSEN: There are some really good stories that he tells me.

The Hon. EMMA HURST: I know.

The Hon. CATHERINE CUSACK: But you have asked them all to be here.

The Hon. EMMA HURST: I will go on to talk about fishes in agriculture. Fishes are covered by the Prevention of Cruelty to Animals Act [POCTA] 1979 that means basically we ought to care about their welfare. Do you agree?

Mr ADAM MARSHALL: Yes, POCTA applies right across the board, yes.

The Hon. EMMA HURST: One of the objects of POCTA is to require a person in charge of an animal to ensure the welfare of the animal. How is the welfare of fishes caught by trawling monitored in New South Wales?

The Hon. TREVOR KHAN: Isn't it fish?

The Hon. EMMA HURST: It is fishes if you are talking about more than one species of fish.

Mr ADAM MARSHALL: Trawling is covered under commercial fishing. Commercial fishing is obviously licensed and under a share-based quota system and has all the rules of the commercial fishing sector. POCTA applies across the board as well and anyone who identifies a potential breach of POCTA has the opportunity to then raise those issues with the relevant enforcement agencies for investigation.

The CHAIR: I refer to the probity around the Commercial Fisheries Business Adjustment Program. The probity adviser was Howard Elliott. Why was the conflict of interest declaration signed by Jason Masters, if he was not the person giving the probity advice, and not Howard Elliot?

Mr ADAM MARSHALL: I would have to defer to Mr Hansen. It happened before my time.

Mr HANSEN: I have only just tracked down the fact that we had a probity adviser which was APAC Probity Advisory and Auditing Consultants. That was the business that was engaged in June 2016 to develop the probity plan for the business adjustment program. O'Connor Marsden and Associates were engaged as the auditors of our actions against that plan and they were engaged in July 2017. I am not sure the signatures that you are referring to, as to which document that is—

The CHAIR: I am referring to the signatures that were made on the O'Connor Marsden.

Mr HANSEN: Signing off on the probity check?

The CHAIR: Jason Masters is obviously one of the company directors, I assume. Howard Elliott was the one who did it but it was Jason Masters who signed the conflict declaration, not Howard Elliot. One would imagine that you would have the person that was doing the work being the one that would sign the conflict of interest document or you would have them both sign a conflict of interest.

Mr HANSEN: Yes, although it would not be an unusual step for a senior partner to have the work done, carried out and have their internal audit process enable them to give confidence to the senior partner that they have seen internal documentation to sign off and it is appropriate for them to be able to sign off on it. That is not an uncommon practice across auditing and accounting or consultancy firms.

The CHAIR: Was any work done to ascertain whether anyone with O'Connor Marsden currently owned fishing businesses or shares?

Mr HANSEN: I would have to take that on notice.

The CHAIR: You might also have to take this on notice. Do you know whether now or before the adjustment program whether any Ministers, members of Parliament or staffers of DPI owned fishing businesses or shares?

Mr HANSEN: I would have to take that on notice. It would be fair to assume that in both the contracting process of the probity adviser and the probity auditor, as part of that contracting process, they would have had to have declared any potential conflicts of interest with the operation or the business in which they were seeking to provide probity advice. Likewise, part of their probity framework would have been checking our probity framework and ensuring no conflict of interest between staff involved and potential conflict through commercial fishing interests. That would have made up part of their audit program and the checks which they would put in place.

The CHAIR: I refer to the letter from the Minister's office talking about transfer rules regarding shares. An industry consultation paper was put out in May 2017 talking about there may be some flexibility later on but in the first instance you were going to restrict it to only the people who own existing shares. How then did we get to the point where physiotherapists and hairdressers in Sydney were bidding during the share trading scheme? One of them now owns a majority of the mud crab shares up north. How did we come to that point?

Mr HANSEN: I can only assume that they were existing fishing business owners.

The CHAIR: I will have to double-check on that. Who redacted the probity report? Was it DPI?

Mr TURNELL: I believe so.

Mr HANSEN: I might ask Mr Turnell if he wants to comment.

The CHAIR: Why wasn't the probity audit report given to the General Purpose Standing Committee No. 5 when it was holding its inquiry?

Mr TURNELL: I cannot answer that question. I will take it on notice.

The CHAIR: You might also take on notice why was it not released to commercial fishermen until a very later date?

Mr TURNELL: I will take that on notice as well.

Mr HANSEN: Just to be clear, those two questions are: Was it available to standing committee—

The CHAIR: It was not available.

Mr HANSEN: It was not completed at the time of standing committee No. 5's independent inquiry into the commercial fishing process.

The CHAIR: I want to know why it wasn't given to the general purpose standing committee that was looking into the process.

Mr HANSEN: Yes.

The CHAIR: And why it was not made available to commercial fishermen until a lot later.

Mr HANSEN: Okay. Do you know what date it was made public? Do you have that in front of you?

The CHAIR: No, I do not. I just know that it was not given to the general purpose standing committee.

Mr HANSEN: We will track down these dates but I am assuming that the only reason it was not given to them was that it was still being completed and not available to us and therefore not available for the Committee otherwise it would have been provided to the Committee. And that time frame on completing might also be the reason and rationale for the delay in it being made available to commercial fishers but we will get the date on which we actually had it finalised.

The CHAIR: The report states that a review was done of a random sample of 10 fishing businesses throughout the process. There is some dispute over the figures of how many commercial fishers we have, but if we take your response last time there was around 1,000. A random sample of 10 fishermen out of 1,000, any mathematician will tell you that is statistically irrelevant. Anything less than 100 in this case would be statistically irrelevant. A probity report has been done on a figure that is not even relevant. Why were there only 10 sampled? Was that a decision by DPI or O'Connor Marsden?

Mr HANSEN: The framework for what we would audit and what we would look into was probably set by the APAC Probity Advisory and Auditing Consultants who have worked with us on what framework of checking and audits would be required throughout the process because they were the ones who set up the actual probity framework for the process. O'Connor Marsden and Associates' job was actually to check that we complied with that framework and did what was required.

The CHAIR: O'Connor chose the 10, not DPI?

Mr HANSEN: No, I am saying it was probably set up in the APAC Probity Advisory and Auditing Committee. As consultants, they were the ones who set up the framework for what checks throughout the process, what percentage of people, what percentage of participants involved in the program as opposed to total fishers, what would be appropriate to check probity throughout, and to make sure things were working. As opposed to O'Connor Marsden, who were the ones who came along and checked at the end. I am happy to take that on notice and we will read through that probity report—given your interest in it—over the lunch break.

The CHAIR: Thanks.

The Hon. DANIEL MOOKHEY: Minister, let us talk about the Recreational Fishing Trusts. All moneys collected from the fishing licence fees for recreational fishers are paid to the Recreational Fishing Trusts. You make the funding decisions for that do you not, with the assistance of the advisory council?

Mr ADAM MARSHALL: That is right. So the advisory council assisted by the Department of Primary Industries assesses all of those applications. It then provides recommendations to me for sign-off on the successful applicants.

The Hon. DANIEL MOOKHEY: And you appointed Mr Matt Tripet as the Social Benefits of Recreational Fishing member of the advisory council, is that correct?

Mr ADAM MARSHALL: If you say that I did, yes. I would have signed off on the advice of the department. I do not know that particular individual.

The Hon. DANIEL MOOKHEY: Do you have any recall as to when precisely you signed that off?

Mr ADAM MARSHALL: Not unless the department has the date. I can get that information for you later in the day if you would like.

The Hon. DANIEL MOOKHEY: I would appreciate that. Thank you so much. What does the Social Benefits of Recreational Fishing member do?

Mr ADAM MARSHALL: They are a member of the advisory council like everyone else. That person is there, I guess, to be a voice or a representative of those that see the benefits more broadly in the community of the recreational fishing industry.

The Hon. DANIEL MOOKHEY: Who was Mr Tripet's predecessor in that position?

Mr ADAM MARSHALL: I have no idea, Mr Mookhey. Does someone from the department know?

Mr TURNELL: I do not believe there was one. It is a new position.

The Hon. DANIEL MOOKHEY: It was a new position that was created and Mr Tripet was appointed by you, Minister, to this newly created position. Just quickly, in terms of the legislative authority that you used to create this position, do you know which source of legislative authority you used?

Mr ADAM MARSHALL: Mr Hansen may be able to provide that advice.

Mr HANSEN: The Fisheries Management Act provides the requirement for a consultative or advisory committee.

The Hon. DANIEL MOOKHEY: So, basically, under the Act you can create positions if you so choose? That is what has effectively happened here?

Mr HANSEN: Or defines the skill set that you are looking for in positions to make up that composition of those advisory committees.

The Hon. DANIEL MOOKHEY: So, Minister, why did you create this position?

Mr ADAM MARSHALL: I daresay because the department provided a brief—and advice—to do that and I saw no issue with it at the time. The committee is not a decision-making committee; they simply provide advice.

The Hon. DANIEL MOOKHEY: So effectively you took the department's advice to create this position?

Mr ADAM MARSHALL: Correct.

The Hon. DANIEL MOOKHEY: How was Mr Tripet identified as the candidate for the first ever Social Benefits of Recreational Fishing member of the advisory council?

Mr ADAM MARSHALL: I would have to ask the department on the internal process for that.

Mr TURNELL: Mr Tripet approached us.

The Hon. DANIEL MOOKHEY: So Mr Tripet approached you, the department, and said "Can you please create this position for me?" Then you provided advice to the Minister and, Minister, you signed that advice. Is that what happened?

Mr TURNELL: No. He approached us with an interest in gaining a position on the council, not necessarily a Social Benefits of Recreational Fishing position.

The Hon. DANIEL MOOKHEY: So you decided—and I mean this to you, Minister—on the advice of the department that he was appropriate for this position; that this position should be created especially because he requested a position?

Mr ADAM MARSHALL: I would not know that he requested any position on the council. The advice was provided. I would have to go back and have a look at the brief. But the advice was provided that he was a

person with a good skill set to be put onto this committee and I saw no reason to deviate from the department's advice.

The Hon. DANIEL MOOKHEY: Was anybody else assessed as having the ability to promote the social benefits of recreational fishing? I imagine the Hon. Mark Banasiak might be able to do that too. Was the public allowed to apply for this position or did Mr Tripet effectively knock on the door and say, "Hey, I would like the position. Can you give it to me?"

Mr TURNELL: So Mr Tripet runs an organisation that deals with men suffering mental health issues—

The Hon. DANIEL MOOKHEY: We will get to that. I am asking specifically about was there any public selection process, any criteria, any advertisement, any expression of interest, anyone that would have allowed anybody else to be appointed to this council?

Mr ADAM MARSHALL: Yes. I believe there was. Mr Turnell?

Mr TURNELL: So expressions of interest were put out for membership and anyone can apply. Mr Tripet chose to apply.

The Hon. DANIEL MOOKHEY: When was that put out?

Mr TURNELL: I would have to take that on notice to get the exact date.

The Hon. DANIEL MOOKHEY: Where was the expression of interest [EOI] published?

Mr TURNELL: Again, I will have to take that on notice but it was advertised widely—

The Hon. DANIEL MOOKHEY: How many other applications came for this position?

Mr TURNELL: For positions on the council?

The Hon. DANIEL MOOKHEY: No, for this position?

Mr TURNELL: For this position. I would have to take that on notice.

The Hon. DANIEL MOOKHEY: Did any other application come forward for this position?

Mr TURNELL: For positions—

The Hon, DANIEL MOOKHEY: For the position of Social Benefits of Recreational Fishing.

Mr TURNELL: I would have to look at his application and see exactly what he applied for.

The Hon. DANIEL MOOKHEY: How long was the EOI process open to the public for?

Mr TURNELL: I believe it was six weeks but we can get a firm date for you today.

The Hon. DANIEL MOOKHEY: But basically a position was created on the advisory council for Mr Tripet at his request—is that a fair rendering of events?

Mr TURNELL: I would not say at his request. I would say on advice from the department.

The Hon. DANIEL MOOKHEY: On the advice of the department?

Mr TURNELL: Advice from the department.

The Hon. DANIEL MOOKHEY: Mr Tripet is the CEO of the Fly Program. Is that correct, Minister?

Mr ADAM MARSHALL: I do not know Mr Tripet at all.

The Hon. DANIEL MOOKHEY: That is good to know but it is not what I am asking.

Mr ADAM MARSHALL: So I cannot tell you what he is involved with or what business he runs.

The Hon. DANIEL MOOKHEY: He lists himself as the CEO of the Fly Program Ltd. I think that is the program you were just making reference to, Mr Turnell. Is that correct?

Mr TURNELL: Correct.

The Hon. DANIEL MOOKHEY: So we can assume that he is the CEO of the Fly Program, is that correct?

Mr TURNELL: Correct.

The Hon. DANIEL MOOKHEY: Great. The Fly Program received \$57,000 from the NSW Recreational Fishing Trust. Is that correct, Minister?

Mr ADAM MARSHALL: When did that occur?

The Hon. DANIEL MOOKHEY: That is a good question. That was my next question because you have listed it on your site, on your published outcomes of where the money is going from the trust, that they received \$57,000 in 2018-19 but there has been no further funding renewed. That is coming from your website. Can we just assume that he got \$57,000, of which \$17,000 came from freshwater and \$40,000 came from salt?

Mr ADAM MARSHALL: If that is the figure on the website, that would be correct. Just to clarify though, since I have been Minister I have only signed off on one round of funding from the Recreational Fishing Trust very early on in my time as Minister—

The Hon. DANIEL MOOKHEY: Yes, I am accepting that happened.

The Hon. TREVOR KHAN: Just hold on. Let him answer.

Mr ADAM MARSHALL: That work was done prior to my appointment and it was one of those briefs left over from the caretaker period. Since that time, I have not signed off on any additional expenditure from the Recreational Fishing Trust because the council is currently considering the latest round of applications. I presume I will receive advice very shortly on that.

The Hon. DANIEL MOOKHEY: I accept that. That is actually helpful context Minister.

Mr ADAM MARSHALL: I am just trying to assist you. That is all.

The Hon. DANIEL MOOKHEY: I get it and it is of some assistance. But we have established that Mr Tripet—who you did appoint to a specially created position—did receive \$57,000 from the trust the year previous, presumably, to his appointment. This is what your expenditure review committee said about this decision to grant—this is from the expenditure review committee of the freshwater trust—this is what it said about Mr Tripet's application. It said:

It is not supported. The committee recognise the importance of addressing mental health issues within the community however consider the project budget to be excessive, that there was little in-kind contribution from service providers and that funding support should also be provided from the Minister for social services.

Now, he got the money anyway. Do you want to explain why?

Mr ADAM MARSHALL: When did he get the money?

The Hon. DANIEL MOOKHEY: According to your website, he got it in financial year 2017-18.

Mr ADAM MARSHALL: That is prior to my time as Minister. I do not know.

The Hon. DANIEL MOOKHEY: I accept that but he still got the money ahead of a recommendation, against a recommendation, from that expenditure review committee. You then appointed him to the trust that is actually giving you advice on where the money should go. So I am asking you simply: It is okay for you to have accepted or rejected their advice—or your predecessor has? You have got continuous responsibility for the decisions of your predecessors so I am giving you the opportunity now to explain why did Mr Tripet get the money when the expenditure review committee said he should not?

Mr ADAM MARSHALL: Given that I was Minister for Tourism and Major Events at the time, I do not have a clue why. Obviously I was not making the decision nor was I privy to that advice. Mr Hansen may be able to provide some clarification.

Mr HANSEN: I might rely on Mr Turnell's corporate knowledge in this space given I did not come prepared for 2017.

Mr TURNELL: Sure. So was that recommendation from the expenditure committee?

The Hon. DANIEL MOOKHEY: I might put the next one to you too. Yes it was.

The Hon. TREVOR KHAN: No, no, no.

The Hon. DANIEL MOOKHEY: To be fair, I am giving him the chance to cover both. To be fair, I read to you from the freshwater expenditure review committee. This is what the saltwater said:

The committee recommended the Minister for Primary Industries seek supporting contributions from the Minister for social services. The committee also noted the high cost per person for the project and approved funding this year to establish the project, the project cost should be reduced for further applications.

That is the advice from the two separate committees. Now I accept, of course, that this took place before your time, or I presume that was not part of the decision that you signed off on when you just took over the portfolio. But you then appointed him to the advisory council in a position that did not exist beforehand, to an advisory council that will now be assessing the success of the Fly Program. I am asking you: How do you plan to mitigate this conflict of interest?

Mr ADAM MARSHALL: I would expect with this committee, as with all, that if members of any committee have a direct or indirect conflict of interest, whether pecuniary or non-pecuniary, those declarations would be made in accordance with the relevant policy and that those people exclude themselves, or be excluded, from any deliberations on any matters that they have that conflict with. I would expect that to be occurring with all members of this advisory committee, as with others. That is, I think, a reasonable expectation of me as Minister but also of this Parliament.

The Hon. DANIEL MOOKHEY: The Fly Program came into existence in 2016, according to Mr Tripet's public profile. It gets funding a year later and he is then appointed to the advisory council to the trust effectively a year after that, for which there does not seem to be a public—anyone else being allowed—we cannot identify anybody as expressing interest in wanting to obtain this position.

Mr ADAM MARSHALL: With respect, that question was taken on notice. You cannot draw that conclusion.

The Hon. DANIEL MOOKHEY: I will give you that, but my point is still the same: When you appointed him to this trust last year did you seek advice as to whether or not Mr Tripet had any conflicts of interest?

Mr HANSEN: As a matter of clarification, are you talking about Mr Tripet's appointment to the Recreational Fishing NSW Advisory Council, not to the trust?

The Hon. DANIEL MOOKHEY: Yes, the advisory council.

Mr HANSEN: And not to the trust expenditure committees, but to the advisory council?

The Hon. DANIEL MOOKHEY: Yes, to the advisory council. I accept that they are separate bodies but the Expenditure Review Committee's advice goes to the advisory council, which then comes to the Minister. Put that aside. My question is—

Mr HANSEN: No, that is an important point you have just raised there, which is that the advice that you quoted previously from both the saltwater and freshwater would not have made its way to the Minister of the day. It would have made its way to the advisory council, which would have considered—

The Hon. DANIEL MOOKHEY: Mr Hansen, we might get into why that advice did not reach the Minister.

Mr HANSEN: I understand that. I am just pointing out that the confusion around—

The Hon. TREVOR KHAN: Point of order: We are ending up in the same point as we go to before. The witnesses are attempting to answer a question and the Hon. Daniel Mookhey, for whatever reason, is not allowing the witness to complete what clearly is a relevant answer. The bottom line is that it is question and answer, not question and half an answer. So if the witnesses are clearly being relevant, they should be allowed to answer without being spoken over the top of.

The Hon. DANIEL MOOKHEY: I might just repeat the question because that answer was not particularly relevant to the question I asked, which was: Minister, were you advised that this conflict of interest existed when you made the decision to appoint Mr Tripet to the advisory council?

Mr ADAM MARSHALL: I cannot remember all of the contents of every single brief I have ever signed since being Minister, so I would have to—I would assume that if there were any identifiable issues or potential issues, they would have been identified in the brief. I cannot recall any issues that would have raised red flags or triggered me to question the department's recommendation in this case.

The Hon. DANIEL MOOKHEY: We will move on now to the Fish for Life program. Tell me Minister, what is the Fish for Life program meant to do?

Mr ADAM MARSHALL: What is the Fish for Life program meant to do?

The Hon. DANIEL MOOKHEY: Yes.

Mr ADAM MARSHALL: I have to ask Mr Hansen to answer that.

Mr HANSEN: It is about encouraging all parts of the society to recognise the benefits of recreational fishing as well as protecting and sustaining the environment to make sure that there are fish to continue recreational fishing going forward.

The Hon. DANIEL MOOKHEY: In the statements of projects, the Recreational Fishing Trusts Investment Plan 2018/19 - 2020/21 says:

RFNSW has identified the need for recreational fishing in NSW to strengthen its social licence with the wider community. A brand titled 'Fish for Life – Building A Healthy Fishing Future' has been developed to promote the positive aspects of fishing in order to ensure fishing in NSW retains widespread community support and to boost participation in this healthy, outdoors activity.

Are you accepting that that is the stated purpose of the program?

Mr ADAM MARSHALL: Yes.

The Hon. DANIEL MOOKHEY: In this investment plan or advice \$400,000 of it is coming from the saltwater trust and \$100,000 is coming from the freshwater trust and DPI is putting it out to tender. Mr Hansen, you might know this: When is the tender going to complete?

Mr TURNELL: It has not gone out yet.

The Hon. DANIEL MOOKHEY: When is it going out?

Mr TURNELL: I am not sure.

The Hon. DANIEL MOOKHEY: Is it going out?

Mr TURNELL: It will go out surely. I just do not have a date.

The Hon. DANIEL MOOKHEY: Was this considered by either of the expenditure review committees?

Mr TURNELL: Yes, I believe it was.

The Hon. DANIEL MOOKHEY: Do you know which date?

Mr TURNELL: Not on hand, no.

The Hon. DANIEL MOOKHEY: Because we have checked the records of published meetings that are on the website and it is not sourced in any of them.

Mr TURNELL: I will have to check that myself but that surprises me.

The Hon. DANIEL MOOKHEY: Do you think you can come back to us by this afternoon and tell us?

Mr TURNELL: I hope to, yes.

The Hon. DANIEL MOOKHEY: Minister, I want to move on now to the share appeals tribunal [SAT] processes. During the last estimates hearings we learnt that there were 23 people with 43 appeals pending against their allocation and that these 23 businesses have been waiting effectively since November 2018 for them to have their appeals heard. Of course, this is causing them immense distress because they have hundreds of thousands of dollars invested in this market and they cannot trade. We have established that none of them have traded certainly as of the last estimates hearings, after which the department came back to us on notice. We were told at the last estimates hearing that the SAT has been formed and that it was embarking upon the hearings. Can I ask for an update? How many of those 43 appeals have actually now been concluded?

Mr ADAM MARSHALL: I believe the vast majority, Mr Mookhey. I do not have the exact numbers that have been determined or that are left, but Mr Hansen or Mr Turnell might.

The Hon. DANIEL MOOKHEY: Does Mr Hansen have the numbers of those that have been determined?

Mr HANSEN: I think hearings have been held of all, bar one. We expect the share appeal panel to make its determinations and convey them to us soon.

The Hon. DANIEL MOOKHEY: Sorry, have any of them been determined yet?

Mr HANSEN: I do not know about their determination. That is a process of the panel. What I am aware of is that all but one have had their hearings conducted.

Mr ADAM MARSHALL: Sorry, Mr Mookhey. I must have misunderstood your question. You talked about determination, not hearings.

The Hon. DANIEL MOOKHEY: Yes, I am asking how many have been actually determined?

Mr ADAM MARSHALL: Sorry, I will rephrase my earlier answer: The vast majority have. In that case, Mr Hansen said all except one have been heard.

The Hon. DANIEL MOOKHEY: Have been heard.

Mr ADAM MARSHALL: I am not sure about when the share appeal panel will make its final determination. It is a matter for it. I do not have the ability to direct it in terms of hurrying up or slowing down or when it will determine those.

The Hon. DANIEL MOOKHEY: Sure. You accept that being told that you cannot trade the stock is a huge issue for these businesses and that now they have been effectively made to wait for close to a year and a half. Does that not strike you as slightly unjust?

Mr ADAM MARSHALL: The process is taking a long time, I will agree with that. Again, the share appeal panel has held those hearings and it will make its determination. A bit like the courts, it will make its determination when it makes its determination.

The Hon. DANIEL MOOKHEY: It is not really the courts.

Mr ADAM MARSHALL: No, it is not, but in terms of what would I comment about the courts, I cannot as a Minister direct them when to make that determination.

The Hon. DANIEL MOOKHEY: I accept that, but you did appoint them.

Mr ADAM MARSHALL: Yes.

The Hon. DANIEL MOOKHEY: I accept that you cannot direct them. Have you received advice—

The Hon. TREVOR KHAN: That will speed up the process.

The Hon. DANIEL MOOKHEY: Sorry this is serious. Have you received advice as to when they can expect to have their appeals finalised, or is it still an undetermined period when there is no information being provided to these small businesses?

Mr ADAM MARSHALL: I could not advise the Committee when the share appeals panel will make its determination, no.

The Hon. DANIEL MOOKHEY: If the appeal succeeds, where will the catch come from?

Mr ADAM MARSHALL: If the appeal succeeds—it depends what the decision of the panel is. The panel may make a number of determinations under the Act. The panel may uphold the Government's original decision, it may vary the Government's original decision or set the decision aside and substitute a new decision and then I, as Minister, will have to respond to that within my powers under the Act.

The Hon. DANIEL MOOKHEY: And I accept that.

Mr ADAM MARSHALL: You are asking if they decide to allocate extra shares where do those shares come from. Is that what you are asking?

The Hon. DANIEL MOOKHEY: Yes, because the concern in the marketplace is that there is no original catch to be allocated, even if they were to decide to implement your predecessor's decision. Part of the reason why they have that concern that there is not anything left in the market for them to get is because it has taken so long. So would you like to take this opportunity to put their minds at ease about these questions and confirm that there is still potentially catch for them or not?

Mr ADAM MARSHALL: It depends what individual type of share you are talking about.

The Hon. DANIEL MOOKHEY: Let us just stay at the macro level. For the 43 that are across a couple of licence classes—accept that.

Mr ADAM MARSHALL: They are.

The Hon. DANIEL MOOKHEY: But I ask this question of all the licence classes: Is there actually catch in the market to be allocated to them? Because the concern seems to be that this process has taken so long that even in the rather extraordinary circumstances of the share appeals tribunal disagreeing with the Government, there is actually nothing for them.

Mr ADAM MARSHALL: There can be, and I will ask Mr Hansen to talk you through that.

Mr HANSEN: I think, as we have mentioned in previous hearings, this is a zero-sum game in terms of outcomes, which means that what the share appeals panel is looking at is whether their calculations were done correctly with regard to these appellants' share of the total quota available, whether that be actual kilograms of fish or whether that be effort. Should the determination be that there has been a misstep in that calculation, then it would result in a recalculation of the shares across that whole category.

Fishers who have not appealed are aware of the fact that a successful appeal could have an impact on their quota, but until we see what the determination from the share appeals panel is—and their last hearing was held on 23 January; there is one outstanding one that they will deal with separately but their last batch of hearings was held on 23 January—we expect to get feedback or their written determination, which will go directly to the fishers involved and to the Minister. We expect to get that soon and, based off that, there will then be what is the significance in terms of the miscalculation, what impact does that have on other shareholders in terms of that calculation?

The Hon. PETER PRIMROSE: Minister, if I could ask you a few questions about dairying?

Mr ADAM MARSHALL: Sure, Mr Primrose.

The Hon. PETER PRIMROSE: What do we actually call the Fresh Milk and Dairy Advocate? Is it advocate or adviser, because I have heard that he has been using both terms?

Mr ADAM MARSHALL: He is the Fresh Milk and Dairy Advocate.

The Hon. PETER PRIMROSE: So we refer to him as the advocate?

Mr ADAM MARSHALL: Yes, or Mr Zandstra—or Ian if you know him well, I guess.

The Hon. TREVOR KHAN: Or mate.

The Hon. PETER PRIMROSE: I am happy to use his official title.

Mr ADAM MARSHALL: Or mate, as Mr Khan said.

The Hon. PETER PRIMROSE: Since the appointment of the Fresh Milk and Dairy Advocate, can you tell us what mechanisms have been put in place to ensure that there is no conflict of interest between Mr Ian Zandstra's role as the Fresh Milk and Dairy Advocate and the owner of two dairy farms, one of which I understand is in Nowra?

Mr ADAM MARSHALL: Sure. Mr Zandstra is engaged by the Department of Primary Industries, as was canvassed at the last estimates hearing, and he has to abide by all the usual public sector policies about advising of conflicts of interest and suchlike. He is also appointed with the help of the DPI and industry advisory panel, which has a lot of representatives from processers—farmers, in particular—right through the supply chain. So it is not just Mr Zandstra that is the only voice that is being heard in that capacity; he uses a lot of other voices and other people around the table. But, as I said, he has got to comply with the Department of Primary Industries or the public sector policies around declaration of conflicts and avoiding those et cetera. Is that correct, Mr Hansen?

Mr HANSEN: That is right.

The Hon. PETER PRIMROSE: Does he have a statement of duties?

Mr ADAM MARSHALL: Yes, he does.

The Hon. PETER PRIMROSE: Can you please, on notice, give us a copy of that?

Mr ADAM MARSHALL: Yes.

The Hon. PETER PRIMROSE: No other specific mechanisms other than the general ones you have outlined to meet the issue of possible conflict of interest?

Mr ADAM MARSHALL: No. I understand those mechanisms would be, or I assume that they would be, sufficient.

The Hon. PETER PRIMROSE: How many times have you met with him since his appointment in his role as advocate?

Mr ADAM MARSHALL: I have met with him numerous times and spoken to him on the phone, in person, at events and I know Mr Johnsen has and my staff have and the department has—multiple times. There has been a lot of communication, put it that way.

The Hon. PETER PRIMROSE: Looking through your register, I can only see during the period of October to December one meeting—on 26 September. Would that be the case?

Mr ADAM MARSHALL: It could be the case, if that was what the disclosures are.

The Hon. PETER PRIMROSE: That is not numerous times.

Mr ADAM MARSHALL: That is only during one particular period and I have met with him multiple times and talked to him a lot. That period was when?

The Hon. PETER PRIMROSE: From October till December.

Mr ADAM MARSHALL: Yes.

The Hon. PETER PRIMROSE: So you met with him once.

Mr ADAM MARSHALL: In that time frame that could be the case, yes

The Hon. PETER PRIMROSE: That is really not numerous.

Mr ADAM MARSHALL: That is one particular time frame, and that does not include—

The Hon. PETER PRIMROSE: When have you met with him since?

Mr ADAM MARSHALL: I would have to take that on notice, but numerous times.

The Hon. PETER PRIMROSE: Can you please take that on notice and let us know?

Mr ADAM MARSHALL: Yes, sure, I am happy to.

The Hon. PETER PRIMROSE: Was the Fresh Milk and Dairy Advocate paid \$800 to attend that particular meeting on 26 September?

Mr ADAM MARSHALL: No, I do not believe so. Mr Hansen?

Mr HANSEN: His rate is \$800 a day. I do not know whether he billed for that day or he did not. I do not know what else he did on that day to justify or not whether he billed or not.

The Hon. PETER PRIMROSE: Can you take that on notice as well?

Mr HANSEN: What date was it again?

The Hon. PETER PRIMROSE: The date that the Minister has recorded is 26 September. Can you also tell us how long that meeting lasted and what advice was provided and was it provided in writing?

Mr ADAM MARSHALL: Again, I would have to take that on notice, if that is okay.

The Hon. PETER PRIMROSE: I am happy for you to take it on notice.

Mr ADAM MARSHALL: I have got a reasonably good memory but not that good.

The Hon. PETER PRIMROSE: Hence, I am very happy if you would take those questions on notice.

Mr ADAM MARSHALL: I am happy to.

Mr HANSEN: Given the fact that he was appointed three days before, I daresay that was probably a start rather than a "let me bring recommendations to you" type meeting.

Mr ADAM MARSHALL: Anyhow, we can provide that to the Committee.

The Hon. PETER PRIMROSE: To be clear, after that first initial meeting you did not meet with him again until the new year?

Mr ADAM MARSHALL: Again, I would have to take that on notice. As I said, I have had numerous conversations with him and meetings. I will get all that information for you, Mr Primrose, not a problem.

The Hon. PETER PRIMROSE: I am just a bit uncertain in terms of the disclosures, you have indicated one meeting.

Mr ADAM MARSHALL: Yes.

The Hon. PETER PRIMROSE: So you met with him once on 26 September and then, being an advocate for such an important industry, seeking your guidance and whatever, you did not meet with him again until the new year.

Mr ADAM MARSHALL: I will answer that a couple of ways. First of all, I would have to go back and check with my office because, as an employee of the department, meetings with the advocate are not required to be disclosed. But I think my office would have disclosed the initial meeting with the advocate, just for probity sake. But probably after that no such declarations were made because they are not required. It is no different to meeting with one of my staff from DPI. But I will check that and provide that in the advice back to the Committee.

Secondly, Mr Johnsen meets with the advocate very, very regularly and has actually just finished a trip down to the South Coast with the advocate, visiting bushfire-affected dairy farmers. I will get all that information for you and the Committee, but I can assure the Committee there is no shortage of communication.

The Hon. PETER PRIMROSE: Can I ask Mr Johnsen, how many times have you met with the advocate?

Mr MICHAEL JOHNSEN: I could not tell you off the top of my head an exact number, but I have met with him a number of times. As the Minister said, I have just finished a tour of the South Coast. I have met with Mr Zandstra previously before, late last year, down in Nowra; I have had a couple of physical, face-to-face meetings with him around Parliament here; and I have regular phone discussions with him as well.

The Hon. PETER PRIMROSE: Was he paid \$800 on each of those occasions?

Mr MICHAEL JOHNSEN: I will refer that question directly to Mr Hansen, who has already taken it on notice.

The Hon. PETER PRIMROSE: Not for the meetings with you, but can I please, Mr Hansen?

Mr ADAM MARSHALL: We can do that, Mr Primrose, sure.

The Hon. PETER PRIMROSE: Has the advocate completed a work plan?

Mr Adam MARSHALL: Yes, he has. Mr Hansen might be able to talk to you about that but, yes, I believe he has.

Mr HANSEN: The first stage of the work plan was obviously to bring together the advisory panel. We interjected and changed quite a bit of the work plan when the fires moved. I know during that period between Christmas and New Year—

The Hon. PETER PRIMROSE: Given that my time is up and given how important I think we all regard the dairy industry to be, can I ask you to take that on notice and table that to us?

Mr Adam MARSHALL: Certainly.

The Hon. PETER PRIMROSE: Then I hope to be able to ask you many more questions today on dairy matters.

Mr JUSTIN FIELD: Mr Johnsen, while we are on dairy, when you were down on the South Coast talking to dairy farmers and the advocate, did you happen to catch up with Robert Miller from Milton?

Mr MICHAEL JOHNSEN: I will have to go through a list of the people that I actually met with.

Mr JUSTIN FIELD: I have just seen the giant sign that he has painted on his farm gate that says, "We want climate action".

Mr ADAM MARSHALL: Is that Robert Miller as in the former councillor on Shoalhaven City Council?

Mr JUSTIN FIELD: Yes, former Liberal Party councillor.

Mr ADAM MARSHALL: I think he was an Independent councillor, was he not? I am not sure.

Mr JUSTIN FIELD: He used to be with the Liberal Party, but they have sort of disintegrated down there.

Mr ADAM MARSHALL: Since you moved down there.

Mr JUSTIN FIELD: I do what I can. Over the break I did have a look, Minister and Mr Hansen, what the names of the members of the Batemans Marine Park Advisory Committee are publicly. I will get to the point for Mr Khan's benefit as much as anything. I have been provided with a list of names of people who have been appointed to the committee. As it has not been published, I will not name them, but from the list I have been provided, it seems to me that a number of people who have previously been recreational fishing representatives have now been appointed to other positions on that committee. For instance, there are 10 positions. The recreational water use person is someone who was previously on the committee as the recreational fishing representative. He is one of the most vocal anti-marine park advocates on the South Coast. Mr Hansen, you explained that some of this could happen. I just want to understand what effort was made to ensure balance on that committee?

Mr HANSEN: I guess the process in terms of our staff going through the expressions of interest are received and I rely on their local knowledge in terms of individual participants—their strengths, their weaknesses, their capacity to represent their interests or their sector's interests, their community's interests through the committee all comes into play in terms of the advice I received through. It is then the discussion we have with our counterparts in other agencies that works through the Marine Estate Agency Steering Committee. That is where we seek the views on transport and on environment in terms of the balance of committees and the composition. Those recommendations come out of that committee and come forward to me, along with some proposals in terms of if there is, as I think I mentioned before, gaps in an area, what alternative substitutes—

Mr JUSTIN FIELD: I will just expand on that. I have been informed that the person representing local government now is formerly a recreational fishing representative, the person representing recreational water use is also a former recreational fishing representative, the person representing tourism is a charter fishing representative but has little connections, I am told, with the tourism industry. Of course, tourism is a big deal down there. There are a lot of tourism bodies and the like. Along with the existing recreational fishing representative, there are at least three if not four other people who publicly represent the recreational fishing interest. Minister, are you concerned that the balance of this advisory committee is out of whack?

Mr ADAM MARSHALL: No. I have absolute confidence in Mr Hansen and the department in appointing the right people. Recreational fishing is a big industry. Also, a lot of people participate in it, millions of people.

Mr JUSTIN FIELD: There are a lot of people using the marine environment on the South Coast, I am sure you would understand.

Mr ADAM MARSHALL: Yes, that is right. Just because they might be a recreational fisher and pick up a rod does not mean that they are not interested in preserving the marine life as well.

Mr JUSTIN FIELD: I am a recreational fisher and I pick up a rod.

Mr ADAM MARSHALL: Exactly.

Mr HANSEN: Just to clarify as well, the local government representative is the one that we do not go through that expression of interest piece. For local government, each joint organisation of councils or regional organisation of councils where joint organisations have not been declared, are contacted directly in writing and we invite them to nominate a local government representative. They are the one representative that does not go through that same expression of interest process.

Mr JUSTIN FIELD: I might come back to that this afternoon. Minister, just before the March State election the media reported a recording where the member for Bega, Andrew Constance, in speaking to a group of local recreational fishers publicly criticised marine park staff for enforcing the laws around sanctuary zones and referred to plans to influence the make-up of the marine park advisory committee. He says, and I quote, this is on tape, it has been reported in the media:

This hasn't happened by accident ... I've been involved in it, making sure people who are our friends on that committee with the very clear intent to make sure that the pilot works well and obviously we start to get some results.

Has there been political interference in selecting the make-up of the Batemans Marine Park Advisory Committee?

Mr ADAM MARSHALL: Not at all, not as far as I am aware. As I have answered your questions previously, I have not had any involvement, nor any discussions and I have not had any discussions with the member for Bega about that composition either. As far as I am aware, no.

Mr JUSTIN FIELD: We have got the member for Bega saying this. We have got him making an election commitment. From all your answers you suggest it was his commitment, nothing actually on the record from the Government. We have got you coming out in September announcing the removal of sanctuary protections with only targeted consultations—

Mr ADAM MARSHALL: December, not September.

Mr JUSTIN FIELD: In December, with targeted consultation with former members of the advisory committee and now we have had the advisory committee reappointed and it seems a whole heap of representatives representing one side of the stakeholder group has been appointed to that committee. Does that concern you?

Mr ADAM MARSHALL: What part of your statement?

Mr JUSTIN FIELD: What confidence can any members of the community down there who are not part of the recreational fishing lobby that want to see the gutting of the Batemans Marine Park have in any of your public consultation processes around either the pilot or the sanctuary consultations that will happen in the next few months?

Mr ADAM MARSHALL: Everyone will have their opportunity to contribute. No-one will be excluded from contributing. In the end—

Mr JUSTIN FIELD: To the contrary, it sounds like a lot of people have been excluded.

Mr ADAM MARSHALL: No, not at all. Everyone will have their chance. At the end of the day though, it falls to government to make its determination as the democratically elected government. But everyone will have the opportunity to have their say.

Mr JUSTIN FIELD: When will the native vegetation regulatory map be completed and publicly released?

Mr ADAM MARSHALL: I do not know.

Mr JUSTIN FIELD: How many years are we going to do this dance for? These laws were passed in 2016. This is getting to be a big joke, is it not?

Mr ADAM MARSHALL: When the maps are accurate, maybe. I do not hold those maps. The mapping tools and all the maps are held by what used to be Office of Environment and Heritage [OEH], now Environment, Energy and Science, so maybe you should ask Minister Kean that. We are not the custodians of that.

Mr JUSTIN FIELD: I will ask him. Everyone knows, it is not a big secret, it is publicly reported, it is your department that is holding up the release of this information.

Mr ADAM MARSHALL: How?

Mr JUSTIN FIELD: You are the ones that claim it is inaccurate. How much work has your department done to try and improve the accuracy of the mappings?

Mr ADAM MARSHALL: We do not hold the mapping tools. We do not have access to the maps.

Mr JUSTIN FIELD: If Minister Kean wanted to release them, he could release them?

Mr ADAM MARSHALL: I would be happy to have a conversation with him about it.

Mr JUSTIN FIELD: How many conversations have you had with Minister Kean over the regulatory maps since you became the Minister?

Mr ADAM MARSHALL: I do not know. I have conversations all the time with Minister Kean and all my ministerial colleagues. I do not keep notes of private discussions, so I could not possibly know.

Mr JUSTIN FIELD: Have you talked with him about a potential release date?

Mr ADAM MARSHALL: As I said, I have numerous discussions with my Cabinet colleagues and they are private conversations and that is how they will remain.

Mr JUSTIN FIELD: I am not asking for you to outline private conversations.

The Hon. TREVOR KHAN: Yes, you are.

Mr ADAM MARSHALL: Yes, you are. That is what you asked me.

Mr JUSTIN FIELD: Sorry, this is your law. You passed this law to create these maps in 2016. What year is it?

Mr ADAM MARSHALL: It is 2020 on my calendar.

Mr JUSTIN FIELD: At what point does this just get so absurd if you will never release these maps? Nearly all of the environmental protections in that law, as limited as they were, revolved around these maps being available.

Mr ADAM MARSHALL: To be effective in terms of implementing the Land Management (Native Vegetation) Code and from an enforcement point, EES's point of view, the maps have to be accurate. At the moment the information I have is that the maps cannot distinguish between vegetation types. They can only detect soil disturbance. They cannot, as a tool, determine the difference between what is regulated land and unregulated land under the code. They are not actually very helpful. In fact, in a lot of cases with the work that was done also with NSW Farmers Association at the time who were very strongly advocating for the maps to be publicly released and locked in—in that trial over 12 properties across different parts of the State, across different land types, the NSW Farmers Association very quickly went from a position of very supportive of the maps to not on your life. They are nowhere near accurate. This is going to destroy farmers. I do not have an update about how EES has been tweaking or getting that mapping tool more accurate.

But at the moment, as it stands, the last information I have is that those maps are still not accurate enough to allow release because you would be punishing—forget about punishing, they just would not be accurate. They would not reflect on ground. So the Land Management (Native Vegetation) Code is still being implemented—it can be, it just requires LLS staff in particular to go on farm and actually validate what is being suggested, rather than using a blunt mapping tool, which, at the moment, cannot distinguish between vegetation types.

Mr JUSTIN FIELD: This was your Government's plan as part of your legislation. Four years later you are saying that it is an ineffective tool that does not work to do the job without the legislation—the legislation that you pursued for years and years cannot be actually implemented in a reliable way? That is your failing, right?

Mr ADAM MARSHALL: What I am saying is that the legislation can be implemented and is being implemented quite successfully.

Mr JUSTIN FIELD: Just say somebody breaks the rules, that an enforcement action is taken and it goes to court. The defence is going to be that the maps have not been published, so how was the landholder supposed to make an accurate decision?

Mr ADAM MARSHALL: If you go to the records of the Land and Environment Court, I do not think EES has had an unsuccessful prosecution yet.

Mr JUSTIN FIELD: It is still prosecuting cases from before those laws though, right, Minister?

Mr ADAM MARSHALL: I could not comment on that.

The Hon. EMMA HURST: I am going to go back to fishes. You mentioned before my time concluded that there were relevant enforcement agencies on POCTA in regard to fish. Is this the RSPCA, Animal Welfare League and the police? Or are there other enforcement agencies?

Mr ADAM MARSHALL: No, as you know, Ms Hurst, being a student of POCTA, there are only three enforcement agencies.

The Hon. EMMA HURST: Can you tell me if there is any regulation or code of practice for the welfare of ocean fishes caught by the trawling industry?

Mr ADAM MARSHALL: They may have an industry code of practice. Mr Hansen?

Mr HANSEN: I am advised that we do have regulations that are designed to take into account animal welfare concerns. Trawl nets are subject to size, material and mesh size restrictions, as well as requiring mandatory bycatch production devices.

The Hon. EMMA HURST: Which codes are these?

Mr HANSEN: These would be in under the Fisheries Management Act under the regulations for various fisheries.

The Hon. EMMA HURST: Is there any New South Wales regulation or code that is specifically designed to protect the welfare of farmed fish—fish that are bred and raised and slaughtered in the aquaculture industry? Would you like to take that on notice?

Mr HANSEN: Yes.

Mr ADAM MARSHALL: Yes, we had better.

The Hon. EMMA HURST: In 2017 a person was successfully prosecuted for cruelty inflicted on a lobster that was being cut up at a Sydney fish market. Minister, are you aware of any individual corporation that has been prosecuted under POCTA for cruelty to fish or fishes?

Mr ADAM MARSHALL: I am not, no.

The Hon. EMMA HURST: Okay.

Mr ADAM MARSHALL: That is not to say that there has not been, it is just that I am not aware.

The Hon. EMMA HURST: Can you take it on notice and find out if there have been any cases?

Mr ADAM MARSHALL: Sure.

The Hon. EMMA HURST: Thank you. I want to talk to you about companion animals. You chaired the Joint Select Committee on Companion Animal Breeding Practices in NSW back in 2015—

Mr ADAM MARSHALL: I did and Mr Pearson was on that. It was a unanimous report—he supported it.

The Hon. EMMA HURST: Correct, yes. In your media release that you tabled on that committee report, which you say was unanimous, you said:

First and foremost, we have recommended the introduction of a breeders' licensing scheme for all commercial dog and cat breeding in NSW

Other jurisdictions have introduced such schemes, including Queensland, South Australia, the Australian Capital Territory and Tasmania. Why has a breeding licensing scheme not been enacted in New South Wales?

Mr ADAM MARSHALL: Simply because that was a committee report. The government of the day considered that report and decided to take actions that the Government published at the time. One significant action that came out of that report that was implemented recently was the requirement for all breeders to display, on any advertising in pet shops or online or in social media, their breeder licensing number so that those animals can be tracked. That started from 1 July last year.

The Hon. EMMA HURST: Yes, I am well aware of that part of it. Given that that was something that was first and foremost in the recommendations from it, is that something that you would revisit now that you are actually the Minister that is partly responsible for companion animals?

Mr ADAM MARSHALL: I am happy to look at it. But what I would be interested in—and I would have to have this conversation with Minister Hancock, who co-administers the Companion Animals Act—is that we probably need to give some time to assess the success or otherwise or the efficacy of the changes that came into effect on 1 July last year. That is, the mandatory requirement to display breeder licensing numbers and see what impacts that has had. I have not had a conversation with Minister Hancock, but I will. I would probably say that we need to wait at least 12 months to do an assessment of how those changes have gone and whether the Government may need to take additional steps, different steps or any other course of action.

The Hon. EMMA HURST: You also said in the media release that the committee did not support a ban on the selling of cats and dogs in pet shops because you were "encouraged by the willingness of the pet shop industry to be more closely regulated". In the five years since that release, can you tell me how the industry has been more closely regulated?

Mr ADAM MARSHALL: As I said, that committee report was unanimous. Mr Pearson also supported all those recommendations.

The Hon. EMMA HURST: Sorry, I just want to know how the industry has been more closely regulated since that report.

Mr ADAM MARSHALL: I would have to ask Mr Hansen if he can provide some advice on any obligations under POCTA. Otherwise, the enforcement action under the Companion Animals Act falls to local

councils. Perhaps it is a question best directed to Minister Hancock, unless Mr Hansen has anything further from anything under POCTA. Are any of our enforcement agencies doing anything more?

Mr HANSEN: I might ask Ms Robinson.

Ms ROBINSON: We have a pet shop code that is mandated under the Prevention of Cruelty to Animals Act, which sets out requirements for pet shops. It has been in place for 10 years, so the enforcement agencies for POCTA enforce that.

The Hon. EMMA HURST: Just to clarify, there was a decision by that committee that a ban on the selling of cats and dogs not supported because the industry said that in the coming years it would be more closely regulated. That is a 10-year-old piece of regulation. I am wondering what the increase in the past five years has been, in regards to the regulation, because that was the reason given as to no change in that area.

Mr ADAM MARSHALL: I am at a bit of a disadvantage in that I do not have that report before me. But if memory serves me correctly, that was not the only reason why the committee chose not to recommend banning the sale of companion animals in pet shops. There were a number of reasons, not least of which is, for a lot of people in the community, that is the only option they have to actually purchase their first puppy for their children or their families.

The Hon. EMMA HURST: On that, obviously some of the evidence that comes forward is the fact that, when you look at other States, what they have decided to do is to announce and introduce legislation that would require those shops to transition into cat and dog—puppies, kittens—adoption centres. So, five years on from that report, we have a massive problem with tens of thousands of healthy cats and dogs that have been killed because they cannot find a home. Would you support a move that those shops become adoption centres for those animals that are being dumped in pounds and that can be rehomed?

Mr ADAM MARSHALL: That could be an option, among many. Again, I think this is a perfect case in point where, if there is a strong view in the community that that would be a good idea, I would encourage people to put that forward as part of the animal welfare issues paper consultation, which is out on public display now for a number of months. It is an issue that can be taken into account as part of that work. As I said previously, I am absolutely committed to modernising animal welfare laws and requirements in this State to one animal welfare Act, rather than the POCTA, Animal Research Act and the Exhibited Animals Act. That is why we have done that body of work and I encourage yourself, as a member of Parliament, but also anyone else in the community, to put their views forward.

The Hon. EMMA HURST: Going back to the inquiry, the New South Wales Government formally supported several recommendations about the need to review the animal welfare codes of practice. However, the original 2008 and 2009 version of these codes are still only available on the DPI website, despite DPI releasing draft standards and guidelines on these topics for further consultation in 2018, and the NSW Animal Welfare Action Plan committing to introducing revised standards and guidelines by 2019. When can we expect the new standards and guidelines for pet shops, and dog and cat breeders specifically?

Mr ADAM MARSHALL: I would have to ask Mr Hansen to address that.

Mr HANSEN: I guess the challenge for us here is whether we go first with the reform program around the new bits of legislation and how we should bring the legislation up to date and move it forward, before we can go down to the regulation, or whether we try to do regulations in concert with trying to do the Act. Obviously, there are risks in doing both. That is one thing we are trying to assess at the moment—what can we continue to move forward on? Until we start to get feedback from the issues paper, which is now out there, it is going to be hard to juggle how much change is being proposed and certain elements of the legislation that might impact significantly on what you do with the regulatory framework and, therefore, how much effort and work goes into revising regulatory frameworks that might be outdated by the time we finish.

The Hon. EMMA HURST: So we could be looking at a very long time before that comes out if we wait for this other, larger process?

Mr HANSEN: If there are significant issues that are raised in the consultation that suggest that this should be dealt with first and foremost, as part of the legislation rather than by regulation, then it will be the time frame for that legislation that will be the one we are working to. If there is not, then there might be the opportunity to continue to progress with regulations and codes under the current framework because we might have some certainty and some security around that.

Mr ADAM MARSHALL: There will be a degree of flexibility. If we identify something that we need to address urgently, we can do that via regulation as a bit of a stopgap until we do the bigger legislative piece. It is not—

The Hon. EMMA HURST: Is that still happening with the tougher penalties? Sorry to interrupt, Minister. Is that still happening, that that will come up earlier?

Mr ADAM MARSHALL: Correct. So just because we have put out the animal welfare issues paper and are going out for EOIs at the moment for members of the animal welfare advisory panel, it does not mean we just put the brakes on and stop doing anything in this space until then.

The CHAIR: Thank you. Just a brief history lesson: Under the general purpose standing committee, the former Minister Niall Blair said he would commit to giving that Committee a socioeconomic study. If we fast-forward, we know that that was not a study, it was just a framework on how to do one. It was done by Jacki Schirmer from the Australian Capital Territory university and she stated in her recommendation that it should clearly communicate what subsidies were applied and how, as part of the three rounds of the subsidised share market, to ensure transparency and clear communication. If that was the recommendation from a framework that was hidden and not released until someone brought it up, why did the probity report redact the information about what subsidy was spread across the three rounds?

Mr ADAM MARSHALL: I am not aware why the parts of that were redacted. Mr Turnell, did the department make that decision?

Mr TURNELL: I would have to take that on notice.

The CHAIR: Sticking with the probity report, on page 12 it says, "We confirm that the recommendation for the outcome of round three with a total subsidy payout of \$12.86 million was approved by the Director-General, DPI and the Minister." The \$12.86 million is a bit of a contested figure because obviously Mr Hansen says it was \$16 million. Other documents say \$11.1 million. You are going to come back to me as to whether the \$16 million included the fishing buyouts. Is it not a breach of the market rules that the Minister was involved in the signing-off of round three?

Mr HANSEN: No. That figure is \$4.32 million for 216 fishing business buyouts.

The CHAIR: Going back to my question about the breach of market rules, in the last budget estimates you stated that the Minister had nothing to do with the share trading scheme and the outcomes, but here we have a probity audit saying that he basically signed off on it.

Mr HANSEN: Well, that I signed off on it.

The CHAIR: It mentions the Minister. Did the Minister sign off on it as well, or did you sign off on it?

Mr HANSEN: He certainly would have been advised in terms of the fact that we had arrived at a conclusion for the subsidised trading scheme.

The CHAIR: But the way this is worded suggests that the Minister—

Mr HANSEN: Unfortunately, I do not have that document in front of me. So in terms of the wording—but given the fact that this was the concluding round because the models indicated the best outcome with the amounts available, my sign-off would have been the sign-off required to finalise those rounds. It would have been usual practice for me to make sure that I advised the Minister that we had arrived at that and for him to have seen a brief on that front.

The CHAIR: Is it possible that the probity audit report is incorrect in how that happened?

Mr HANSEN: As I said, over the lunch break I will make sure I do a read of the probity report.

The CHAIR: While you are doing that, looking at page 13 on the statement of responsibility, she says, "A review has a substantially lessened scope than a reasonable assurance audit and had we performed a reasonable assurance audit as defined by ASAE 3000"—or an audit as defined by the Australian standards on auditing—"additional information may have come to our attention which would have been reported to the department. We therefore do not express any form of assurance in relation to this advice and/or recommendations." So they have produced a report that does not meet Australian standards and we have relied on that report for a multimillion-dollar industry and changes to that multimillion-dollar industry.

Mr HANSEN: You have relied on that report, but the department followed the probity framework that was set by APAC Probity to ensure that we stuck to what needed to be done to keep good probity during the course of the share trading scheme.

The CHAIR: But they are basically saying, "Don't rely on it."

Mr HANSEN: I do not know how many times I can say I do not have it in front of me so I cannot help you.

The CHAIR: Minister, can you advise us what steps you have taken as the fisheries Minister to ensure no loss of access occurs to anglers in the Yarra Bay and Molineaux Point part of the Botany Bay Recreational Fishing Haven when a cruise ship terminal is built?

Mr ADAM MARSHALL: There is no guarantee that anything will be built there. Obviously the Government is going through a business case process at the moment. But even if that bears fruit then there will be a requirement to go through a whole environmental impact statement or EIS process, which of course I will be ensuring, as the Minister responsible for fisheries, that we have a large input into. Anything which takes away fishing opportunities but also potentially impacts on fish, fisheries or marine life is obviously of concern, and I will make sure that we will have very strong input into that process when and if it occurs.

It may very well be that in the development of that business case Government may make a decision not to proceed with Yarra Bay because the business case is not favourable. I do not have carriage of that, obviously, but I will be participating in any Cabinet discussions around that. I can assure you, as I will assure the Committee, that I am very much aware of that issue—the potential problems there from a fisheries point of view—and will be having strong input at the appropriate stage. That is for sure. I will leave it at that.

The CHAIR: As the former Minister for Tourism and Major Events you commissioned or played a part in the Peter Collins report, which was a report of the Cruise Industry Reference Group.

Mr ADAM MARSHALL: That is right, yes.

The CHAIR: Under the Government Information (Public Access) Act [GIPAA], that has been released. It has been heavily redacted. Will you provide a copy of that to the Recreational Fishing Alliance, un-redacted?

Mr ADAM MARSHALL: I no longer have access to that document so I do not even have the ability to—

The CHAIR: It is not lying around in a file on your computer somewhere?

Mr ADAM MARSHALL: No, I can assure you of that. No, it is not. I believe a lot of it was redacted, or the decision was made to redact, not by the Minister of the day or even probably the current Minister. Mr Collins' report did contain a lot of commercial-in-confidence information that the cruise ship industry representatives—that is, the representatives of each of the individual cruise lines—did not want released just because it involved some internal commercial information about their financial positions and what they were willing financially or not to contribute to said terminal, if it ever happened.

Obviously you will be aware, in that report their first option was actually Garden Island, which I understand the Commonwealth has scotched. But that was when we had a different Prime Minister in the chair; I am not aware whether there has been a subsequent approach by the new Minister or the current Minister to see if the attitude of the Commonwealth has changed. I think it is fair to say from the cruise industry's point of view—I do not want to verbalise them but I do not imagine their view has changed—that Garden Island was much preferred. Where would you rather embark and disembark a cruise ship? In Sydney Harbour or around at Yarra Bay? The question answers itself.

The Hon. TREVOR KHAN: Even Phillip did not want to stay there.

Mr ADAM MARSHALL: I am not getting into that.

The CHAIR: Going back to that figure, Mr Hansen, of \$4.32 million in buyouts, can we have some breakdown of that? Do you have that available at all? And was that on top of the \$16 million or was that included in the \$16 million?

Mr HANSEN: My understanding is it is included in the \$16 million. In terms of breakdown, 216 fishing businesses times by \$20,000 per business—

The CHAIR: How many fishing business packages were sold using this extra money?

Mr HANSEN: You are talking about share packages now, not just the fishing business?

The CHAIR: Yes.

Mr HANSEN: We will have to come back to you on that. That is a different question.

The CHAIR: Can we get an update as to what is happening with the proposed changed to crab trapping in the Clarence River, given that it was reported as affecting both commercial and recreational fishing, however there was only a notice to give a submission on the commercial fishing part of the website, not the recreational?

Mr ADAM MARSHALL: My understanding is that the public consultation that DPI has conducted has now closed. There was well in excess of 100 submission from both commercial, recreational, fishing interests both for and against. This is a classic example of the inherent conflicts that we have in the fisheries space between commercial and recreational, and even within subsets of the commercial fishing and recreational fishing.

The CHAIR: What is the breakdown of the for and against? I have been told it is something like 95 per cent against.

Mr ADAM MARSHALL: Yes. I do not have that information.

Mr HANSEN: It is still being assessed at the moment.

Mr ADAM MARSHALL: I have not received any reports yet from the department or any advice but that consultation has just closed.

The CHAIR: The Committee will be in touch in terms of questions taken on notice.

(The Parliamentary Secretary for Agriculture withdrew.)

(Luncheon adjournment)

The CHAIR: Welcome back. We will start with the Opposition.

The Hon. DANIEL MOOKHEY: Minister, when Jock Laurie was removed as the drought coordinator, were you consulted on that decision?

Mr ADAM MARSHALL: After the 2015 election with the machinery of government changes, the Land and Water Commissioner, Mr Laurie, who was also performing the function as the drought coordinator—

The Hon. DANIEL MOOKHEY: You mean the 2019—

Mr ADAM MARSHALL: Sorry, 2019. What did I say?

The Hon. DANIEL MOOKHEY: You said 2015.

Mr ADAM MARSHALL: That was a longer time ago.

The Hon. TREVOR KHAN: Were you in the place at that time?

Mr ADAM MARSHALL: Yes I was here. So under the machinery of government, he went across to work within the Department of Planning, Industry and Environment [DPIE] Water. I think that is correct. He reported to Deputy Secretary Jim Bentley. The decision to remove him I understand, and Mr Barnes might be able to clarify, was made by Mr Bentley, I presume.

The Hon. DANIEL MOOKHEY: We will seek Mr Barnes' clarification in a minute. My actual question was: Were you consulted on it?

Mr ADAM MARSHALL: No. Mr Bentley did not consult with me on that decision.

The Hon. DANIEL MOOKHEY: Did anybody else?

Mr ADAM MARSHALL: No. Not about the decision, no.

The Hon. DANIEL MOOKHEY: So the first you learned that the drought coordinator was removed was when it was in the media?

Mr ADAM MARSHALL: No. I was certainly made aware of the decision not long after the decision was made. I cannot exactly recall how but I am pretty sure I knew about it before it appeared in the media.

The Hon. DANIEL MOOKHEY: And presumably before Mr Laurie knew about it?

(Mr ADAM MARSHALL: No. I said after the decision was taken I was informed but I cannot recall how or who. But certainly before it appeared in the media, yes.

The Hon. DANIEL MOOKHEY: On notice are you able to check your records and come back to us on those questions of both how you were informed and who informed you?

Mr ADAM MARSHALL: Sure. Happy to.

The Hon. DANIEL MOOKHEY: You say Mr Laurie was transferred effectively as part of the machinery of government changes to work under Deputy Secretary Jim Bentley?

Mr ADAM MARSHALL: That is my understanding, yes.

The Hon. DANIEL MOOKHEY: And that was so he could perform the function of Land and Water Commissioner?

Mr ADAM MARSHALL: That is what I believe. Yes.

The Hon. DANIEL MOOKHEY: And at the same time that he was Land and Water Commissioner he was also the drought coordinator, was he not? He was performing both roles.

Mr ADAM MARSHALL: I understand he was appointed to that role some time before my appointment. Is that correct, Mr Hansen?

Mr HANSEN: Yes. Mr Laurie was actually the second iteration of drought coordinator that we had. The first one was Pip Job, who started the task of drought coordinator and spoke to individual farming families, communities and helped put together what was required in terms of drought packages.

The Hon. DANIEL MOOKHEY: Yes and he was appointed in 2018.

Mr HANSEN: That is right.

The Hon. DANIEL MOOKHEY: On the 16 May 2018, he was appointed as drought coordinator.

Mr HANSEN: Six months after Pip did the job, we rolled Jock into it. You can only have someone doing this kind of job for a certain period of time before it starts to get on you.

The Hon. DANIEL MOOKHEY: Just to pause you there, Mr Hansen. Are you implying that Mr Laurie asked to be removed because the job was getting to him?

Mr HANSEN: No. What I am saying is that we have had a constant evolution as to who has been the drought coordinator, from Pip Job to Jock Laurie and then you will have seen the Government announcement about the creation of the Office of Drought Response. Each of those, it is an evolution story. From working with the individual farming families in the first instance—which is what Pip did—to working with the farming communities, largely around critical water needs, which was the role that Jock was doing, to extending beyond into small businesses and the impacts on communities and businesses within the communities, which is that extension to the Office of Drought Response.

The Hon. DANIEL MOOKHEY: I appreciate that, Mr Hansen. Minister, I am reading here from a DPIE senior executive organisation chart produced under freedom of information laws. It confirms, as you rightly say, that the Land and Water Commissioner Jock Laurie was reporting to Deputy Secretary Water Jim Bentley and they in turn were responsible to Minister Pavey. But it also says that Jock Laurie was also the drought coordinator, who was reporting to Gary Barnes, who was reporting to you and Deputy Premier John Barilaro. So it does not follow that he was exclusively reporting to Ms Pavey—he was actually part of your cluster too, in an organisation chart that clearly actually points to you. Hence my question, why were you not consulted about the decision to remove him as drought coordinator?

Mr ADAM MARSHALL: DPIE Water is part of the broader Planning, Industry and Environment cluster. We are all part of the one cluster.

The Hon. DANIEL MOOKHEY: No, I get it. This chart tells me that the Coordinator General of Regions, Industry, Agriculture and Resources, Mr Barnes, of which the drought coordinator Mr Laurie was there, of which that unit and that stream reports to you and Minister Barilaro. Do you want to revise your answer as to whether or not you were approached or advised about the decision to remove him as drought coordinator given that is clearly within your responsibilities and not Minister Pavey's?

Mr ADAM MARSHALL: No. He is an employee within DPIE Water. He was providing advice through to Mr Hansen and Mr Barnes on his observations and feedback about drought. Mr Barnes may correct me but his substantive position, as Land and Water Commissioner, had him working under Mr Bentley.

The Hon. DANIEL MOOKHEY: Sure. I am not disputing that as the Land and Water Commissioner he was, but is it not remarkable that in the midst of a drought the primary industries Minister is not consulted when the Government makes a decision to remove the drought coordinator, given that responsibility for drought—as you have told us—falls squarely within your patch? It is remarkable that you would not know about this?

Mr ADAM MARSHALL: Drought does not fall squarely within my patch.

The Hon. DANIEL MOOKHEY: But you have a serious responsibility.

Mr ADAM MARSHALL: I do, as agriculture Minister, in terms of on-farm matters for sure. But a number of Ministers in the Government have carriage of various aspects of drought including the water Minister, the Deputy Premier—

The Hon. DANIEL MOOKHEY: So you were not worried that you were left out of this decision?

Mr ADAM MARSHALL: No. It is not my decision to make.

The Hon. DANIEL MOOKHEY: When a freedom of information request was put in about whether or not you were provided with any documents or any briefings about the decision, the selection process used, as well as the key performance indicators for Mr Laurie, as well as the decision to stand him down, your office came back and said through your chief of staff that you had no documents. Presumably you were not provided with any written advice whatsoever or notification that Mr Laurie was to be terminated. Is that correct?

Mr ADAM MARSHALL: That is correct. So the—

The Hon. DANIEL MOOKHEY: But Minister Pavey's office—

The Hon. TREVOR KHAN: Point of order: He is entitled to answer the question.

The Hon. DANIEL MOOKHEY: Sure.

Mr ADAM MARSHALL: Mr Laurie, when he was providing advice to Mr Hansen and Mr Barnes about drought matters, provided that advice to them which formed part of the broader advice that would go up to the Deputy Premier and would go up to myself.

The Hon. DANIEL MOOKHEY: Did you ever meet with Mr Laurie?

Mr ADAM MARSHALL: No. He never requested a meeting. I never met with him as agriculture Minister—

The Hon. DANIEL MOOKHEY: You never sought to meet him?

Mr ADAM MARSHALL: No. I did not.

The Hon. DANIEL MOOKHEY: You never sought to meet the drought coordinator in this drought?

Mr ADAM MARSHALL: No.

The Hon. CATHERINE CUSACK: This is going to take hours.

The Hon. DANIEL MOOKHEY: Minister Pavey's office then produced—in respect to a freedom of information request—a document that has your letterhead on it. To be fair, it is a question on notice that you may have referred to her. But your office never produced this document. Why is that?

Mr ADAM MARSHALL: Produced what document?

The Hon. DANIEL MOOKHEY: I will table it for you. I am happy to provide it. Your office comes back and says that there are no documents here. Minister Pavey's office provides a document with your letterhead and signature on it. It is your choice to refer to her a question on notice—which is legitimate, you have every right to refer it to her if you think she should answer the question—but your office never produced that. We obtained that through Minister Pavey's office. Why was your office not producing that under the same GIPAA application that came to your office?

Mr ADAM MARSHALL: I do not know but this document on my letterhead is an answer to Mr Primrose to a question on notice in Parliament which is on the public record because it is on the *Notice Paper*—

The Hon. DANIEL MOOKHEY: I am not disputing that. I am asking why you did not provide it under freedom of information. It is good that we now have the answer and it is on the public record. That is why we have the questions on notice process. But it is a pretty simple thing. Legally you are obliged to provide all the documents that you have. You have come back and said that there are no documents, then Minister Pavey produces a document from your office.

Mr ADAM MARSHALL: No. Minister Pavey might have produced this but this was already in the public domain because it was an answer to a question on notice.

The Hon. DANIEL MOOKHEY: You are not worried about whether or not your office is complying with the GIPAA laws?

Mr ADAM MARSHALL: I am happy to take that on notice but this document you have given me was already on the public record.

The Hon. DANIEL MOOKHEY: Minister, the decision to impose an embargo on flood plain harvesting and then to exempt some people from it for three days—were you advised of the decision to firstly impose an embargo and then to provide the exemption?

Mr ADAM MARSHALL: No.

The Hon. DANIEL MOOKHEY: They never told you? They never bothered to ask you?

Mr ADAM MARSHALL: No. Given that I do not have any administration of the Water Management Act 2000, no. I do not have any decision-making or advisory function whatsoever. The only input that DPI has is that the Department of Primary Industries fisheries representative sits on a non-statutory advisory committee that provides technical advice through EES, WaterNSW to DPIE Water, who then I presume provide that advice up to the Minister who administers that Act about decisions about embargoes. But as agriculture Minister, no.

The Hon. DANIEL MOOKHEY: But as the western New South Wales Minister?

Mr ADAM MARSHALL: No.

The Hon. DANIEL MOOKHEY: Did you speak to Fiona Simson about the flood plain harvesting embargo?

Mr ADAM MARSHALL: Fiona Simson phoned me, yes.

The Hon. DANIEL MOOKHEY: When did she phone you?

The Hon. TREVOR KHAN: I think it is in The Sydney Morning Herald.

Mr ADAM MARSHALL: Yes, it was a Wednesday evening. I had just got off a plane from Moree. It was the day before the Agriculture Ministers' Forum meeting in Launceston. I will get that date for you.

The Hon. DANIEL MOOKHEY: What did Ms Simson tell you?

Mr ADAM MARSHALL: Not much, really, because she was just asked if I was aware of the embargo and I said, "Yes, I am." Then we talked about a whole lot of other things.

The Hon. DANIEL MOOKHEY: Did you talk about the flood plain harvesting decision or embargo in any other respect?

Mr ADAM MARSHALL: Not particularly, no.

The Hon. DANIEL MOOKHEY: Did you do anything with that conversation?

Mr ADAM MARSHALL: No, I did not.

The Hon. DANIEL MOOKHEY: Did you contact Minister Pavey or her office?

Mr ADAM MARSHALL: No. I had already made representations as a local member to Minister Pavey's office, as a local member does on behalf of constituents who had contacted my electorate office.

The Hon. DANIEL MOOKHEY: What representations as a local member did you provide to Minister Pavey?

Mr ADAM MARSHALL: I have to go back through my records, but representations on behalf of the Moree Plains Shire Council, on behalf of Tourism Moree and a number of business owners and a number of industry representatives—just standard representations that local members do.

The Hon. DANIEL MOOKHEY: Did you make a note of the call that you had with Ms Simson or document it in any way?

Mr ADAM MARSHALL: No.

The Hon. PETER PRIMROSE: I have thousands of questions but I think I have about six minutes so I will zero in if I can. I have a document from Treasury—a statement of comprehensive income relating to Local Land Services. Approximately how many land service offices are there in New South Wales?

Mr ADAM MARSHALL: We have over 1,000 staff. Full-time equivalents is—

The Hon. PETER PRIMROSE: No, the actual locations. I think it is about 80.

Mr ADAM MARSHALL: The actual locations? I think it is about 140 individual offices.

Mr WITHERDIN: It is 93.

Mr ADAM MARSHALL: It is 93. There you go, sorry.

The Hon. PETER PRIMROSE: I look at the projection of rental costs in terms of millions: It is 3.506 for 2018-19 and the budget for 2019-20 is 0.241. Can you explain why there is a significant reduction in expected rental costs to your department going down from \$3.506 million to \$241,000?

Mr ADAM MARSHALL: I will ask Mr Witherdin to cover off on that, but we certainly have not removed or closed any of those offices.

The Hon. PETER PRIMROSE: Are you expecting to close any of those offices?

Mr ADAM MARSHALL: No. In fact, that would be in contravention of the Government's policy around regional jobs.

The Hon. PETER PRIMROSE: Can someone please explain why?

Mr ADAM MARSHALL: Mr Witherdin?

Mr WITHERDIN: I am not sure what your source of that is.

The Hon. PETER PRIMROSE: It is a Treasury document—Statement of Comprehensive Income, projection budget AASB 101, detailed Local Land Services.

Mr WITHERDIN: I will take the detail of that on notice but I make it very clear that we are not closing any offices, other than in towns where we are co-located and have two offices. When you look back to our predecessor organisations—both Catchment Management Authorities and Livestock Health and Pest Authorities—we made that dual occupancy in towns. There is still a number that we do. We are combining those. We have one footprint in each town.

Mr ADAM MARSHALL: That is a good point. That might be the answer, actually.

The Hon. PETER PRIMROSE: Please take it on notice. But you can imagine the concern when the Treasury document says that last year the rent paid was \$3.5 million and now we are talking about \$241,000.

Mr ADAM MARSHALL: I can completely understand. It is a very reasonable question. I think the answer that Mr Witherdin gave is properly an indicator of what will come back to the Committee. In a number of locations, we inherited two offices where staff was split across two locations in the one town. I know that happened in Inverell and Glen Innes in my own electorate where they have been consolidated into one office building, which makes sense on a number of levels.

The Hon. PETER PRIMROSE: Given the short time I have, Minister, an obvious concern that you would share is the issue about culling of injured animals and the burial process for dead animals as a consequence of the drought and the bushfires. Can you tell me what workplace health and safety processes have been put in place for staff and contractors undertaking the culling and burial work?

Mr ADAM MARSHALL: I might ask Mr Witherdin or Mr Hansen to address this but I assume the normal provisions will apply.

Mr HANSEN: We have standard operating procedures that need to be followed by both our in-field inspection teams as well as the contractors and their operations in terms of disposal.

The Hon. PETER PRIMROSE: Can you make a copy of that available to the Committee at some point?

Mr HANSEN: That should be available, yes.

Mr WITHERDIN: Yes, it is freely available. That has been worked through with the Environment Protection Authority [EPA] as well in terms of burial guidelines themselves.

The Hon. PETER PRIMROSE: Tell me what are the human resources that are available to debrief staff and contractors who have gone through this? Obviously, what I am looking at is that this is a particularly dreadful situation for any worker to be involved with.

Mr ADAM MARSHALL: It is, and I have actually met a number of the staff who have been part of those teams—the district vets and our LLS officers who actually go out onto property, assess the health of the stock and make decisions, if any, to euthanise and do it on the spot. You are right: It can take quite a toll on those staff.

Mr WITHERDIN: I am happy to speak to that more. In a number of regions we have done group debrief sessions with counsellors and connected staff individually with the Employee Assistance Program. We have an ongoing program of following up with staff. We are quite conscious of the fact that there is potential for people to have a post-traumatic stress disorder-type reaction. We will continue to check in with staff, especially those who have been really involved on the front line.

The Hon. PETER PRIMROSE: Does that include contractors?

Mr WITHERDIN: Not to my knowledge, but I am not aware of any contractors who we have engaged through to Local Land Services in terms of either euthanising animals, burying them or so on.

Mr ADAM MARSHALL: But that includes the Soil Conservation Service staff as well whom we have been using.

Mr WITHERDIN: It absolutely includes the Soil Conservation Service, or Soilcon, who are doing a lot of the burial pits and so on.

Mr HANSEN: Further to that, we have actually had dedicated staff posted at each of the four command posts whose responsibility has been to keep an eye out and to work on workplace health and safety, including mental wellbeing. We have had a program in place now for quite a while because the build-up of the trauma for a number of staff is 2½ years worth of drought work, followed by fish deaths, followed by continued drought, followed by fire and now followed by flood. So we are already addressing that long-term build-up of the pressure. As Mr Witherdin has outlined, we have been reaching out. If we become aware of a contractor who has faced a particularly nasty situation or event, we will reach out and provide an opportunity for debrief there as well.

The Hon. PETER PRIMROSE: Are the contractors undertaking culling paid via a bounty system or some other system?

Mr HANSEN: No, they are not paid via a bounty system. It is normally an hourly rate.

The Hon. PETER PRIMROSE: Who is authorised to make animal welfare assessments before culling takes place?

Mr HANSEN: It needs to be a veterinarian or an animal health officer.

The Hon. PETER PRIMROSE: Would they both be contractors and employed by—

Mr HANSEN: No, in that case, an actual staff—although we have used district veterinarians and also we have had veterinarians from within local areas volunteer or assist in terms of assessment of livestock as well.

The Hon. PETER PRIMROSE: Where an animal welfare assessment is made is there a requirement to have that assessment verified by a third party or anyone else?

Mr HANSEN: No.

The Hon. PETER PRIMROSE: Minister, what is the cost to New South Wales farmers of replacing fencing damaged by the recent bushfires?

Mr ADAM MARSHALL: The cost is being estimated. It is only an estimate in terms of boundary fencing of somewhere in the order of between \$200 million and \$250 million.

The Hon. PETER PRIMROSE: What extra resources and funding have been set aside to assist in rebuilding those fences?

Mr ADAM MARSHALL: That is an excellent question. Aside from the \$75,000 primary producer grants, which farmers can use to replace boundary and internal fencing, the Government is currently considering, as part of its bushfire recovery, a proposal to look at providing further assistance to landholders to replace fencing. It is currently under consideration. The Deputy Premier has carriage of that.

The Hon. PETER PRIMROSE: Are you aware of the role of Laing O'Rourke in this proposal?

Mr ADAM MARSHALL: No. Laing O'Rourke has certainly been appointed as the head contractor for the clean-up of private properties but I am not aware of any involvement with boundary fencing. In fact, Local Land Services and DPI have been heavily involved in providing as much of information as possible through to the central bushfire recovery agency about kilometre lengths of boundary fencing that have been destroyed on properties in terms of surveys, on-the-ground work and staff physically walking property boundaries with farmers.

The Hon. PETER PRIMROSE: How would you view the idea of any funding for replacing fences being made available to Landcare and BlazeAid?

Mr ADAM MARSHALL: The Government has already provided in excess of \$1.2 million directly to BlazeAid to help with replacement of fences and, as I mentioned in my previous answer about the Government considering further funding, certainly the two organisations you mentioned are in the mix. So it is not just about providing money to farmers. Even if you give money to the farmer, the next big problem with them is, "How am I going to find the time to actually put up the fence? I have got to manage what stock I have got left", et cetera. Having those external organisations is often a big help as well to farmers. So yes, it is all in the mix.

The Hon. PETER PRIMROSE: That is my seven minutes done.

Mr ADAM MARSHALL: You did well.

The Hon. EMMA HURST: Just a couple of questions around the bushfire impacts. On 13 January you announced that the number of farm animals confirmed to have perished across New South Wales exceeded 13,000. Do you have an update on how many farm animals were killed in the bushfires?

Mr ADAM MARSHALL: We estimate, and this is our best estimate that we can possibly give, around 13,700. Is that right, Mr Hansen?

Mr HANSEN: It is 13,810.

Mr ADAM MARSHALL: It has changed a little.

The Hon. EMMA HURST: How did you come up with the estimate? That is an interesting figure.

Mr HANSEN: That is a figure that has come from self-reporting from farmers with regard to damages or assessment by our teams in the field as they do property assessments.

The Hon. EMMA HURST: Do you have any breakdown of the kinds of farm animals that were killed? Was that mostly cows and sheep? Was there any kind of breakdown data?

Mr HANSEN: Certainly the largest number was sheep, followed by cows.

The Hon. EMMA HURST: What about chickens? Do we have any idea about the number of chickens?

Mr HANSEN: No, I do not actually recall.
Mr ADAM MARSHALL: Any chickens?

Mr HANSEN: No.

The Hon. EMMA HURST: In the State's jurisdictions that have been through horrendous bushfires and disasters, they have devised plans for dealing with animals during and after these emergencies. In 2011 Victoria came up with a plan after the Black Saturday bushfires; they came up with something that was called the Emergency Animal Welfare Plan, and it is intended to be a reference to agencies and organisations and also individuals that have the responsibility for an animal in their care in emergencies. Does New South Wales have anything like this or have anything planned to be developed?

Mr ADAM MARSHALL: Yes, we have a similar plan that was activated as soon as the fire emergency began in the North Coast and then transitioning into the South Coast.

The Hon. EMMA HURST: And what was that called?

Mr ADAM MARSHALL: Mr Hansen? I am not sure of the name.

Mr HANSEN: I am trying to think of what the name of it is as well.

The Hon. EMMA HURST: I saw one document that was very, very specific, to do with just native animals. Is it that one or are you talking about something else?

Mr ADAM MARSHALL: No.

Mr HANSEN: No, there is actually a broader one.

Ms ROBINSON: We have an Agricultural and Animal Services Functional Area plan, which falls under the State plans in the emergency management structure.

The Hon. EMMA HURST: Yes, I have seen that one. I had a quick look at that document, but it focuses primarily on producers only and it is quite technical; it is not very easy to read.

Mr HANSEN: There is one other which is a planning preparedness guide, which we have for all animal owners. It talks about the steps that you should take in preparing for where are your safe zones should there be a fire coming or a flood coming, what to do with animals, how early do you move them, where do you move them to? That is for all domestic and farm animals. So there is that; I just cannot for the life of me think of what the title on the front of the brochure is.

Mr ADAM MARSHALL: We will take it on notice and get the name, probably before the end of the day.

The Hon. EMMA HURST: Okay, thank you. There is one in California called the California Animal Response Emergency System, which talks about emergencies, resources for the public and businesses, shelters. Is it as holistic as that?

Mr ADAM MARSHALL: Yes, I am comfortable, as Minister, that we have a very robust plan. We will do a full debrief once the fire season officially ends about how DPI, LLS and the animals services function area performed. Generally, my read is we performed well in that we were able to stand up very quickly a number of locations where people could bring animals to; we provided emergency fodder and relief, and certainly the feedback that I have had from producers and people in the community is that they were very, very pleased with that. However, if there are any issues identified, given this is the most extreme situation our State has ever seen, I think it will provide a good opportunity to optimise that so that we are in an even stronger position next time.

Mr HANSEN: Just further to that, I think if you have a look at the comparisons around fire-scarred areas and livestock losses between Victoria, for example, and New South Wales, I think there are a couple of pieces at play.

The Hon. EMMA HURST: Was there a greater loss of life in Victoria?

Mr HANSEN: Greater. We did have at one stage almost 12,000 animals in our care at 88 safe places for animals across the State while the fires were underway.

The Hon. EMMA HURST: Were they specified safe places for animals?

Mr HANSEN: Yes, they were.

The Hon. EMMA HURST: Would they take all animals.

Mr HANSEN: Yes.

Mr ADAM MARSHALL: Absolutely, but I think primarily horses were the most popular ones to take.

Mr HANSEN: Horses by far—I think at one stage they made up almost 50 per cent of the animals under our care. We continued to look after horses for literally months after some of the fires, just because they had nowhere to return to. But what I was going to say was there is no doubt that the significant impact that the drought has had on destocking paddocks across the State was a key contributor to the low number of livestock losses that we have had here. Areas that would normally have three or four times the amount of animals obviously had a very light stocking rate because of the drought and that meant that there was a lot more time and a lot more opportunity to take action with the animals that were there.

The Hon. EMMA HURST: I have got a couple of questions around the biosecurity management plans. Have there been any spot checks or any other kind of checks that have been conducted to ensure that the premises displaying the signs have a biosecurity management plan in place and one that is compliant—for example, contains reasonable measures? I ask because I saw a photo on Facebook of one of the signs that was provided by the

Government that did not have, for example, a phone number written on it. Has there been any sort of education to farmers around how these signs work?

Mr ADAM MARSHALL: Yes, there have been extensive education programs both through DPI, LLS but also through industry organisations like NSW Farmers. At every point the Government has made it abundantly clear that to qualify for the protection, if I can use that term, of the new regulation, or the newish regulation of the Biosecurity Act, farmers cannot just put up the sign; they have got to have an actual biosecurity plan underpinning that.

The Hon. EMMA HURST: If that farmer does not have the phone number, does that mean that they cannot use the new biosecurity regulations?

Mr ADAM MARSHALL: They can certainly put the sign up. I think—I would have to get some advice on the technicality about whether if you have a biosecurity plan and you have all that but you do not put a number on or the number is rubbed off over time with sunlight or someone has rubbed it off, does that disqualify them? That is getting a bit beyond my—

The Hon. EMMA HURST: Do you want to take that on notice?

Mr ADAM MARSHALL: We might take it on notice, yes.

The Hon. EMMA HURST: I know it is early days, but in regards to the Right to Farm Act 2019, can you tell me how many actions for the tort of nuisance in relation to agricultural land have been brought since the Act came into force?

Mr ADAM MARSHALL: I am not aware of any; however, I am aware of at least four people who have been arrested and are currently before the courts for aggravated trespass—alleged offences.

The Hon. EMMA HURST: It was stated by the New South Wales police that most illegal trespassing on farms came from illegal hunting on the land. Have incidents of illegal hunting decreased or are there any illegal hunters that are being prosecuted?

Mr ADAM MARSHALL: Of the two offences—sorry, I have got to be careful because some of this stuff is before the courts—

The Hon. EMMA HURST: I only want to know about the illegal hunting side of it.

Mr ADAM MARSHALL: One group of alleged offenders are not illegal hunters, and it is alleged that the other group of alleged offenders are illegal hunters of the two groups, if I can put it that way, that have been charged and are currently before the courts.

The Hon. EMMA HURST: Thank you, that is very useful. Are authorities receiving fewer complaints, are you aware, of illegal hunting?

Mr ADAM MARSHALL: I am not sure.

The Hon. EMMA HURST: Or would the department be collecting that sort of information?

Mr ADAM MARSHALL: I would say the New South Wales police would be collecting that information because they are the authorities that tend to enforce this law—unless Mr Hansen is aware of something that I am not.

Mr HANSEN: No, but we would have an ongoing tracking record in terms of the number of complaints or issues raised about illegal hunting and we can get hold of that information.

The Hon. EMMA HURST: Minister, will that be something that you will consider going forward, if that is being collected by the departments to assess this piece of legislation and the regulations?

Mr ADAM MARSHALL: Sorry, assess collecting data—

The Hon. EMMA HURST: The effectiveness—using that data to assess the effectiveness of it?

Mr ADAM MARSHALL: We could. You could also just use a barometer of how many successful prosecutions—you could use a range of measures. The intent is twofold. One is to dissuade people from illegal farm trespass but also acknowledging the fact that some people will never be dissuaded and making sure that they face the appropriate penalties if they conduct themselves in an illegal way.

Mr HANSEN: The name of that is the Livestock Safety and Emergencies Plan and the Pet Safety and Emergencies Plan. Further to your question, whilst we did have nearly 3,000 horses in our care, we also had 500 cats and 2,017 dogs.

Mr ADAM MARSHALL: And we had one turtle in care in the Riverina.

The Hon. DANIEL MOOKHEY: What about a baboon?

Mr ADAM MARSHALL: We actually had no baboons in our care, having escaped.

The CHAIR: As the agriculture Minister, one would assume that one of your main roles is to advocate for farmers. You received a letter from a Margaret Fleck on 2 February regarding the coal seam gas moratorium bill—by about three pages of farmers, which was then subsequently referred to the planners at Mr Stokes' office. To alleviate those farmers fears, what representations have you made to Mr Stokes about coal seam gas and in particular coal seam gas that may affect north-west New South Wales farmers?

Mr ADAM MARSHALL: Thanks very much for the question, Mr Chair. I, in my role as Minister, as part of Cabinet, am a very strong advocate for the agricultural sector. I conduct an advocacy role as well as administering pieces of legislation. I have conversations all the time with my colleagues. I am a strong advocate around the Cabinet table. The question that you have asked about coal seam gas goes to a broader issue of land use conflicts between good agricultural land and other uses, whether they are extractive industries, urban sprawl or something like that.

This is the whole point of the first tranche of the right to farm legislation and the next tranche, which will be very shortly the appointment of an agriculture commissioner. This will essentially advance right to farm phase 2, which is delving into the planning system, and try to resolve some systemic issues about conflict between productive agricultural lands versus other, in some instances, competing uses and how as a government you balance up the needs of both to get some better settings. I am not familiar with that exact piece of correspondence, although I do recall receiving lots of correspondence in the past as a Minister and a local MP about that similar issue. It highlights the friction points that sometimes occur across the State.

The CHAIR: I am happy to show you a copy later if you would like.

Mr ADAM MARSHALL: If it has been sent to me, it would definitely be somewhere. I just cannot recall it off the top of my head.

The CHAIR: In respect of the fishing buyouts, who was the responsible authority for administering those buyout grants? Was it the RAA or was it DPI? Who wrote the cheques?

Mr HANSEN: RAA were the administrator of the payments but DPI obviously was the organisation running the program.

The CHAIR: Taking your figure that you provided towards the end there of \$4.32 million, looking at the RAA annual reports dating back to 2016, they had \$2.185 million in 2016-17, around \$613,000 in 2018 and only \$83,000 reported in 2019, which leaves about a \$1.4 million discrepancy between what you have told me and what they are reporting. There are only really two conclusions that one could possibly draw, that someone is cooking the books or someone does not know how to add up in either department.

Mr HANSEN: What line item are you reading out of the RAA accounts?

The CHAIR: Straight from their annual report in respect of applications for assistance summaries. It specifically details fishing buyouts. In 2019 it is not represented in the table form. It just stipulates that there was \$83,000 attributed to the business adjustment program. There was probably even a lesser amount in terms of buyouts if you dissect it all. Something is going wrong between what you are telling us and what the RAA are reporting on.

(Mr HANSEN: Again, I do not have that specific page in front of me, which makes it hard in respect of questions.)

The CHAIR: Yes.

Mr HANSEN: But there were 216 fishing businesses bought out at \$20,000 each, which is where we get the \$4.32 million. As with the number of these things, without being able to see it to give it context, so for instance, before lunch we had a conversation about why the probity and audit report was not provided to standing committee No. 5 in respect of its consideration about commercial fishing reforms. I think we talked about the time it was in June 2017 that the appropriate advisers got appointed. In July 2017 O'Connor Marsden and

Associates got appointed. The standing committee No. 5 inquiry—I do not know whether it is this one you were talking about—reported on 24 February 2017. That was a couple of months before those auditors were appointed.

The CHAIR: Going back to these figures, and I know you do not have them in front of you, are you willing to take on notice and find out why there is a discrepancy between what RAA are reporting on and what you are—

Mr HANSEN: Sure and we will try to get that done this afternoon while we are still here.

The CHAIR: That is fine. You did not come back with an answer about where that money was being paid from. Was it being paid from Treasury, the whole \$16 million plus the buyouts, or was some of it coming out of the Commercial Fishing Trust?

Mr HANSEN: It was a combination of both and we are still getting that break-up for you. This goes to this probity report. We received the report at the end of January 2018. May 2018 the Minister actually wrote to standing committee No. 5 advising them of the report. It was published on the website a month later in June and standing committee No. 5 considered this again, the second inquiry, in September 2018, and actually referenced those reports in its report.

The CHAIR: Was any probity done on the fishing buyout element or was it just assumed that the probity done by O'Connor Marsden covered it all?

Mr HANSEN: It only covered the subsidised share trading scheme, which did have elements of buybacks, because there were packages of shares and businesses that were traded in amongst that. But obviously fishing buyouts occurred beforehand and post as well and were not covered under that probity report.

The CHAIR: Do you have some data on those fishing buyout packages as to how much was spent on them and how many fishing business packages were bought out with that money?

Mr HANSEN: In respect of how many packages of shares and businesses, yes, we do. We can get a hold of that.

The CHAIR: Just on notice would you be able to provide a breakdown of that?

Mr HANSEN: Yes, that should be fine.

The CHAIR: Going back to the crab trapping, do we know the reason why north of the court house was originally closed off to commercial mud crabbing? There has been some contention from both sides, commercial and recreational, that it has been historic, it dates back to the 1940s. Some say that area acts as a nursery for mud crabs.

Mr ADAM MARSHALL: My information, and I will ask Mr Hansen to cover in the gaps, because I am sure I will leave some gaping ones, is that it is very historic and it was based on the old input control model before the quota share based management structure came in. It was just a way of trying to control the number of crabs that were taken. It was quite arbitrary, a blunt instrument, like a lot of those things. It has just been there over a long period of time. Mr Hansen, is there anything you wish to add?

Mr HANSEN: Two things I will add. One, it is very much historical—and one of these tools that we are trying to move away from with the commercial fishing reform process that was undertaken, whereby to limit the amount of crabs that could be taken by someone, you just drew lines on maps about how far up a river they could go or not go. There seems to be no real reason other than the fact that that was an historical way of dividing up how to control the amount of crabbing that could occur. It certainly isn't because of it being a nursery, given the fact that about 95 kilometres offshore is where most of the spawning for mud crabs occurs. The nursery is up off the Queensland coast.

The CHAIR: What research has been done to inform such a change? Because all that was listed on the DPI website when people were asked to put in submissions was a one-page brief that said, "It is in line with the objects of the Act". There is no actual research to suggest why it is a good thing, why it is a bad thing—the pluses and minuses. How do people make a submission on something that is fairly vague?

Mr HANSEN: That is a good point if that is all there was on the discussion—that makes it hard for people to have an informed discussion, doesn't it?

The CHAIR: Have there been any studies done or are there any studies being done on mud crabs in that area?

Dr MOLTSCHANIWSKYJ: Yes.

The CHAIR: Would that be ready for a decision?

Dr MOLTSCHANIWSKYJ: There is existing material that is already out and published. That material is already available to the public. Whether we have referenced it on our website, we can review the content on the website.

The CHAIR: Who did that study? Who did the research?

Dr MOLTSCHANIWSKYJ: One of the DPI fisheries scientists a while ago.

The CHAIR: We might come back to that after the Minister has left. Thank you, Minister, for taking the extra 40 minutes with us.

Mr ADAM MARSHALL: I am happy to stay longer next time but we have Cabinet this afternoon.

The CHAIR: I understand, thank you.

(The Minister for Agriculture and Western New South Wales withdrew.)

The Hon. PETER PRIMROSE: I will leave it to Mr Hansen to decide the appropriate persons to answer questions, rather than me nominating.

Mr HANSEN: Best part of the day.

The Hon. PETER PRIMROSE: Sure is. How many days has the NSW Fresh Milk and Dairy Advocate been on duty and paid at the \$800 daily rate?

Mr HANSEN: I know we have the date as to when the dairy advocate was appointed. I am not aware of how many days he has actually clocked and billed for. I do not know whether Ms Lorimer-Ward does?

Ms LORIMER-WARD: We have only received an invoice from the advocate up to mid-November. That was for a total of around \$9,000. He is invoicing us quarterly and those invoices detail the numbers of hours that he is charging.

The Hon. PETER PRIMROSE: So far, up until November, the \$800 a day gives you an amount of \$9,000—that is between September and November?

Ms LORIMER-WARD: But he does not always charge—he often invoices only on an hourly rate, so if he only worked for an hour and a half that day, he will only bill for that.

The Hon. PETER PRIMROSE: How much would he be paid for an hour and a half?

Ms LORIMER-WARD: It is pro-rataed to the \$800. I would have to get you that on notice.

The Hon. PETER PRIMROSE: Okay, thank you.

The Hon. TREVOR KHAN: I assume about \$150.

The Hon. PETER PRIMROSE: I will let the department work that out. Can you also tell me—you can take this on notice as well—how many times he has visited the mid North Coast, the Riverina and the South Coast?

Ms LORIMER-WARD: I would have to take that on notice. My understanding is that he has been to the mid North Coast at least once and definitely to the South Coast a number of times.

The Hon. PETER PRIMROSE: Okay, can you take that on notice?

Ms LORIMER-WARD: Yes.

The Hon. PETER PRIMROSE: Can you tell me what administrative support has been provided to the advocate?

Ms LORIMER-WARD: Administrative support comes from my portfolio. We provide him with support in organising travel, if that is required. We also provide secretariat support for him for the management of the advisory panel.

The Hon. PETER PRIMROSE: What is the annual budget for that?

Ms LORIMER-WARD: We do not have a specific budget, we are just absorbing that within our current resources at the moment.

The Hon. PETER PRIMROSE: How much has it cost to date to provide that support?

Ms LORIMER-WARD: I would have to provide that on notice.

The Hon. PETER PRIMROSE: Does the advocate have an office?

Ms LORIMER-WARD: No.

The Hon. PETER PRIMROSE: Can you tell me who is on the NSW Dairy Industry Advisory Panel?

Ms LORIMER-WARD: I can—it is published on the website. Would you like me to—

The Hon. PETER PRIMROSE: Yes, tell me who is on it.

Ms LORIMER-WARD: I will just pull that up.

Mr HANSEN: I will start, if you want. Robert Cooper, who is a dairy farmer; Michael Jeffery, dairy farmer and deputy chair from Norco; Sergio Garcia, professor of dairy science from the University of Sydney and director of the Dairy Research Foundation; Ken Garner, regional manager South East LLS, former senior manager of milk supply at Bega Cheese and past director of Dairy NSW; Scott Barnett, dairy consultant; Sheena Carter, extension officer with Dairy NSW, specialising in farm business management; Tim Bale, Manning Valley dairy farmer and deputy chair of Mid Coast Dairy Advancement Group; Ian Lean, director at Dairy Connect, managing director of Scibus, who are consultants who work in the dairy industry and adjunct professor at University of Sydney; Phillip Ryan, dairy farmer and NSW Farmers Association Dairy Committee; and Tony Burnett, regional manager Dairy Farmers Milk Co-operative and a director of Dairy NSW and former dairy farmer.

The Hon. PETER PRIMROSE: Can you tell me what mechanisms have been put in place to ensure that there are no conflicts of interest in what someone does?

Ms LORIMER-WARD: In terms of meeting procedures or—

The Hon. PETER PRIMROSE: What policies apply in terms of potential conflicts of interest?

Ms LORIMER-WARD: It is an advisory panel, so they provide advice. The website publishes the interest that they sit there with, and decisions so far from the committee have been consensus based, so they are not voting or majority based in terms of the decision-making.

Mr HANSEN: There is a standard handbook of codes of practice for advisory committee members around declarations of conflicts of interest.

The Hon. PETER PRIMROSE: Who monitors that?

Ms LORIMER-WARD: We provide the secretariat support, so we have visibility of that.

The Hon. PETER PRIMROSE: So you monitor that to make sure it's all in place. How many times has the Dairy Industry Advisory Panel met?

Ms LORIMER-WARD: They have had two meetings since they were—

The Hon. PETER PRIMROSE: Over what period?

Ms LORIMER-WARD: Since they were announced. They met in December and they met in February.

The Hon. PETER PRIMROSE: Do panel members receive sitting fees?

Ms LORIMER-WARD: No, they do not. Their out-of-pocket expenses for their attendance are met if they attend face to face.

The Hon. PETER PRIMROSE: When do you expect the next meeting to take place?

Ms LORIMER-WARD: I don't have that date but a date has been set.

The Hon. PETER PRIMROSE: Can you take that on notice?

Ms LORIMER-WARD: Yes, I am happy to.

The Hon. PETER PRIMROSE: How long was that meeting?

Ms LORIMER-WARD: I would have to take that on notice.

The Hon. PETER PRIMROSE: Can you tell me when the panel members were appointed?

Ms LORIMER-WARD: I can. The selection committee was convened on 5 December and then that advice was provided—actually, I do not have the exact date that they were appointed.

The Hon. PETER PRIMROSE: Can you take that on notice?

Ms LORIMER-WARD: I can take that on notice.

The Hon. PETER PRIMROSE: Has a dairy liaison officer been appointed by the department that is separate to the Fresh Milk and Dairy Advocate and the industry advisory group?

Ms LORIMER-WARD: There is. We have undertaken the recruitment. I think the commitment was to undertake a business advisory officer as part of the team, so we have undertaken that recruitment.

The Hon. PETER PRIMROSE: Okay. So when do you expect that person to be appointed?

Ms LORIMER-WARD: They will be appointed this month; an offer has been made.

The Hon. PETER PRIMROSE: How will that role differ from the Fresh Milk and Dairy Advocate?

Ms LORIMER-WARD: They are an employee of the department and their role is to work on business development programs. It is much more a capacity building program for the industry, not an advisory position.

The Hon. PETER PRIMROSE: Okay. Is there a statement of duties for that position?

Ms LORIMER-WARD: Yes, there is.

The Hon. PETER PRIMROSE: Can you make that available to us, please?

Ms LORIMER-WARD: Yes.

The Hon. PETER PRIMROSE: Is there any relationship between the dairy liaison officer and the Fresh Milk and Dairy Advocate and the Dairy Industry Advisory Panel? How do you think they will all work together?

Ms LORIMER-WARD: How do they all work together?

The Hon. PETER PRIMROSE: Yes.

Ms LORIMER-WARD: Staff from the dairy team attend the meetings of the industry advisory panel. A number of them provide papers or advice that is commissioned by the advisory panel; they provide advice to that panel process.

The Hon. PETER PRIMROSE: The liaison officer will be an ongoing employee position rather than a contract?

Ms LORIMER-WARD: Correct. We do not refer to them as a liaison officer, they are more an extension officer specialising in farm business management.

The Hon. PETER PRIMROSE: How was the position advertised—under what title?

Ms LORIMER-WARD: It was advertised as a farm business management extension officer.

Mr HANSEN: Is it okay if I table the standard operating procedure for the destruction of animals, Mr Primrose?

The Hon. PETER PRIMROSE: Thank you.

The Hon. DANIEL MOOKHEY: Mr Hansen, in the course of the hearings that we just did with the Minister there were a variety of matters on which you said the department might be able to obtain some answers while we waited. I just thought now might be the opportunity to take us through any of them that have come back.

Mr HANSEN: Fish for Life—it was considered at the Recreational Fishing Saltwater and Freshwater Trust Expenditure Committees on 7 and 8 November 2018. It was then considered and recommended through to RecFish NSW for consideration at their meeting on 22 November 2018. They made a recommendation through and it was approved by the former Minister, Minister Blair, on 25 February 2019.

The Hon. DANIEL MOOKHEY: Do you have any further details as to when that tender is starting?

Mr HANSEN: No, we do not, unfortunately.

The Hon. DANIEL MOOKHEY: Because a decision has not been made because you have not got the information?

Mr HANSEN: No, because we do not have a date for the tender yet. One of the things that we are trying to get the balance of right at the moment—we are very conscious of the number of issues that are priority, front

of mind, for communities along our coasts given recent months. The last thing we want to do is go out there with calls for expressions of interest during periods in which we might not be able to get people's attention. We do not have a date set for it yet, unfortunately.

The Hon. DANIEL MOOKHEY: Do you have any other information that you have come back with that you want to update?

Mr HANSEN: The appointment of Mr Tripet—expressions of interest for that advisory council role opened on 30 August 2019 and closed on 29 September 2019.

The Hon. DANIEL MOOKHEY: It was open for four weeks.

Mr HANSEN: Yes, open for a month. It was advertised on Newscast.

The Hon. DANIEL MOOKHEY: What is Newscast?

Mr TURNELL: It is an email distribution to recreational fishing license holders.

Mr HANSEN: So that reaches 350,000 license holders.

Mr TURNELL: Yes. Even more than that now.

Mr HANSEN: Twenty-nine applications were received. Mr Tripet applied for the Central and Southern Tablelands area, which covers Snowy Mountains, and was assessed by the independent panel comprising the chairs of the Ministerial Fisheries Advisory Council, Recreational Fishing NSW and CommFish as being one of two very strong candidates from that region. Their recommendation was that the Minister use the powers in clause 249 of the Fisheries Management Regulation, which allows the Minister to make provision to appoint additional members as considered appropriate.

The panel recommended appointing Mr Tripet given his experience in running programs benefiting men suffering mental health challenges. It is not the first time that provision has been utilised. It has been used in the past to try to rebalance. So, for example, if we are looking to get an equitable gender representation on the committee and we have multiple strong candidates from one region, it has been used in the past to appoint multiple candidates from a region, if they are strong candidates, to rebalance the committees. This provision for the Minister to be able to appoint additional members was evoked. Mr Tripet was appointed because of that expertise he has in that area.

The Hon. DANIEL MOOKHEY: What date was he appointed?

Mr HANSEN: That is another bit of information that I will track down for you. I am sorry.

The Hon. DANIEL MOOKHEY: Okay. But this whole process commenced when Mr Tripet expressed interest in going onto the—

Mr HANSEN: On 30 August 2018 was when expressions of interest were opened. He was an applicant in that process.

The Hon. DANIEL MOOKHEY: We heard earlier this morning that he approached DPIE with the view that he would like to be on this.

Mr HANSEN: Was that outside or during the process?

Mr TURNELL: That was during the process. He was one of a large number of people that contacted us—people who had expressed an interest in the past.

Mr HANSEN: Obviously that time frame makes it years after the grants that you were talking about.

The Hon. DANIEL MOOKHEY: A year.

Mr HANSEN: A year, yes.

The Hon. DANIEL MOOKHEY: We might return to that a bit later on. Let us kick off right now with an update on where we are in terms of drought assistance. You were providing earlier this morning an update as to how many additional applications for drought assistance have been received in the Farm Innovation Fund. Do you want to take us through the latest numbers on that?

Mr HANSEN: I can do, yes. The Farm Innovation Fund—we have 2,528 loans as at a week ago. Sorry, 2,528 applications, of which 77 per cent have been approved. So 1,948 have been approved.

The Hon. DANIEL MOOKHEY: Can we just go through what period of time we are talking about here?

Mr HANSEN: Yes. Unfortunately, because all these loans are still live, my data and the information I have here in front of me is how many loans we have got live at this point in time in the program, how many applications we have received and how many have been commenced.

The Hon. DANIEL MOOKHEY: Perhaps it might help if we pick up from where we were last time. In the last hearing you said that farm innovation total loans to date—and that date was 10 September 2019—was 2,637.

Mr HANSEN: Farm Innovation Fund loans?

The Hon. DANIEL MOOKHEY: Yes. I am reading from *Hansard*. You say:

Farm Innovation Fund total loans to date are 2,637 and approved in the last financial year 2018-19 was \$322.5 million. Approved so far this financial year is \$16.78 million.

I ask:

How many loans is that?

You say:

It is 2,171 approved.

I am asking for, effectively, updates since September.

Mr HANSEN: The figures I have got here in front of me, which are live as of 23 February 2020, are total approved loans of 2,807 Farm Innovation Fund loans.

The Hon. DANIEL MOOKHEY: Are approved?

Mr HANSEN: Have been received—2,351 have been approved. Have you got those?

The Hon. DANIEL MOOKHEY: Yes, but they are contradicting the figures that you gave in September. I will let you finish and then we can go through those contradictions, if you want.

Mr HANSEN: Yes. The numbers we have got here—Farm Innovation Fund loans. The total number received live to date is 2,807, the total approved is 2,351, the total withdrawn is 234 and the total refused is 163.

The Hon. DANIEL MOOKHEY: I think that makes sense now. Effectively, it was 2,171 approved in September and it is now 2,351 approved.

Mr HANSEN: That is right.

The Hon. DANIEL MOOKHEY: Okay. And how much value?

Mr HANSEN: That I can give you by financial year. In the financial year 2019-20 it is \$69.25 million. In the previous financial year—

The Hon. DANIEL MOOKHEY: Sorry, can you repeat that?

Mr HANSEN: So \$69.25 million.

The Hon. DANIEL MOOKHEY: And that is to date in this financial year?

Mr HANSEN: That is to date in this financial year. Financial year 2018-19 is \$321.75 million. Before that there was \$28.84 million approved.

The Hon. DANIEL MOOKHEY: That is quite a drop in the numbers between last financial year and this financial year, notwithstanding that we have one more quarter of this financial year left. Even if you take \$70 million and divide it by three, that works out to be close to \$25 million a quarter. We are on track to be handing out effectively a third of the number of drought assistance this financial year than we did last.

Mr HANSEN: Not drought assistance—

The Hon. DANIEL MOOKHEY: Sorry, farm innovation loans. Why is that?

Mr HANSEN: I think there are a couple of triggers on that one. I think the first one is obviously everyone has gone a year longer into drought, which makes everyone a bit more nervous about what their investment strategies are and the infrastructure on the farm. Number two, we have obviously had the disruption that has come

with the fires, with regards to people turning their attention to short-term, immediate assistance that they can get and how they utilise that. But we are still getting strong interest. We have lifted the caps on these loans now so a producer can now get up to \$1 million in a loan. And so, it will be interesting, we tend to see increases as we get towards the end of financial years in terms of applications. We are still getting strong interest on this, as I said, but obviously the combined impact of yet another year's worth of drought on the farming community is starting to have an effect in terms of how much they are prepared to plan ahead in terms of capital investment.

The Hon. DANIEL MOOKHEY: I accept what you say about the drought getting longer and that having an impact of people's commercial judgement. Is the Government considering changing the criteria for the farm innovation loan in response?

Mr HANSEN: A number of changes have been made over the past 12 months to the criteria.

The Hon. DANIEL MOOKHEY: I accept that and on notice, if you do not mind, if you will provide what they are it would be useful. Just going off the figures, if it has gone from \$321 million to what we would probably project as being close to \$90 million up to \$95 million, the implication is that perhaps more change is needed.

Mr HANSEN: Or off the back of the rains that we have seen in parts of the State—we will obviously continue to assess going forward. The changes that have been made have increased the cap in terms of the loans. We want to make sure that the loans that are going out there are not only providing benefit but are not putting people into lending facilities that they are going to struggle with the repayments on. We will continue to make sure that the criteria provides for good lending practices whilst at the same time being as accessible as possible.

The Hon. DANIEL MOOKHEY: Do you use the Australian Prudential Regulation Authority [APRA] guidelines on responsible lending?

Mr HANSEN: As a guide, yes. But I can take it on notice for more details if you want.

The Hon. DANIEL MOOKHEY: APRA changed those guidelines 12 months ago to effectively relax them. Have you made those changes as well?

Mr HANSEN: I would have to take that on notice, sorry.

Mr JUSTIN FIELD: Mr Hansen, I will turn to something that you have no doubt got more intimate and direct knowledge of—that is, the membership of the Batemans Marine Park Advisory Committee. I want to clear up a couple of things about the process. You signed off on the list of people who have been appointed to the committee. Is that correct?

Mr HANSEN: That is correct. I actually make the appointments to the committee.

Mr JUSTIN FIELD: Is there a functional difference between those two things—signing off and making the appointments?

Mr HANSEN: No. I can also be signing off on the process or they can end up in other decision-makers' hands. I am just flagging the fact that I am the last signature on that.

Mr JUSTIN FIELD: You are the last signature. Was it the final list that was put forward to you or did you have options on there to consider one person over another for different positions?

Mr HANSEN: The first list that came through had options in terms of the ability to consider multiple candidates. In making those decisions I then went back to the marine estate—

Mr JUSTIN FIELD: Whom did you go back to? Was there a person next in line who was coordinating that process within the department?

Mr HANSEN: I seek advice from our fisheries officers who know the people, know the area and know the skill sets of the candidates coming forward.

Mr JUSTIN FIELD: Is there someone within your department coordinating that or are you reaching back to local fisheries staff?

Mr HANSEN: It can be a combination of it. It can either me going directly to directors within the business whether they are Mr Turnell to ask about someone who is from the recreational fishing area or to Sarah Fairfull for someone from the marine estate area. So it depends on the individual in which I mean to make an inquiry about.

Mr JUSTIN FIELD: You got an initial list that had some options and you went back.

Mr HANSEN: That is right. I went back to the broader group, the Marine Estate Agency Steering Committee, to say, "This is the final list. Give all agencies a chance to consider and provide any feedback on it." They were happy with that list and we then issued letters congratulating people and asking them to confirm their acceptance for being appointed into those roles.

Mr JUSTIN FIELD: Has everyone confirmed at this point?

(Mr HANSEN: I will have to take on notice as to whether we have received everyone's notice back. I am not sure whether everyone has come back.

Mr JUSTIN FIELD: In that process did you have any conversations—

Mr HANSEN: Our mail went out on 13 January to all those people. I just do not know whether they have all responded back.

Mr JUSTIN FIELD: Have you made formal appointments?

Mr HANSEN: Yes.

Mr JUSTIN FIELD: Or was it that acceptance of that letter was the appointment?

Mr HANSEN: Us sending the letter out was the appointment. They have to notify us to accept that position.

Mr JUSTIN FIELD: Have you had a conversation with the Minister or the Minister's office up until the point of that appointment about the membership of the committee?

Mr HANSEN: No, I have not had any discussions with him.

Mr JUSTIN FIELD: Mr Turnell, will you confirm your level of involvement? The questions I put earlier very much related to the representatives on the committee who are perceived locally as being from the recreational fishing community. What was your involvement?

The Hon. TREVOR KHAN: Not by your confederates.

Mr JUSTIN FIELD: I do not think these individuals would contest the way I described their interests.

Mr TURNELL: My involvement with the appointment of members to the advisory committee? I am trying to think of some involvement. I am probably going to say "zero" to be honest.

Mr JUSTIN FIELD: Mr Hansen, you gave us an example of how the process might work. You suggested you might have gone back to Mr Turnell or others. So there were no questions about the recreational fishing representatives?

Mr TURNELL: No, in this instance I cannot recall any.

Mr JUSTIN FIELD: Have you had a conversation at all with the Minister or the Minister's office about the appointments to the committee?

Mr TURNELL: The Batemans Marine Park?

Mr JUSTIN FIELD: Yes.

Mr TURNELL: No.

Mr JUSTIN FIELD: Have you had any conversations with Andrew Constance, the member for Bega, or his office about any of the appointments?

Mr TURNELL: No.

Mr JUSTIN FIELD: Mr Hansen, have you had any conversations with Minister Constance or his office about the appointments to the committee?

Mr HANSEN: No.

Mr JUSTIN FIELD: I guess these two things are happening parallel and that might be why there is a bit more interest around it, but I want to turn now to the decision with regards to opening up the five sanctuaries in the Batemans Marine Park. Dr Reichelt, how recently did you come into the role as the chair of the Marine Estate Management Authority?

Dr REICHELT: On 6 September.

Mr JUSTIN FIELD: Will you confirm MEMA was not asked for any advice with regard to the decision to open up these five sanctuary zones?

Dr REICHELT: That is correct.

Mr JUSTIN FIELD: Were you made aware of the decision before it was announced?

Dr REICHELT: No, I was not.

Mr JUSTIN FIELD: I know you are new into the role and this is probably one of the first processes that has happened in this space, but from your understanding of the way the Act and the regulation works or from historical experience would it be normal for MEMA to be engaged about these sorts of decisions?

Dr REICHELT: It is going back into the history that I am not really familiar with. I would think I am more familiar with where we are right now looking forward. I am probably the wrong person to ask the history.

Mr JUSTIN FIELD: Let us look forward then. Since the decision was made in December and you were appointed in September, has the Minister or any relevant officials within the department requested feedback or advice from you about the implementation of this decision or any impacts from this decision?

Dr REICHELT: No, they have not. It has been noted in our MEMA meetings that it is on foot and that our likely next interaction would be being asked for advice on draft regulatory material. That would be a reading of the Act, essentially. That is the limit of it. We have not had any detailed discussion and our next step would be to await the proposal from the Government.

Mr JUSTIN FIELD: Mr Hansen, is there a time frame on when the next stage of the process around resolving the regulatory change for the five sanctuaries?

Mr HANSEN: Again this one is caught—we would have loved to have gone out earlier over the Christmas period when normally there is a big degree of focus around Batemans Marine Park users, being focused around the marine park. However, with the summer that has just passed, we have again decided that it is best to put things on hold in terms of the formal consultation process that needs to occur. As soon as we can we will do that and that will obviously also involve the consultation with MEMA.

The Hon. EMMA HURST: The last time we were in budget estimates we talked about the New South Wales code of practice for the welfare of animals using rodeo events. It states that by mid-1989 calf roping with be phased out in a form that permits the abrupt stopping of calves when roped. However, 30 years after the deadline the event of calf roping still continues. The only change has been the introduction of Ropersmate roping device which is alleged to prevent young calves from being abruptly stopped when caught around the neck. I just want to know a little bit more about this Ropersmate roping device that has been sanctioned by the department. Do you have any information about who developed it? Was it developed specifically by the rodeo industry or external to them?

Mr HANSEN: That is something I will have to take on notice. I am not aware. Unless there is someone else at the table—

Ms ROBINSON: We will take it on notice.

The Hon. EMMA HURST: Did the department actually conduct any testing on the device?

Mr HANSEN: I have no knowledge on the device so I cannot answer that one.

The Hon. EMMA HURST: You might want to put this one on notice as well. Are you aware of a 2016 Queensland study that found an increased concentration of stress hormone in the blood of animals after roping when using the Ropersmate device? And similarly a 2020 Australian study that simile found a significant increase in anxiety for the animals?

Mr HANSEN: I do not need to take that on notice. I was not aware of either of those two.

The Hon. TREVOR KHAN: But it is hardly surprising.

The Hon. EMMA HURST: You might want to put these questions on notice also. Do you know if there is any testing that actually simulates the impact of roping on calves in order to assess the true impact on the animals? Have calves been used in any research?

Mr HANSEN: No, sorry.

The Hon. EMMA HURST: Could I get you to put that on notice?

Mr HANSEN: Yes.

The Hon. EMMA HURST: I will move on to talk about the rehoming of laboratory animals. In the last budget estimates, I asked about the draft research animal rehoming guidelines that have been prepared by the Animal Research Review Panel [ARRP]. Are you able to provide an update on where those guidelines are up to?

Mr HANSEN: I can. I might ask Ms Robinson if she wants to lead off.

Ms ROBINSON: The guidelines have been developed with the Animal Research Review Panel. So we have been out to consultation on those. We have taken that consultation on and revised them and put them back to ARRP for endorsement. Once those are finalised, we will be looking at publishing those on the Animal Ethics Infolink where we put all our ARRP guidelines.

The Hon. EMMA HURST: Do you know what the time line is?

Ms ROBINSON: There is no set time line at this stage.

The Hon. EMMA HURST: So it is just with the ARRP panel at this time?

Ms ROBINSON: At this stage, it is just looking at publication.

The Hon. EMMA HURST: In the last budget estimates, we were told that the expected draft guidelines would be made publicly available at some point. Do you think that the draft will be made publicly available?

Ms ROBINSON: Yes. We will put them on our Animal Ethics Infolink, which is where we put all our animal research guidelines.

The Hon. EMMA HURST: During a draft stage? Or when they are finalised?

Ms ROBINSON: As finalised. The draft went out for consultation—

The Hon. EMMA HURST: But that was a targeted consultation only. It was not a public consultation. Will there be any public consultation on the guidelines?

Ms ROBINSON: Not intending to. They are guidelines, they are not mandatory. The intent is to publish just the finalised guidelines that have been endorsed by ARRP.

The Hon. EMMA HURST: In the last budget estimates, we also spoke about the Australian Animal Welfare Standards and Guidelines for poultry and the public consultation on the standards, which finished two years ago. Can you give me an update on those?

Mr HANSEN: The agricultural Ministers meeting two weeks ago agreed on the selection of an independent panel to take all the work that had been done in the public consultations, in the reviews and in the work of agencies up to this point in time, and to bring back to Ministers a recommended standards and guidelines for poultry. The Commonwealth is managing that process—that contracting process—for independent individuals and it will be managing the contract process and time frame with those experts to provide that advice back to agricultural Ministers with an update due to be provided to them at their next meeting in the middle of the year.

The Hon. EMMA HURST: Can you tell me who the membership is for that panel?

Mr HANSEN: I would have to take that on notice because I am not sure whether the Commonwealth has actually secured the services of the three individuals.

The Hon. EMMA HURST: How close are the standards and guidelines to being finished? Do we have any rough guide for a time line?

Mr HANSEN: I think all the Ministers were very clear in their messages to staff two weeks ago that this has dragged on for an extraordinary amount of time and it needs to be wrapped up as soon as possible. Hence the reporting back at their next meeting in the middle of the year to get this resolved and provide certainty to everyone as soon as we can.

The Hon. EMMA HURST: And in that meeting, is there going to be a time line or a deadline?

Mr HANSEN: I assume the progress report they get in the middle of the year will more than likely have not only an agreement on the path they will take, the time line and their initial view about where we need to go.

The Hon, EMMA HURST: And with the panel members, can I put it on notice what you can advise me about the membership for that panel?

Mr HANSEN: Yes.

The Hon. EMMA HURST: Thank you. I want to move on to the NSW Animal Welfare Reform issues paper. The issues paper says that the issues considered in the paper were tested with a selection of key stakeholders who are listed. How were the key stakeholders chosen for this particular document?

Mr HANSEN: They comprise the compliance agencies responsible for compliance activities with animal welfare in the State and identified peak industry councils or associations that have an engagement with us in the enacting or the delivery of some part of the animal welfare legislation, whether that be Stock Welfare Panels or Prevention of Cruelty to Animals Act animals and research et cetera.

The Hon. EMMA HURST: Thank you.

The CHAIR: Dr Moltschaniwskyj, we were talking about mud crabs and the research. Who commissioned the study?

Dr MOLTSCHANIWSKYJ: The best place for the public to have a look at what research has been done is the Status of Australian Fish Stocks, which is a nationally driven program looking at the status of mud crabs. So you can have a look at mud crabs, you can see the research and they then refer to publicly available research. So there are a number of bodies of work there—both within New South Wales and also Queensland—keeping in mind this is largely a tropical species. So most of the focus of work on the species has been done in Queensland, but in conjunction with us.

The CHAIR: Was anything specifically mentioned or done around the Clarence River mud crabs?

Dr MOLTSCHANIWSKYJ: Yes.

The CHAIR: Who did that work? Do you know?

Dr MOLTSCHANIWSKYJ: You would have to go to the status report and have a look at the suite of work that has been done.

The CHAIR: Did DPI commission, I guess, people like commercial fishermen to help it with the research?

Dr MOLTSCHANIWSKYJ: We undertake research and we will put out for procurement contractors to assist us with our research, should we need to do that.

The CHAIR: Was one of them Troy Billin, a commercial crab trapper in the Clarence River?

Dr MOLTSCHANIWSKYJ: I am not aware of who was procured to undertake any research with us, but they would have been people with the resources and facilities to assist us.

The CHAIR: Are you able to take that on notice and find out whether it was Troy Billin?

Dr MOLTSCHANIWSKYJ: I will take that on notice.

The CHAIR: Mr Hansen, are you aware that there was a meeting held on the twentieth of this month with some DPI fisheries?

The Hon. TREVOR KHAN: That is 20 February 2020.

The CHAIR: Yes, 20 February 2020 in the Maclean fisheries office with some fisheries officers, three crab trappers and three trawlers. Were you aware of that meeting that was being held to discuss concerns around this issue?

Mr HANSEN: No, but it does not surprise me that there have been meetings with local businesses and local commercial fishers impacted.

The CHAIR: Does it concern you that your DPI fisheries staff were reported as expressing disappointment that the meeting was leaked to others, prompting three trawlers to turn up when initially there were only going to be the three crab trappers or three people that were supporting the move to expand up the Clarence River? Does that concern you that it seemed to be a closed-door meeting until these people found out?

Mr HANSEN: Having just heard about the meeting, I cannot add too much more other than the fact that we would want to ensure that anyone impacted by our decisions have the opportunity to discuss those with us.

The CHAIR: Because those three trawlers walked away from that meeting feeling that it was a bit of a stitch up, that the decision had already been made. So I guess, more of a take that on board that there were those concerns.

Mr HANSEN: As I said before, we had about 809 submissions. Currently they are being assessed. We intend to do a proper job in terms of considering the feedback that we received from industry and individual participants along the river.

The CHAIR: That is good to hear. Sticking with research and data, when research is funded by the trust funds, whether it is recreational or commercial, who owns the data?

Dr MOLTSCHANIWSKYJ: The data for all research that is undertaken by DPI staff is owned by the Government. It owns the data and the data is available for use.

The CHAIR: Even if it is funded by the recreational fishing trust or the commercial fishing trust?

Dr MOLTSCHANIWSKYJ: That is correct, unless there is some clause in the contract that restricts how the intellectual property is being used, and data is IP. There may be some very specific clauses that relate to certain projects that say the State has got sensitivities and the IP has to be negotiated in terms of access.

The CHAIR: In terms of decision-making based on the data, do the people who fund their data—the trust—get to see the data before decisions are made, or do they find out like everyone else?

Dr MOLTSCHANIWSKYJ: They have right of access to see the data in the reports at any point in time.

The CHAIR: Mr Witherdin, I will ask about aerial shooting conducted by the LLS. What is the annual budget for helicopter shoots?

Mr WITHERDIN: I would need to take that one on notice.

The CHAIR: You might also need to also take this question on notice: What is the uptake from private property owners when you send out letters saying, "Can we come over and shoot over your property?" What is the uptake in terms of percentage of people telling you to go away and people saying, "Yes, sure."

Mr WITHERDIN: Yes, I would need to take that on notice as well.

The CHAIR: Have you made any representations to Forestry after these fires, requesting access to State forests to cull injured animals or burnt animals, including forests that have not been affected by the fires?

Mr WITHERDIN: Has LLS made representations?

The CHAIR: Has LLS made representations requesting access to State forests?

Mr WITHERDIN: Certainly not that I am aware of.

The CHAIR: Would you able to take it on notice and see whether anyone from LLS has made representations?

Mr WITHERDIN: Sure.

The CHAIR: Dr Moltschaniwskyj, I will come back to you potentially. Can you advise us what is happening with the commercial fishery for octopus in New South Wales? What research is being made available?

Dr MOLTSCHANIWSKYJ: My understanding is that a new developmental fishery permit has been awarded. On the back of that, we are applying for funds to the Fisheries Research and Development Corporation [FRDC] to undertake some research alongside that licence to inform stock assessment and the future of that fishery. We are yet to hear whether we have been successful with those funds.

The CHAIR: Has no decision been made on that fishery yet?

Dr MOLTSCHANIWSKYJ: On the fishery or the research around it?

The CHAIR: No, the fishery.

Dr MOLTSCHANIWSKYJ: The fishery, as in, has the development licence been awarded?

The CHAIR: Yes.

Dr MOLTSCHANIWSKYJ: Yes. On the aspect of research, we are waiting for the FRDC to get back to us with a contract.

The CHAIR: Have you consulted with the recreational sector about how that will impact it?

Dr MOLTSCHANIWSKYJ: I will have to take that question on notice.

The Hon. DANIEL MOOKHEY: Mr Hansen, we might pick up on getting the latest information on where we are in terms of the Drought Assistance Fund. I think we finished off the Farm Innovation Fund. In the last estimates hearing, I asked you for a geographical breakdown of this personal assistance. You said you would take it on notice and I was eagerly awaiting for 21 days to read the information but, sadly, it did not come back with postcode-based data. I do not know why. Are you in a position to provide us with postcode-based data on the disbursement of the farm innovation loan funds?

Mr HANSEN: That should not be a problem.

The Hon. DANIEL MOOKHEY: It was not a problem last time, hence I was eagerly anticipating it but it did not come back.

Mr HANSEN: I am sure that we are able to do that. If not, we would be more explicit as to the reason why we cannot when we come back.

The Hon. DANIEL MOOKHEY: The last time you provided effectively the excerpt from the annual report, which was useful but not what we asked. Postcode-based distribution of the Farm Innovation Fund loans would be very helpful.

Mr HANSEN: Okay.

The Hon. DANIEL MOOKHEY: Thank you. Can you now turn to the Drought Assistance Fund loans. For the financial year to date, how many applications have you received for Drought Assistance Fund loans for transport subsidies?

Mr HANSEN: Transport subsidies?

The Hon. DANIEL MOOKHEY: Yes.

Mr HANSEN: For the financial year 2020—

The Hon. DANIEL MOOKHEY: To date.

Mr HANSEN: —we have 9,154 drought transport subsidies approved.

The Hon. DANIEL MOOKHEY: Is that cumulative over the life of the program?

Mr HANSEN: No, the cumulative figure is 16,158.

The Hon. DANIEL MOOKHEY: I am hoping we are comparing apples with apples here. I am reading from the annual report of the RAA. It says that in terms of Drought Assistance Fund transport subsidies, it said only 136 applications for assistance 2018-19 had been received at that time in the last financial year.

Mr HANSEN: The last financial year would have been—

The Hon. DANIEL MOOKHEY: It would have been 2018-19. The report says 136 were approved. It says 135 were received and \$6 million went out for the category of "Transport subsidies" under the Drought Assistance Fund loans.

Mr HANSEN: Those numbers bear little resemblance to here so—

The Hon. DANIEL MOOKHEY: I might table this and ask you to perhaps look at it. We can get that fund updated perhaps later in the session, if that is possible. That might clarify what we are talking about.

Mr HANSEN: Yes, there were 7,004 approvals in 2019 and 9,154 in 2020, giving a total of 16,158. A total of \$151.21 million has been dispersed to date.

The Hon. DANIEL MOOKHEY: That is useful but those are the ones that I am seeking the update on. That is from your annual report. Perhaps later in the session we might get those numbers updated.

Mr HANSEN: Yes.

The Hon. DANIEL MOOKHEY: Now I turn to what we had earlier this morning about the special bushfire grants and loans. On the loan program, I think the implication was that a spike has been received post the bushfires or during the bushfire season in the Farm Innovation Fund loans. We were probing the Minister as to why we only had 11 for primary producers and the answer that came back was that there might have been an increase over the drought assistance programs. Do you recall that evidence?

Mr HANSEN: Yes. I think the Minister's point was that a very simple product already exists and has existed for a while in the Drought Assistance Fund—\$50,000, no interest, two years no repayments, seven years

to pay back. They are very similar products and, therefore, primary producers are just as likely to go through that door, which is purely State Government and purely RAA, as opposed to necessarily the criteria and guidelines with regards to the current loans through the drought assistance—

The Hon. DANIEL MOOKHEY: How many of them come into that other category?

Mr HANSEN: Into the bushfire disaster loans?

The Hon. DANIEL MOOKHEY: (No, the one you just described as being more under the State governments control—the \$50,000, seven-year repayment, two-year free interest.)

Mr HANSEN: That has had 2,528 applications to date.

The Hon. DANIEL MOOKHEY: From what period?

Mr HANSEN: That is from the life of the loan. I would have to take on notice the break-up in terms of the past 12 months.

The Hon. DANIEL MOOKHEY: Can we get on notice a month-by-month breakdown to date, if that is possible?

Mr HANSEN: Yes.

The Hon. DANIEL MOOKHEY: Thank you. I might turn to picking up the issue about the removal of Mr Laurie. Through you, Mr Hansen, to Mr Barnes, when were you first made aware that this was something that—

Mr HANSEN: Just before we get to that, the Department of Agriculture and Fisheries [DAF]-approved loans in financial year 2019-20 is \$27.73 million.

The Hon. DANIEL MOOKHEY: Money?

Mr HANSEN: Yes, in dollars.

The Hon. DANIEL MOOKHEY: The DAF-approved loans?

Mr HANSEN: That is right. They are the ones in the State Government's drought assistance package. They are the \$50,000—

The Hon. DANIEL MOOKHEY: To date, this year?

Mr HANSEN: Yes, to date this year. The full financial year figure for that was \$65.27 million.

The Hon. DANIEL MOOKHEY: Was it \$65.27 million in the last financial year?

Mr HANSEN: Yes, that is right.

The Hon. DANIEL MOOKHEY: This year we are tracking at \$27.3 million?

Mr HANSEN: It is at \$27.73 million, yes.

The Hon. DANIEL MOOKHEY: It still means that effectively that has halved.

Mr HANSEN: So both in year to date are tracking for a decrease, which either goes to that problem we were just discussing before about business confidence, given a continued 12 months of drought and the impact that has on people's confidence to borrow, or just acknowledges that there is likely to be continued increase in those as we head towards the end of the year when people start looking at running into the end of the financial year on what they may or may not want to be doing in terms of finances.

The Hon. DANIEL MOOKHEY: But effectively for that figure to even approach what happened last year, in the last quarter of this year the current rate needs to increase by a factor of five, would it not, to be able to match it? If you have got 65 in the last year and divide that by four, you are looking at roughly \$17 million each quarter. There is no way that the amount of assistance that is going to be disbursed will approach that \$65.27 million. Is that an unreasonable statement?

Mr HANSEN: No. It is the way it is tracking at the moment.

The Hon. DANIEL MOOKHEY: There does not seem to be any evidence of a spike.

Mr HANSEN: Rather than a spike, I think the point was made before, we have had 11 primary producer applications under the small business loans for the bushfire disaster.

The Hon. DANIEL MOOKHEY: Special bushfire loans, yes.

Mr HANSEN: So I guess on the counter side to that is if we have got 2,500 applicants for the same type of product that has been in existence for the last two years of the drought, it might well be people are likely to or have already been there or be utilising that as opposed to utilising this one.

The Hon. DANIEL MOOKHEY: What I am trying to get at it is whether or not people who are trying to recover from bushfires are using the drought assistance ones.

Mr HANSEN: And because they are available to everyone within the State that is something that they would not be calling out as either being—all people in the State are eligible for those loans.

The Hon. DANIEL MOOKHEY: I accept that. I am not at cross-purposes with you, but effectively the data itself is saying that even under drought assistance loans, the amount of money that is going out the door is a lot less than it was this time last year.

Mr HANSEN: That is right, on current tracking, yes.

The Hon. DANIEL MOOKHEY: And it does not look like there is much money going out the door either on bushfire fronts. I accept your point that there might be a surge—

Mr HANSEN: A million dollars a day on the bushfire disaster primary producer grants is not—

The Hon. DANIEL MOOKHEY: I am talking about the loans.

Mr HANSEN: I agree. I guess the point that was being made was there are alternative products available to primary producers in the State already.

The Hon. DANIEL MOOKHEY: Sure. Again I accept that that is what the data says—that is probably why we get the data, to see what is essentially going on. To Mr Hansen or to Mr Barnes—actually the both of you—when were you first made aware that Mr Laurie was going to be removed?

Mr BARNES: I might start off. Just to give some context: In May of 2019, when it became abundantly clear that drought was impacting beyond the farm gate, I was asked to stand up a whole-of-government committee with the then Deputy Secretary of Water, and those meetings started with an expanded membership group, which included key officials from right across government, including health, education, all of the water authorities.

The Hon. DANIEL MOOKHEY: Is what you are describing as the Drought Interagency Working Group?

Mr BARNES: Yes, it is.

The Hon. DANIEL MOOKHEY: We have got a list of who is on it.

Mr BARNES: It is important context because the network of people that is represented by the group that comprised that drought interagency committee provides probably around 3,000 or 4,000 people that are based in regions that can provide information that comes directly through on the range of on-farm community business and certainly in the water space.

The Hon. DANIEL MOOKHEY: Can I just confirm, Mr Barnes, the Land and Water Commissioner was a member, and still is presumably a member, of the interagency working group?

Mr BARNES: The Land and Water Commissioner was one of many members of that group and he reported in every fortnight to that group, but he was one of probably eight key people that provided reports on a fortnightly basis. I just provide that by way of context because when the machinery of government [MOG] came in there was a conversation about where the Land and Water Commissioner might best be placed in a brand-new agency, which was planning, industry and environment, and quite clearly the conversation that I had with the then Deputy Secretary of Water was that the best place would be as Land and Water Commissioner to report up to the water deputy secretary and that he would play a continuing role while we looked at what evolved in terms of drought, given that we had many, many more players in this space.

The Hon. DANIEL MOOKHEY: I just want to unpack that, Mr Barnes, before you go too far beyond. You have said that you liaise with the deputy secretary—I presume that is Mr Bentley—after the MOG changes.

Mr BARNES: It was not Mr Bentley at the time. The then deputy secretary.

The Hon. DANIEL MOOKHEY: Effectively the view was that he should be on the interagency task force and continue in the role pending further consideration.

Mr BARNES: That is right.

The Hon. DANIEL MOOKHEY: And when did you have that conversation with the deputy secretary?

Mr BARNES: At the time of making the decisions around the MOG.

The Hon. DANIEL MOOKHEY: So that would have been April last year?

Mr BARNES: No, it would not have been April.

The Hon. DANIEL MOOKHEY: That is when the MOG changes were made.

Mr BARNES: It would have been some time between April and June, when decisions would need to be made for a 1 July start.

The Hon. DANIEL MOOKHEY: Yes, got it. At that point in time Mr Laurie's capacity as drought coordinator was still reporting to you. Is that correct?

Mr BARNES: No, Mr Laurie never reported to me because I did not take up the role in terms of my current position until 1 July. I was a deputy secretary of regional New South Wales based out of the Department of Premier and Cabinet up until that time.

The Hon. DANIEL MOOKHEY: So he is removed from this position towards the end of last year, 2 November I think. Did you provide written advice to remove him or did you see written advice to remove him from that position?

Mr BARNES: No. The Deputy Secretary of Water had a conversation with me as he was looking at the mix and balance of his team and he asked me about the ongoing role that the drought coordinator was playing in the broader mix. We had been considering at the time standing up a much bigger internal task force called the Office of Drought Response.

The Hon. DANIEL MOOKHEY: Yes, I am aware of that. We will get to that, Mr Barnes. I am just asking you—

Mr BARNES: No, I did not see any written correspondence. I had a conversation with Jim Bentley. The conversation was about whether this new group that we were about to stand up would be approved by Cabinet and would be able to pick up all of the broadening roles within the drought, which certainly included—

The Hon. DANIEL MOOKHEY: Just to be clear, you did not provide advice to remove him from the job?

Mr BARNES: No.

The Hon. DANIEL MOOKHEY: Mr Hansen, did you provide advice for Mr Laurie to be removed from that position?

Mr HANSEN: No.

The Hon. DANIEL MOOKHEY: When did you first learn that he had been?

Mr HANSEN: Post him being made aware, post the conversation to him, I had feedback from staff who had had contact from Mr Laurie.

The Hon. DANIEL MOOKHEY: So Mr Laurie's staff got in touch with you?

Mr HANSEN: The staff who had been contacted by Mr Laurie.

The Hon. DANIEL MOOKHEY: That is how you learnt?

Mr HANSEN: Yes.

The Hon. DANIEL MOOKHEY: Did anyone from anywhere else in the DPI senior executive team inform you that this was coming?

Mr HANSEN: No. As far as I was aware I was the first person on the DPI senior executive team to be made aware.

The Hon. DANIEL MOOKHEY: Who made you aware?

Mr HANSEN: A staff member who had been servicing Mr Laurie.

The Hon. DANIEL MOOKHEY: What did they say to you?

Mr HANSEN: They left a message—I had just hopped off a flight—that his contract had been terminated and that I might want to give him a call.

The Hon. DANIEL MOOKHEY: Did you call him?

Mr HANSEN: Yes.

The Hon. DANIEL MOOKHEY: Did they tell you who terminated the contract?

Mr HANSEN: His employer, being the Deputy Secretary of Water.

The Hon. DANIEL MOOKHEY: Did you raise this question with the Deputy Secretary of Water as to why Mr Laurie was terminated?

Mr HANSEN: No.

The Hon. DANIEL MOOKHEY: Did you have any knowledge or forewarning that he was likely to have his contract terminated?

Mr HANSEN: No.

The Hon. DANIEL MOOKHEY: Did you raise it in any other leadership forum?

Mr HANSEN: No.

The Hon. DANIEL MOOKHEY: Why?

Mr HANSEN: I do not sit at the senior leadership within the cluster.

The Hon. DANIEL MOOKHEY: You are the director general of DPI but you are not on the senior leadership team?

Mr HANSEN: That is correct.

The Hon. DANIEL MOOKHEY: But, Mr Barnes, you are on the leadership team, are you not?

Mr BARNES: I am.

The Hon. DANIEL MOOKHEY: How did you first learn about the dismissal of Mr Laurie?

Mr BARNES: I had a conversation from the Deputy Secretary of Water, Jim Bentley, advising me that the secretary, who is the only person that can terminate a contracted officer, had issued a show-cause letter to that person. The nature of the conversation that I had was that Mr Bentley was about to embark on an overseas trip and he asked me as a co-chair of the interagency committee if I could work with HR to make sure that the staff—I think there were four staff—in Mr Laurie's team were consulted with and looked after in the transition process, which I agreed to.

The Hon. DANIEL MOOKHEY: The deputy secretary—who, according to this organisational chart, seems to have the same rank as you—informed you that the secretary issued a show cause letter to Mr Laurie. Did he describe what Mr Laurie was meant to be showing cause for?

Mr BARNES: No, he did not.

The Hon. DANIEL MOOKHEY: Did you see that letter?

Mr BARNES: No, I did not.

The Hon. DANIEL MOOKHEY: Did you ask to see the letter?

Mr BARNES: No, I did not.

The Hon. DANIEL MOOKHEY: Was this discussed in the senior leadership group of DPI?

Mr BARNES: Not that I can recall.

The Hon. DANIEL MOOKHEY: Did any discussion take place after Mr Laurie was removed?

Mr BARNES: In what context?

The Hon. DANIEL MOOKHEY: If he was issued a show-cause letter presumably he was given a reasonable opportunity to reply. Was this a decision that was then discussed at the senior management group or is the implication that the only person who could make this decision, Mr Betts, made it unilaterally?

Mr BARNES: Mr Betts would have taken advice in the making of those decisions.

The Hon. DANIEL MOOKHEY: From the deputy secretary?

Mr BARNES: From the deputy secretary.

The Hon. DANIEL MOOKHEY: But it was not discussed in any management meeting of DPI's leadership to the best of your knowledge?

Mr BARNES: To the best of my knowledge, there was not a conversation.

The Hon. DANIEL MOOKHEY: The public explanation from the Government was that Mr Laurie was effectively thanked for his service, the implication being that his role was superseded by the establishment of the Office of Drought Response. But now we are told he was given a show-cause letter. Was he removed from his position because a new office replaced it or was he removed for cause?

Mr BARNES: The show-cause letter is standard practice when any contract is mooted to come to termination. It is something that is a part of natural justice that any time a secretary is looking at bringing a contract to an end they have to give an indication that that is about to occur—

The Hon. DANIEL MOOKHEY: Before you go too far beyond that though, can you clarify the technicals of that? Was Mr Laurie employed as a contractor or under the general fiduciary e-Act?

Mr BARNES: I am not, and have never been, Mr Laurie's supervisor but I am informed—

The Hon. DANIEL MOOKHEY: Mr Hansen, do you know?

Mr HANSEN: As a public servant.

The Hon. DANIEL MOOKHEY: The procedures for the removal of a public servant are very different to what you are just describing because he has to be offered redeployment; he has to be assessed for other roles. This is what the public sector commissioner does.

Mr BARNES: Not just for a contracted officer. He was an executive contracted officer.

The Hon. DANIEL MOOKHEY: SES, okay.

Mr JUSTIN FIELD: Mr Hansen, back to Batemans Marine Park, will you confirm that local marine park staff were not informed of the decision to place the amnesty over those five marine sanctuaries until the day of the announcement?

Mr HANSEN: That sounds correct. I will just take advice, but yes, I think that is correct.

Mr TURNELL: If it was not that day I believe it might have been the day before, but I cannot be 100 per cent sure.

Mr JUSTIN FIELD: For your information, the Minister, in answers to questions on notice, suggested it was the day of the decision. We might take it at that. What direction has since been issued to staff with regard to how they are to engage in the enforcement of rules around the Batemans Marine Park? I assume there would have been some sort of formal direction that went out, some transition arrangements or the like?

Mr HANSEN: Yes, there have been work instructions issued around the policing of compliance activities around the marine park and to basically enforce in line with the Government's intended decisions with regard to those changes at those five sites.

Mr JUSTIN FIELD: Are you able to provide those instructions?

Mr HANSEN: Yes, that should be fine.

Mr JUSTIN FIELD: Those instructions would have been the same to marine park staff or fisheries staff because essentially they are the same pool of staff these days—right?

Mr HANSEN: For compliance staff, yes.

Mr JUSTIN FIELD: At the moment, as I understand it, changes are not being made to the formal printed products that are out there with regard to the marine park, marine park maps and the like. How is the community being informed—for instance, when they are at the tourist centre at Narooma and they grab a marine park map but it is not accurate? How is that information going out to communities about the amnesty arrangements?

Mr HANSEN: It is mainly online at the moment. It has been the tool and the method used both by the app and via the website, where we have put updated information there.

Mr TURNELL: Yes, we have produced some other material, the detail of which escapes me at the moment but I know there were some temporary signs, as well as some other pamphlets to go with those marine park maps. But I can find more detail and take it on notice.

Mr JUSTIN FIELD: If you could, I would appreciate that. I understand about \$600 was allocated for the printing of temporary corflutes, I assume for the particular zones. Would it be possible for you to provide an image of the signage that went up?

Mr TURNELL: An image of the signage?

Mr JUSTIN FIELD: Yes. I have asked people and they have not seen them, that is all. Will you confirm what date the signs were put up at those five sanctuary zones? That would be greatly appreciated as well.

Mr TURNELL: Sure.

Mr JUSTIN FIELD: Moving forward, the marine estate management reforms generally, in a range of processes that went out to the pilots have been pushing right somewhat in the timetable for a range of reasons. The Batemans pilot we know now is part-way through. You mentioned there will be a little while before you might go into consultation around the sanctuary zones. With regard to the rest of the pilot, what is the time line on that, Mr Hansen?

Mr HANSEN: I might start and then see if someone wants to jump in along the way. There are the three stages within the pilot process. The first one is actually that one around identifying what it is, what are the objectives that we want to get out of the marine park. That was something that the Batemans Marine Park Advisory Committee did back in December 2018. That was the consultation work that they did. They came up with those five pieces of priorities: safe and equitable access to the marine park—

Mr JUSTIN FIELD: We talked about them last year and the year before, I believe.

Mr HANSEN: We did. And then the targeted consultation, the socio demographically valid sample of marine park users.

Mr JUSTIN FIELD: Can we go to the time line potentially? I am sorry to push along—

Mr HANSEN: So we are up to stage two, which is actually the development of the draft management plan. That draft management plan is expected to be done in the course of the next six months. I do not have a specific time frame because of the consultation period down there.

Mr JUSTIN FIELD: Six months potentially.

Mr HANSEN: That is right. The Government has given a stated objective of having the pilots done this year.

Mr JUSTIN FIELD: Dr Reichelt, I assume that is your understanding of the time line as well and you will fit into that?

Dr REICHELT: Correct, yes.

Mr JUSTIN FIELD: The next cab off the rank I understand is Port Stephens. What is the likely time line on that?

Mr HANSEN: Let me see if I have that time frame here.

Mr JUSTIN FIELD: I think the Marine Estate Management Authority used to regularly publish updates around the time line of the whole program. It has been fairly elaborate over a period of time. Will you continue to do that?

Dr REICHELT: Yes, absolutely, that is our intention. I think, for us, we are just moving forward with the two pilots and what Mr Hansen relayed is my understanding. Yes, we like to post updates on the progress and we are potentially finished stage one and about to embark on stage two. That is about all the fine detail I have got. If there is anything more I can give you before the end of the day I will do that.

Mr JUSTIN FIELD: I have a question about what you are working on at the moment, because we have been in a sort of holding pattern on some of this for a while now. Are there any current requests for advice sitting with you from Government that MEMA or the knowledge panel are working through?

Dr REICHELT: There is nothing relating to those. I know there has been a lot of activity, some of which is prompted by the bushfires, to accelerate work in the catchments, particularly the northern ones where there has been concerns about black water. I am aware that the teams are working on establishing better engagement with local councils and better engagement in the catchments. They are in the strategy, but they are not the pilots themselves. The reports we had at our meeting last week had a lot of detail about that—the achievements that have been summarised in our second quarterly report for year two. That is where we are at.

Mr JUSTIN FIELD: One very quick follow-up: Are they based on specific requests to you?

Dr REICHELT: No, they are part of the publicly available strategy to ramp that up. We have not had a request to assess, for instance, a regulatory plan or some aspect of that, and we are not at the stage of submitting a draft management plan. We are in the middle of this process.

Mr JUSTIN FIELD: Okay, thank you.

The Hon. EMMA HURST: Moving back to the NSW Animal Welfare Reforms - Issues Paper, you mentioned that the selection of key stakeholders was either of enforcement agencies, such as the RSPCA, or peak industry councils. Where does Animal Care Australia fit into that?

Mr HANSEN: Ms Robinson?

Ms ROBINSON: Animal Care Australia was one of the key stakeholder groups. It represented a broad range of animal industry areas, from companion through to reptiles and also livestock. So it was one of the—

The Hon. EMMA HURST: Yes, as I understand. It is obviously a lobby group for various animal-use industries. If we have lobby groups for animal-use industries, why were there not animal welfare groups as well—outside of enforcement agencies?

The Hon. TREVOR KHAN: The RSPCA is an animal welfare group.

The Hon. EMMA HURST: It is a legislative group. Ignore the interjections, please.

Ms ROBINSON: We went to both RSPCA and—

The Hon. TREVOR KHAN: It is just outrageous to suggest—

Ms ROBINSON: Both RSPCA and Animal Welfare League are animal welfare groups, as well, in terms of getting some initial feedback on the issues paper. Then, of course, we have it out for public consultation now and anyone in any group can comment.

The Hon. EMMA HURST: Are the issues covered in the paper the only issues on the table for reform or are the issues that are listed here just a sample of some of the issues that people can talk about in their submissions?

Mr HANSEN: I think we have been keen to stress that there is nothing that has been taken off the table in terms of topics for discussion and for us to look at in regard to these reforms. As we discussed in the inquiry a couple of weeks ago, if there are additional topics—the issues paper should have enough of a hook for everyone to find a place for what it is they want to talk about in terms of how we should reform. It is making sure that everyone is aware that they can use those hooks to make those submissions.

The Hon. EMMA HURST: Mr Hansen, talking about the animal cruelty laws inquiry, I think you mentioned that you had been through some of the submissions through that inquiry and that some of those submissions were helping develop some issues raised within the issues paper. However, there have not been any issues listed in regard to the possibility of expanding enforcement powers beyond private charities. Why was that not included?

Mr HANSEN: The opportunity is there for that to be raised. It is not precluded from the discussion point that is in there. Therefore, we would reiterate that any topic the community has a strong view about in regard to this reform process for animal welfare—they should make sure it is tabled and submitted.

The Hon. EMMA HURST: It is interesting that you say that most areas have a hook. When I went through it, it just seemed small and ad hoc and very limited in its scope. Do you think it is concerning that it requires people within the public to have a formed opinion?

Ms ROBINSON: It has been designed to pull out the key themes that were developed up. Not everything is in there, but there is the opportunity through the responses for people to put in submissions on any other issues that they would like to contribute.

The Hon. EMMA HURST: I have a couple of questions about bees. Bees play an essential role in agriculture, including pollinating a vast number of food crops, and they are also set to play a vital role in regenerating bush after it has been devastated by fires by helping surviving plans to pollinate and produce seeds, which leads to recovery of bush lands. In an article in *The Land* in December last year, it was reported that in bushfire- and drought-affected areas, bees may be desperate for water and nutrients. A beekeeper said that bees will not come out of their hives if it is hot or smoky. Given the importance of bees to plant-based agriculture, are you aware of anything that is being done to help bees survive the bushfires and associated issues around smoky air?

The Hon. TREVOR KHAN: Are these native bees or European bees?

The Hon. EMMA HURST: Either one.

Mr HANSEN: There certainly is. As the Minister ran through before, we have not just been providing fodder for livestock as emergency supplies, we have also been providing sugar for bees and for hives. We have also been trying to get the access into public land back up online as quickly as possible, which is a key piece for the apiary industry and beekeepers. The combination of provision of sugar and water as emergency relief for those impacted and those who have had fire impact their hive locations, as well as trying to quickly identify additional sites within public land that they may be able to utilise, are some of the key steps we have undertaken with industry at the moment.

The Hon. EMMA HURST: The DPI's website also lists a shocking number of fish kills in the months of January and February this year and we are seeing native fish dying in their thousands, many by suffocation. Other animals are affected too, such as freshwater turtles, eels and crabs. Many of the kills have been listed as being due to organic material run-off, including ash and sediment from local bushfires entering the water systems in heavy rains, which also leads to a reduction in dissolved oxygen levels in the water. What is the department putting in place to deal with the expected impact of fires and the devastating impact on fish?

Mr HANSEN: I guess there are a couple of pieces. The first goes back to one of the comments that was made before with regard to the work of MEMA at the moment. The NSW Marine Estates Management Strategy is coming to the end of its first two-year period. MEMA has been working closely with us to set up that pitch for the continuation of that work. It involves something like 160 hectares of repairing vegetation and rehabilitation; 42 kilometres of estuary foreshore protected; 227 hectares of land adjacent to waterways managed for sustainable grazing; and it has had 340 metres of estuary bank protection works. I raise all of these things because they are all in the north—they are all up around Richmond and those areas. They are all designed to help minimise and reduce the impacts of drought, fire and flooding, in terms of bringing that organic matter into these estuaries and waterways.

A lot more can be done and needs to be done, and it is a completely different story when you are talking coastal from when you are talking inland. The work that has been done inland has been predominantly about identifying important genetic populations of fish and their relocation from at-risk ponds to bigger refuge pools or to breeding or hatchery facilities. That genetic preservation is obviously not the primary focus on our estuary and coastline, it is actually more about catchment and landscape management approaches to try to reduce the risk of some of that sediment and erosion run-off. I do not know if anyone else wants to add anything?

Dr MOLTSCHANIWSKYJ: No. I just would highlight the fact we do not need to be reactive to what has been happening because we knew it was going to happen. We have been very strategic about planning all of the events that we are seeing happening at the moment.

Dr REICHELT: Just to reaffirm, it is a very strategic approach the department and MEMA agencies are taking. It is integrated and it is considering, on the coastal side, 60 years of drying out of these landscapes and the areas where shallow drains and things can make all the difference—just changing land use practice—but that involves engagement with local owners because the tenure is not State necessarily. Aligning the coastal management plans with the MEMA strategy is one of our medium-term goals to really get a better outcome for the wellbeing of people along those coasts.

The CHAIR: Given that the DPI lists the status of mud crabs as undefined and in the documentation the last study was done in 2010, would it be best that the fisheries' precautionary principles kick in regarding the proposed changes, and that we do not increase the fishable effort until we actually have some data that is less than—

Mr JUSTIN FIELD: You know that is the green principle of ecologically sustainable development, right?

The CHAIR: That is fine. Commercial fishermen cannot fish if they run out of crabs.

Mr JUSTIN FIELD: I agree.

Mr HANSEN: I might ask Dr Moltschaniwskyj to make a comment. The east coast mud crab stock actually extends from the Northern Territory right around the east coast to southern New South Wales. The bulk of the stock is actually in the Northern Territory, followed by Queensland, where they do a lot of work in assessing stock status. Both of those stock statuses are actually characterised as sustainable. With regards to our uncertainty it is largely because we have not conducted our own survey on that component, but actually relied on looking at where those breeding grounds and the replenishment of our stocks come from, which is actually in Queensland, and looked at their stock status. I could be hopelessly butchering the science on this one so I will hand over to Dr Moltschaniwskyj.

Dr MOLTSCHANIWSKYJ: No, no. That is a pretty accurate estimate. Most of the reproductive activity for the species occurs in the Queensland waters, so we work with Queensland on stock assessment for the species.

The CHAIR: What research has been done on the effect of a commercial fisher being able to lease his shares in one region to someone else for them to use in another region and the effect that that might have on fish stocks? So if I own shares in region one, I can lease it to someone to fish in region two, three or four.

Mr TURNELL: Can I just get an answer for you shortly on that because that does not sound right to me. If I can just point out that irrespective of whether the closure in the Clarence River changes, the maximum number of nets or traps that can be used for harvesting mud or blue swimmer crab will not change.

The CHAIR: While you are looking into that, are you aware that there actually are no provisions in the Fisheries Management Act that spell out requirements or processes for leasing of shares? I think it was Justice Beazley, in the case of Elliott versus the Government, who actually commented on Minister Niall Blair and the leasing of shares, that he actually did not know his own Act because there is no framework that spells out how the leasing of shares can occur.

Mr HANSEN: I am not sure and we will take on notice that last one, but access shares are specific to regions. Again, I am confused.

The CHAIR: What about quota shares?

Mr HANSEN: The original question you asked with regards to being able to transfer—

The CHAIR: What about quota shares? Can you transfer quota shares across regions?

Mr HANSEN: Again, let me—

Dr MOLTSCHANIWSKYJ: Take that on notice.

Mr HANSEN: Yes.

The CHAIR: Just shifting focus to targeted assistance with the Business Adjustment Program, I have it down that it was around \$2.36 million that was spent on targeted assistance. We are talking about assistance after the market has closed. Does that sound right?

Mr HANSEN: I would have to look and find that number for you, sorry. You have it down as 2.1?

The CHAIR: As 2.36. Who made the decisions around targeted assistance? As in, who got a phone call after the markets closed? How was that decision made?

Mr HANSEN: Proposals about ensuring that assistance was available for any exceptional cases or cases that fell outside of the operating procedures of the time were put forward as options to the Minister of the day and the Minister made decisions on those.

The CHAIR: So the Minister made the decision to award \$1 million to three fishing businesses owned by one person? They were offered \$704,000 for two hand-gathering endorsements and \$200,000 for mud crabs. So the Minister would have made that decision?

Mr HANSEN: That is certainly not a decision that we would have made on our own. We can look in about the shares or what was purchased for that amount.

The CHAIR: While you are doing that, can you also check whether the Minister considered the fact that this person was also the chair of the Newcastle co-op, was on the Catchers Trust and was also on the board

of the Sydney Fish Market and various other boards around commercial fishing and whether that played a role in deciding whether he got favourable treatment?

Mr HANSEN: I can. That probably brings me back to previously when we were talking about the conclusion of round three in the subsidised share trading scheme—the Business Adjustment Program—and you asked about the audit report that had me signing off and the Minister signing off. It was my decision and I had, under the rules of the market, the power to close the trading rounds, but the actual dollar figure that needed to be invested in that was outside my financial delegation. Therefore the Minister actually had to sign off on the dollars. So he had to sign off using his financial delegation powers on the amount of money, but I was the one who signed off on the end of the trading and the closure of that market.

The CHAIR: That is an important clarification. Dr Reichelt and maybe Mr Hansen, can you give us a status update on what is happening with the Lake Illawarra cockle situation that has been a festering sore for the last five years in terms of people complaining about overfishing of the area and what have you?

Mr HANSEN: This is in regards to the bag limit of 50 cockles at the moment and whether that is set too high for recreational use. I know that is an issue that the Minister has sought advice on from RecFish NSW.

The CHAIR: Which did not exist at the time—did not have members at the time.

Mr TURNELL: It has since been considered.

Mr HANSEN: That is right, and they will be obviously providing advice back to the Minister with regards to any adjustments or changes he should make on that.

The CHAIR: Any other comments from you, Dr Reichelt?

Dr REICHELT: No, I do not have any update on that. I am sorry. I will defer to my colleague.

The Hon. DANIEL MOOKHEY: Just quickly to return to the Jock Laurie matter, Mr Barnes, to the best of your knowledge, when Mr Laurie was given a show cause letter he was not being asked to show cause for any misconduct or any allegation of that type?

Mr BARNES: No. Maybe I used the words "show cause" incorrectly. I am not sure what the process is, but there is a letter that goes out from the secretary that states: There is an intention to terminate. Are there any reasons you would like to come back to me as to why this should not occur?

The Hon. DANIEL MOOKHEY: Did you see Mr Laurie's reply?

Mr BARNES: I did see Mr Laurie's reply. It was shared with me by human resources because I was dealing with his staff at the time and he had been communicating with his staff.

The Hon. DANIEL MOOKHEY: What did Mr Laurie's reply say, to the best of your knowledge?

Mr BARNES: I cannot recall at this time, but he was obviously saying that he believed the role of Land and Water Commissioner was still important and that he was doing a good job or something like that.

The Hon. DANIEL MOOKHEY: But he did not accede to the desire to terminate his position. Is that a fair rendering of his position? He did not agree with the decision.

Mr BARNES: Look, to be honest with you, commenting on a public servant's matters that are personal in nature is not something that we are able to do.

The Hon. DANIEL MOOKHEY: I am not really asking you for that. I am asking you whether or not—on the reply that you saw, did he object to the secretary's intention to terminate him?

Mr BARNES: As I recall, he was making a case that he was doing an okay job.

The Hon. DANIEL MOOKHEY: Did Mr Laurie receive a termination payment as Land and Water Commissioner?

Mr BARNES: My understanding, again, you are going to have to ask the secretary of the department but there is a standard clause within DCS contracts. He was employed as the Land and Water commissioner and my understanding is that the drought coordination stuff was just an additional role but his substantive position was Land and Water coordinator—

The Hon. DANIEL MOOKHEY: He held both offices but you are saying he may have only been remunerated for one?

Mr HANSEN: That is right. And that was the same, for example, with Pip Job before him. Her substantive role was still her role managing our business, the Rural Resilience Program but she focused her attention on collecting and providing information on drought impacts back to the Government for a period of time.

The Hon. DANIEL MOOKHEY: Presumably if he was terminated because the position was abolished, under his contract he would have been entitled to a payout. Is that unfair?

Mr HANSEN: That would be the standard process.

The Hon. DANIEL MOOKHEY: Do you know whether he got one?

Mr HANSEN: No, but I also don't know—it is standard process. I don't know whether he did not receive one or whether he did.

The Hon. DANIEL MOOKHEY: On notice, can you come back to us this afternoon and tell us whether he did or did not?

The Hon. TREVOR KHAN: These are not questions for these witnesses.

The Hon. DANIEL MOOKHEY: They are because Mr Laurie as Drought Coordinator is listed as being a part of Mr Barnes' team.

The Hon. TREVOR KHAN: The evidence that has been given by these witnesses repeatedly is—

The Hon. DANIEL MOOKHEY: The witnesses can refuse to provide the information if they so wish. If they have not got it they are entitled to say that but we are entitled to ask them whether they have it.

The Hon. TREVOR KHAN: They are entitled to know that they are not obliged to give material that is outside their area of responsibility.

The Hon. DANIEL MOOKHEY: I think they know that now. Are you in a position to provide this information?

Mr HANSEN: No. There are witnesses coming later in the two weeks—

Mr BARNES: For the record, can I correct something? I have made aware, while I was Deputy Secretary for Regional NSW I was also placed in the role of Coordinator General at some time before the MOG happened but no formal reporting arrangements could happen until the MOG took place. It was so I could make some decisions. The other thing is that I did have access to a final letter of termination that was made available to me because the secretary was travelling at the time and could not be contacted. He wished for me to make contact with Mr Laurie, as it was approaching the date at which the letter was to be delivered.

The Hon. DANIEL MOOKHEY: So you provided Mr Laurie the final termination letter?

Mr BARNES: As it turned out I was to contact him to let him know that it was on the way. But the letter would have been provided out of the office of the secretary through HR. I was just the person who was delegated on the day because Mr Betts was travelling at the time.

The Hon. DANIEL MOOKHEY: Did you see the final termination letter?

Mr BARNES: I had a copy of it, yes. I cannot recall the contents of it.

The Hon. DANIEL MOOKHEY: You cannot recall whether it included a termination payout?

Mr BARNES: I would imagine there would be a standard clause in there that included that but at that time Mr Laurie did not pick up his phone and so I left a message there. So I did not go through the letter with him.

The Hon. PETER PRIMROSE: I refer to the NSW Weed Action Program. How much funding has been allocated by NSW Treasury to the Weed Action Program for 2019-20?

Mr WITHERDIN: For 2019-20, \$11.15 million for the regional subprogram component and that is then allocated from LLS out to local government.

The Hon. PETER PRIMROSE: How much was expended in 2018-19?

Mr WITHERDIN: I do not have that information in front of me but, yes, I am happy to take that on notice.

The Hon. PETER PRIMROSE: Will you also take on notice 2017-18?

Mr WITHERDIN: Yes, so the two prior years to this, yes.

The Hon. PETER PRIMROSE: You have indicated that funds have been allocated by LLS to local councils. How much of that \$11.15 million has been allocated to council so far?

Mr WITHERDIN: I would need to take that on notice.

The Hon. PETER PRIMROSE: Without being able to be specific would you expect, given we have four months to go of this current financial year, that the bulk of it would have been allocated to councils or not?

Mr WITHERDIN: Yes, that is a reasonable expectation.

The Hon. PETER PRIMROSE: I can say that you believe that Local Land Services and your department have actually allocated already to local government the bulk of the \$11.15 million so they can undertake action under the NSW Weed Action Program.

Mr WITHERDIN: As I said earlier, I will need to confirm that. I do not have the figures in front of me but I am happy to take them on notice.

The Hon. PETER PRIMROSE: I am just trying to get an idea of whether the funds have actually gone to councils.

Mr HANSEN: The figure of funding for 2018-19, which is think is the year before that you were asking, that was \$12.5 million.

The Hon. PETER PRIMROSE: Why the reduction?

Mr HANSEN: I think that year was actually an increase. I think there was a specific increase made available that year in recognition of the potential impact of drought in terms of weed spread. I think this year has now normalised back from what was a one-off insertion in that one year.

The Hon. PETER PRIMROSE: So drought is no longer an issue in relation to the Weed Action Program?

Mr HANSEN: No, but the extra \$1 million that had been allocated in 2018-19 was not reallocated in 2019-20.

The Hon. PETER PRIMROSE: Why?

Mr HANSEN: That was the standing allocation that is made for the Weed Action Program.

The Hon. PETER PRIMROSE: What do you believe was the reason that we have got an extra \$1 million down on what was allocated in the previous year? What has changed?

Mr HANSEN: Probably just the continued emphasis on making sure that the money is available in the form of grants, subsidies and assistance directly to producers to take their own actions on their own activities.

The Hon. PETER PRIMROSE: That does not explain it. Why have we gone down from \$12.5 million—I will only ask one more time—to \$11.15 million? What has changed in drought or the situation relating to the weeds program?

Mr HANSEN: It is probably just that the figure has always been less than that \$12.5 million. There was a one-off bump up to assist last year during the drought and it has gone back to its regular funding amount which, if expenditure of the extra million in the last financial year has been of additional assistance to councils during the drought period that is great. But the figures that we have here is this year's allocation is not the \$12.5 million figure, it was \$11.15 million.

The Hon. PETER PRIMROSE: I obviously do not expect you to be able to comment on policies of government but I will note that last year was an election year. You will provide me with the 2017-18 figures?

Mr HANSEN: Yes.

The Hon. PETER PRIMROSE: Given that you have been able to elucidate on this matter, are you able to enlighten me about how much of the \$11.15 million has actually been allocated to local government this year?

Mr HANSEN: Actually the \$11.15 million that David is referring to has in addition to it a \$1.5 million additional allocation this year as well that I have just been pointed to. So it is actually \$12.66 million in this year's as well.

The Hon. PETER PRIMROSE: That is \$12.66 million, so it is not only \$11.15 million?

Mr HANSEN: No, that is right.

The Hon. PETER PRIMROSE: How much of the \$12.66 million has been allocated to local government?

Mr HANSEN: I would have to take that on notice. I do not have that.

The Hon. PETER PRIMROSE: Would you be concerned if only a minority—given we have only got four months to go—has actually been allocated to local councils this year?

Mr HANSEN: It certainly makes it hard for them to expend over the 12 months.

The Hon. PETER PRIMROSE: I would have made the same comment but I would be interested in finding out, please. And reasons why, given the concerns councils have about \$860 million, on last count, of cost shifting going on.

Mr HANSEN: That is part of the confusion, in terms of two numbers from two people. Last year's number or the year before of 2018-19 was 12.5. It has increased by the consumer price index, it is now 12.66.

The Hon. PETER PRIMROSE: So 12.66. Okay. And the question I am asking is—

Mr HANSEN: How much has gone out the door?

The Hon. PETER PRIMROSE: How much has gone out and, given we have only got four months to go, also the 2017-18 figures. Can I ask you in relation to the Aboriginal Landcare Education Program ALEP, has one full-time equivalent staff member been appointed to ALEP? If so, what does that staffing look like?

Mr WITHERDIN: Certainly there is a budgeted position there under the Landcare program, the \$22.4 million over four years.

The Hon. PETER PRIMROSE: How much specifically for this program?

Mr WITHERDIN: I would have to take that on notice.

The Hon. PETER PRIMROSE: But it would be an amount to allow, let us say, one full-time equivalent staff member or would there be more?

Mr WITHERDIN: That is my understanding.

The Hon. PETER PRIMROSE: Has that person been appointed?

Mr WITHERDIN: I am not sure. I will take that on notice.

The Hon. PETER PRIMROSE: What happens to the funds that are not used if the equivalent of the full-time equivalent person is not allocated for the full year? What happens to that \$250,000, the amount that is left over?

Mr WITHERDIN: You are talking—

The Hon. PETER PRIMROSE: End of the financial year.

Mr WITHERDIN: To the Landcare program?

The Hon. PETER PRIMROSE: You have allocated whatever the amount of money is. My guess is that it is about \$250,000 if there is one full-time equivalent staff and all the on costs. So whatever the amount is, my first question was what percentage has actually been appointed, over what period of time? And if that position is not filled, what happens to the outstanding funds at the end of the financial year? Does it roll over to the next year or is it lost?

Mr WITHERDIN: Normally with most Treasury funds, recurrent funding, there is not provision to carry over from year to year. But we would certainly expense all of that money within the Landcare program. If I look back at the last program, I am pleased to say that all of the funds allocated to that were expensed as part of that. I expect the same will happen this time. In relation to this specific position, I will need to take advice on that and come back to you.

The Hon. PETER PRIMROSE: Can I ask about the NSW Rural Assistance Authority Board? How many members are there on the board? How many positions are there?

Mr HANSEN: There are six part-time members and the chief executive.

The Hon. PETER PRIMROSE: Who are those six who are on there now?

Mr HANSEN: Kerry Adby, Barbara Clark, Derek Shone, Lisa Montague. What is that, four? David Palmer and Adam—Adam.

The Hon. CATHERINE CUSACK: Can you provide it on notice?

The Hon. PETER PRIMROSE: Please take it on notice. So there are six. How many times did it meet in 2019?

Mr HANSEN: That is information we have but I do not have it right in front of me. Ms Lorimer-Ward might have it?

Ms LORIMER-WARD: There were four meetings that were face-to-face meetings and then there were three teleconferences. Actually there were more than three, there were several teleconferences.

Mr HANSEN: Adam Boyton. Apologies to Adam if he is listening.

The Hon. PETER PRIMROSE: How many times has it met this year?

Ms LORIMER-WARD: This calendar year or the financial year?

The Hon. PETER PRIMROSE: This calendar year. Let us make it this financial year. It will be easier.

Ms LORIMER-WARD: I would have to take that on notice.

The Hon. CATHERINE CUSACK: I cannot believe you do not know that off the top of your head.

The Hon. PETER PRIMROSE: That is why we have questions on notice.

The Hon. CATHERINE CUSACK: That is exactly right.

The Hon. PETER PRIMROSE: In Budget Paper No. 3 on page 4-3, it says \$1.1 million or \$3.5 million over four years is going to be used to establish a Dairy Business Advisory unit to continue industry support services and identify immediate and necessary actions for the sector. When I look at the Parliamentary Budget Office [PBO] costings, however, it says that the Dairy Business Advisory unit in the first year was costed to be \$715,000. Can you discuss why there is a discrepancy between \$1.1 million and the PBO costings of \$715,000?

Mr HANSEN: No. Other than the fact that obviously there would be significant other investments outside of just those purely costed to that cost code with regards to dairy extension and research and development work. That was probably picked up under the Budget Paper No.3 commitment but may not have been picked up in the budget office costings.

The Hon. PETER PRIMROSE: In relation to the Buy Local Fresh Milk campaign, can you tell us how that is funded?

Mr HANSEN: At the moment that campaign is yet to commence and is one of the items on the agenda for the forward work program for the dairy advocate and for the advisory panel, working in concert with, obviously, some of the brand owners within the State and also some of the farmers associations.

The Hon. PETER PRIMROSE: Is there any budget set aside for that yet?

Mr HANSEN: At this stage, no budget allocation has been made until they come back with the work plan with regards to size and scale.

The Hon. PETER PRIMROSE: How much do you expect it will cost? I am asking broadly.

Mr HANSEN: As you would be aware, marketing campaigns can be anything from very small social media targeted campaigns, all the way through to billboards and television advertising. I do not know what the advocate and the advisory panel will come back with in terms of programs, nor what amount of financial investment some of the brand owners might make themselves. I really cannot even hazard a guess on that one.

The Hon. PETER PRIMROSE: Can I ask similar questions then about the New South Wales dairy farm training program? Can you talk about how that is operating?

Mr HANSEN: That training program has actually been waiving the fees associated with dairy farm traineeships that have been delivered through Tocal Agricultural College. I would have that actual number here with regards to the number of traineeships that have been provided over the last two years. We can provide that to you on notice.

Mr JUSTIN FIELD: Mr Witherdin, we had quite a conversation last year about the Government's pilot study up at Walgett around a large area code, a north-west code I think we were talking about it as. I recall the

aim of the pilot was, among other things, to assess options around a regional scale biodiversity offset and to assess whether the current offsets scheme for those particular codes was fit for purpose. What is the status of the pilot?

Mr WITHERDIN: I certainly recall our discussions six months ago. Since that time we have met three times with what we call—so the pilot was completed and we have done some further work in terms of consultation with the regional reference group there.

Mr JUSTIN FIELD: Is that that group of landholders?

Mr WITHERDIN: It is a group of not just landholders but it includes the local agronomists, a Landcare representative, a representative from the Commonwealth department of environment managing, a Farmers representative and also other DPIE representatives—that is, somebody from Environment, Energy and Science. It is a mixed group of people. I think it is 13 landholders from across the north-west region, including Moree, Narrabri, Brewarrina and Walgett. There have been three meetings. The last one I was at was on 31 October. The final meeting of that group was held last Friday in Walgett and that process was going to be wrapped up.

Mr JUSTIN FIELD: As I understood it, this was all about determining whether or not the codes were fit for purpose, particularly for large farms.

Mr WITHERDIN: Yes.

Mr JUSTIN FIELD: I guess I am looking for a bit of a better sense of what happens next. You had the meetings. Has that concluded the pilot? Is there going to be a public report? Are the recommendations coming out? Is a large area code going to be developed? What is the sense? Have decisions been made about that or options been put together?

Mr WITHERDIN: No, I think this has been through what is a consultative process with this reference group. It is now time to compile the outcomes of that, discuss that jointly with Local Land Services and our colleagues in EES and get a discussion paper up around that. Then if we are to progress further from that, we will need to work through a public consultation process.

Mr JUSTIN FIELD: Is the sense that though that it is still heading towards the development of a new type of code for those larger farms?

Mr WITHERDIN: Certainly, I guess. What is covered there is some of the limitations of the code when you apply like the Biodiversity Offsets Scheme and some of the challenges that that throws up. It is about looking at what the opportunities are around that, given that we ensure that we achieve some specific principles to guide the development of anything in the way we move forward and that there is no net loss of biodiversity at a landscape scale. That is a core commitment there. The amended code must meet the objectives of the land management and biodiversity conservation reforms. It must have regard to the principles of ecologically sustainable development and it also must address the settings under the Commonwealth Environment Protection and Biodiversity Conservation [EPBC] Act. Any solution has to be based on scientific evidence and best practice for flood plain management principles.

Mr JUSTIN FIELD: What are you reading from there? Is there an agreed set of terms of reference around this process?

Mr WITHERDIN: No, these are my specific notes on this. They are House folder notes for this. There are no specific terms of reference.

Mr JUSTIN FIELD: But that is an agreement. There are a range of Ministers who have an interest and responsibility. Is there a sort of an agreement about what is framing this work?

Mr WITHERDIN: They are the principles. As you are well aware, anything we do in this space requires the concurrence of both the agriculture Minister and the environment Minister. When we move to make any changes in this space, they are the principles that anchor what we do.

Mr JUSTIN FIELD: Sorry, I do not want to labour the point. Is that an agreed set of principles between the two Ministers around how questions about the implementation of these laws and these codes will be managed in the future?

Mr WITHERDIN: No. That is between—

Mr JUSTIN FIELD: It is a working set of things between staff level.

Mr WITHERDIN: Yes, between people of my level.

Mr JUSTIN FIELD: The other thing that we talked about last year was that the Natural Resources Commission [NRC] had been engaged by the Government to review the Land Management (Native Vegetation) Code, I believe after a trigger was reached of 20,000 hectares of native vegetation clearing within a single year. I think that was a surprise to some people. They did not realise such a trigger had been agreed to nor that a review had been initiated. What is the status of the response to that review?

Mr WITHERDIN: Yes, sure. A couple of things in relation to that are that in terms of the actual statistics around land clearing, those are updated daily on our website to ensure transparency around that. In terms of the NRC trigger review, that was discussed by the NRC at the last estimates hearing. I think that final report came in at the end of July. We have put our departmental response in. I understand the EES has done similarly. It is my understanding that I think the release of report and the response from Government is fairly imminent, from what I understand.

Mr JUSTIN FIELD: Obviously it was triggered because the outcome was unexpected or worse than the intention of the change of laws. Can you give a sense of the sorts of responses that are likely to come out of that?

Mr WITHERDIN: It is a Cabinet-in-confidence document at this stage. I certainly welcome the release of it and I think the time it does—we are about to move into the three-year review of the codes that was committed to in the second reading speech for this legislation. It provides an ideal opportunity to inform that process.

The Hon. EMMA HURST: I have some questions in regards to the planning of the restocking of rivers with fish that have been impacted by the drought and bushfires. Where are all the fish that are going to be released coming from? I would like to get some details around that.

Dr MOLTSCHANIWSKYJ: There are a couple of things. Some of the fish, I am sure, will be returned back as adults, so we will not necessarily breed from them. Currently private hatcheries are holding the fish for us. They will not breed from them. We will return them back. It has been an important factor for the community. The fish that are sitting in our hatcheries are being currently set up for breeding. Some of that breeding and release has already started to happen under the normal recreation fishing restocking activities. The smaller bodied natives and some the larger bodied natives will need to go through a recovery planning process. We are going to have to assess where the water is, what the quality of the water is and what has been impacted by the bushfires, and find safe places for these fish to be returned as juveniles.

The Hon. EMMA HURST: That was my next question: How would you determine the timing of it? Are you hoping to replicate the diversity that would have existed before?

Dr MOLTSCHANIWSKYJ: That is a really important feature of it. We have to look at what these waters looked like post-drought and post-flood, what our recovery will look like and what the ecosystem will look like. We will work with other research organisations that can help us identify what those systems actually need in order to be able to recover because obviously it is not just a case of "Add large fish and walk away." We are aware of that but that poses us with some very interesting challenges.

The Hon. EMMA HURST: I guess another sort of challenge is around the idea of native fish and any other fish. Are you focused entirely on native fish or will other fish be brought back in as well?

Dr MOLTSCHANIWSKYJ: We are absolutely focused on native fish.

The Hon. TREVOR KHAN: We do not need more catfish.

The Hon. EMMA HURST: How do we determine how many fish and other species to be put into the rivers?

Dr MOLTSCHANIWSKYJ: Again, we will be basing that on assessments that have been going on over the past five years prior to the drought. That will inform us what kind of densities there were prior to the drought.

The Hon. EMMA HURST: I have some questions about rabbit calicivirus. Mr Hansen, at the last budget estimates hearing you said that a broad spectrum rabbit haemorrhagic disease virus [RHDV] is currently being investigated. Can you tell me where that research is up to and how close the vaccine is to being released?

Mr HANSEN: I do not know if there has been any progress or any further report that I have either since our last conversation on this one. I will see whether there are any updates and come back to you on that.

The Hon. EMMA HURST: You might want to put this one on notice as well. Do you know if the research being conducted on this is being done on live animals or in vitro?

Mr HANSEN: I could not tell you off the top of my head. I will see if I can find out for you.

The Hon. EMMA HURST: You can take it on notice. Are you aware of any research that has been conducted on non-lethal biocontrol of wild rabbits. I believe there is something called virally vectored immunocontraception, which may be less inhumane in killing the rabbits with viruses. Do you know if there is funding or any research into this? Have you heard of it?

Mr HANSEN: I have not heard of it, but again that is promising if there are additional tools that are being looked at to add to the toolkit with regard to control and one that we will look into and see where that is up to.

The Hon. EMMA HURST: Thank you very much. In regard to animal research generally, how does the department handle formal complaints about animal research?

Mr HANSEN: Complaints can be made directly through the department. Our Animal Research Review Panel also has the capacity to initiate investigations and compliance activities themselves. So there are those two pathways, one through the department and one to the research panel itself.

Ms ROBINSON: For a formal complaint the Act says it is in writing to the secretary.

The Hon. EMMA HURST: Does the department have any specific policy on how to deal with formal complaints that are made under the Animal Research Act?

Mr HANSEN: Yes.

The Hon. EMMA HURST: Are you able to provide any details on that policy—

Mr HANSEN: We can.

The Hon. EMMA HURST: —in regard to specifically if the department is required to advise complainants of basic crucial information in regard to when research protocols that are the subject of their complaint have actually completed?

Ms ROBINSON: I am pretty sure that the complainants will get a response letter in regard to the finalisation, but we can confirm that.

The Hon. EMMA HURST: Thank you. Would that be just in regard to the conclusion of the complaint or would they be informed at some point during the actual complaint if the protocol itself had ended?

Ms ROBINSON: I am not sure. I do not imagine it would necessarily be informing them about research matters underway; it would be in relation to the complaint and the finalisation of the complaint.

The Hon. EMMA HURST: Looking at the panel's annual reports, I believe that on average there is about one formal complaint each year. Are you made aware of the content of these formal complaints?

Ms ROBINSON: The department, with the Animal Research Review Panel, is responsible for investigating the complaint, so the department is aware of the complaint.

The Hon. EMMA HURST: Is that ever made public at any point?

Ms ROBINSON: Not generally that I am aware of. We report annually to the Animal Research Review Panel around complaints, but not the specifics of a complaint.

The Hon. EMMA HURST: Do you have any information about the species of animal that the complaint is made about? Is that recorded?

Ms ROBINSON: I am not sure. I will have to take that on notice.

The Hon. EMMA HURST: If you could also take on notice how many complaints are received in regard to primates?

Ms ROBINSON: Formal complaints?

The Hon. EMMA HURST: Yes please.

The CHAIR: Mr Hansen, in a response to Mr Field's questions around the Bateman's Bay sanctuary you talked about consideration being given because of the bushfires down there. Is the same consideration going to be given to the proposed transition to Commonwealth waters in terms of commercial fishing down in that Bega area?

Mr HANSEN: Certainly that is one that has probably been at play for a longer period of time than what discussions around those five sites have been and it is currently at a point where there have been negotiations and discussions between both the State Minister and the Federal Minister and, therefore, there is nothing at this point in time that we need to be taking out to consult with the industry further on.

The CHAIR: Going back to Lake Illawarra, it is well known down there with the community that there is regular fallout from the steelworks if you live around that area south of Windang Bridge. What studies or research has been done around food safety with fish and molluscs in the lake?

Dr MOLTSCHANIWSKYJ: This is in reference to heavy metals?

The CHAIR: Yes.

Dr MOLTSCHANIWSKYJ: We would normally seek direction from the EPA if there were concerns raised and we needed to undertake sampling to assess that. I am unaware of any issues that have been raised with those around pollution events through the EPA.

The CHAIR: Unless you receive a complaint that has been given to EPA you do not—

Dr MOLTSCHANIWSKYJ: We have no reason to investigate unless there has been some evidence of a pollution event.

The CHAIR: Mr Hansen, are you aware under the Act that nominated fishers are not responsible for infringements that they incur and it is actually, the way the legislation is defined, the fishing business owner that cops the infringement, even if they are not the one that is the actual fisherperson committing the act or infringement?

Mr HANSEN: Mr Turnell?

Mr TURNELL: I believe that might be the case with respect to share forfeiture, but individual breaches of using the wrong gear or not adhering to licence conditions I believe still apply to the nominated fisher.

The CHAIR: Is there any work being done around share forfeiture to correct what is potentially a costly exercise for someone who has not necessarily done the wrong thing?

Mr TURNELL: The issue has been raised from time to time over the years, but I am not aware of any particular work happening right now. But I can take it on notice and find out.

The CHAIR: Thank you. Is there any work being done around mulloway recovery. Dr Moltschaniwskyj, are you aware of any work being done in that space?

Dr MOLTSCHANIWSKYJ: The mulloway recovery has been around a change in the regulations for commercial and recreational fisheries. We will continue to monitor the catches both by recreational and commercial fisheries through our normal assessment methods and we will be undertaking co-op sampling as well, which will give us some information about the biologicals of the animals being landed. So, yes, there is baseline sampling going on.

The CHAIR: Is there any time frame in terms of when that data will be released or when you might make decisions around that data?

Dr MOLTSCHANIWSKYJ: We will analyse the data and provide it to the managers to use as they need to around the recovery program.

The CHAIR: Is there any work being done around desalination plant impacts at all, particularly the loss of the small fish? We know that the larger fish do not necessarily get sucked up but that small marine life potentially do. Has there been any work done in that area since we turned on the desalination plant again?

Dr MOLTSCHANIWSKYJ: My understanding is that there was an environmental impact study that was undertaken by contractors—that was not managed through us, it was through the desal plant owners—and that data and information has been released. I believe it was released late last year indicating that fish quite like the desal unit and they are in bigger numbers and larger size around the output of the desal plant.

The CHAIR: So there were no reported concerns about saline levels or anything like that?

Dr MOLTSCHANIWSKYJ: No.

The CHAIR: Going back to the business adjustment program, an information sheet was provided for financial institutions. It is dated July 2013. Is there an updated version of that at all or is that what financial

institutions and commercial fishermen are still relying on in terms of seeking loans from private financial institutions?

Mr HANSEN: I am not aware whether it has been updated or not. I am happy to have a look and provide you with whatever the latest version of that one is.

The CHAIR: In the 2013 version it uses the New South Wales rock lobster as an example in terms of a fishery that has been reformed. However, are you aware that the Structural Adjustment Committee [SAC] warns the department constantly not to compare lobster and abalone to other fisheries when looking at this reform? Are you aware of those recommendations?

Mr HANSEN: I am certainly aware that not all the fisheries have the same characteristics that allow them to be compared side by side with a single species, a trapped or harvested species like rock lobster or abalone. Having said that, there is plenty of other examples of migration away from input controls to output controls in commercial fisheries management across the rest of the jurisdictions in Australia and globally that could be pointed to, I guess.

The CHAIR: There is a distinction with the lobster and abalone reform, they relied on catch history where with these reforms there was no reliance on catch history.

Mr HANSEN: The independent allocation panel came up with what balance between catch history and share ownership was determined for each of the classes in terms of allocation for either catch quota or effort quota.

The Hon. DANIEL MOOKHEY: I want to turn to the efficiency dividends being applied across the cluster. On 20 February Mr Betts emailed four people in your cluster saying, "I want to update you on the steps we have taken to meet \$81.4 million savings target set by Treasury, which includes savings"—he then lists a couple of the savings that have already been made, and then explains how effectively \$36 million of cuts will be made. He says, "On a department-wide level, we have found the remaining savings required of us through re-evaluation of projects. We have evaluated our current and planned projects and decided to postpone or cancel those which are less strategic or urgent. And less backfilling—when a staff member leaves their position, we will only recruit to replace them when there is a critical need to do so." Mr Barnes, you then apparently put out an email which said, amongst other things, "Some additional funds have been provided from the Government to support our drought response activities; however, this does not fully close the gap in our budget and we will have to carefully balance existing resources and our work priorities to ensure we can manage these risks."

You go on to say, "In the context of both the continuing drought and the most recent bushfire crisis, and the yet to be fully determined Government response, we will review resources and work programs to ensure that we continue to deliver for regional communities and operate within constrained budgets." Let's unpack that. What projects have been postponed or cancelled in your areas that have been deemed to be less strategic or urgent? On the backfilling question, this is a proposition that says when a staff member leaves their position, we will only recruit them when there is a critical need to do so. Is that a policy that applies to your agency? How does that align with your Government's commitment that there will be no job losses in regional New South Wales?

Mr BARNES: I am happy to take that on board. Every government agency, every year, for as long as I have been in the public service, has efficiency dividends that it has to make.

The Hon. DANIEL MOOKHEY: I do not want to be rude, Mr Barnes, but I have four minutes and we went through this in the last estimates round. I want to know precisely what projects have be deemed to be less strategic or urgent and I want to know how many positions are currently not being backfilled.

Mr BARNES: Just on the backfill one, the Government is absolutely committed to making sure that regional positions are maintained.

The Hon. DANIEL MOOKHEY: Not that committed, it says it is not being filled when someone leaves.

Mr BARNES: If those positions are in metropolitan areas and a person leaves and the position is no longer required, of course at that point in time people who are leading business units make a decision about whether they are required to be filled or not.

The Hon. DANIEL MOOKHEY: How many positions have not been backfilled in the past 12 months? And, on notice, how many of them have been metropolitan and how many have been regional?

Mr BARNES: I am happy to take that on notice.

The Hon. DANIEL MOOKHEY: Mr Hansen, do you want to talk about which projects have been deemed less strategic or urgent?

Mr HANSEN: Yes, because that is a key issue for us at the moment. If I can give you a tangible example, we would normally have a couple of our staff down around Batlow, whose first couple of months in this year would otherwise be spent delivering research projects on orchards funded by industry research development funding. However, as you can imagine, we have de-prioritised them doing that productivity research on those orchards. Instead, they are spending all of their time on assessing those orchards with fire recovery activity.

The Hon. DANIEL MOOKHEY: That is not surprising because that is what you communicated as well, that there is a category that will not be proceeding because they can't because of the bushfires.

Mr HANSEN: I was starting to feel as though my email had not got the same cut through as Mr Barnes's had.

The Hon. DANIEL MOOKHEY: Mr Barnes, talking about cut through, you say, "... some of these additional funds have been provided from Government to support our drought response; however, this does not fully close the gap in our budget". What is the gap in the budget that has not been closed by additional drought response funds? What is the quantum? How much money are we talking about?

Mr BARNES: We are still working on that at the moment.

The Hon. DANIEL MOOKHEY: But there is a gap?

Mr BARNES: There is a small gap that we will need to close between now and the end of the financial year to play our part. Some of the ways in which we have been doing that is by cutting back on going to consultants—

The Hon. DANIEL MOOKHEY: Yes, but that is flagged; it is already counted. That is \$22 million that has been flagged on consultants. Mr Betts said that. I am trying to look for the additional \$36 million that you are going to get. Because he says that the strategy is to re-evaluate projects and less backfilling. Is that it?

Mr BARNES: There is a range of strategies that each of our business units are working through at the moment. What is not part of that conversation is regional positions and, in fact, over the past four or five months with drought and fire, we have actually had cause to put more people on. You might have heard Mr Hansen earlier—

The Hon. DANIEL MOOKHEY: Yes, I did. I really do not want to be rude but I have maybe 30 seconds and I have one other question that is not related to this topic. We will probably resume this in the September estimates. Can I just ask quickly, so that you can answer this in the context, why is the executive officer of the Recreational Fishing Trust not here today? We have asked him to appear at these hearings and the September hearings. Both times he has not made an appearance. Given that he is effectively managing the money of the trust, why is he not coming to budget estimates hearings?

Mr HANSEN: Firstly, I do not believe you did ask for him at the September hearings. It was not in the list of requests that we had at that point in time. This hearing was the first one that he was asked to appear at. He reports directly to a director, who is sitting here at the table and who takes line management responsibility for expenditure of the Recreational Fishing Trust Funds. Because Mr Turnell was already here to be at the table to answer questions on other issues, it was really a case of how many people do we bring and whether you were getting your questions answered or not in the most efficient way.

The Hon. DANIEL MOOKHEY: Was it your decision to say that he should not come?

Mr HANSEN: Yes. And there is a little bit about how far down into the business do we bring people to come and sit before the inquiry.

The Hon. DANIEL MOOKHEY: But you acknowledge that we requested him for a reason?

Mr HANSEN: One of the lines that was also requested was whoever replaced Geoff Allen. That was literally the description we got given as to the person you were looking for. We take on board the fact that you are interested in that, but hopefully we have brought the people who can answer questions for you on the subject areas.

Mr BARNES: Mr Mookhey, I have received confirmation that Mr Laurie's contract was a standard senior executive contract, which had a clause in it for a termination payment.

The Hon. DANIEL MOOKHEY: Do you how much that was that he got?

Mr BARNES: You would need to talk with the people who do that.

(Mr JUSTIN FIELD: I have one question to whoever wants to take it. There has been a lot of discussion about the impacts of fires on national parks and State forests. Mr Hansen, are you aware of how many hectares of private native forestry—areas that were sort of approved for active clearing over the next 12 months—were impacted by fire?

Mr HANSEN: That is probably a question best directed to LLS.

Mr JUSTIN FIELD: Mr Witherdin?

Mr WITHERDIN: I do not have that at my fingertips but I am happy to take it on notice.

Mr JUSTIN FIELD: Yes, if you could take it on notice. There are assessments being done on public lands. Are there any assessments on wood supply and biodiversity impacts on private forested land as a result of the fires?

Mr WITHERDIN: Okay, I will take that on notice as well.

The Hon. EMMA HURST: I have one question. You would be aware last week that three baboons—

The Hon. TREVOR KHAN: We shamed her into it.

The Hon. EMMA HURST: —escaped from Royal Prince Alfred Hospital. Obviously this would have caused significant distress and harm to the welfare of those baboons. As the agency responsible for enforcing the Animal Research Act, will there be or is there currently an investigation, and will there be any enforcement action taken against the research facility for a breach of animal welfare standards for allowing those baboons to escape?

Mr HANSEN: There are two parts to that. I think you have already heard that there is an investigation underway. I think the health Minister has publicly said that he has asked—

The Hon. EMMA HURST: From an animal welfare perspective?

Mr HANSEN: No, he is doing his part. The second part—as I said, it is a two-part answer—is that the supply facility is in the process of now having an investigation and audit done against the Australian code.

The Hon. TREVOR KHAN: Well, that was fun, wasn't it?

The Hon. EMMA HURST: Now you can go home.

The Hon. CATHERINE CUSACK: We had to wait all day for it.

The CHAIR: You will probably need to take this on notice, Mr Hansen. The new ministerial fishing in New South Wales advisory council was announced. Can you, on notice, provide the names of all the people who applied for it and the affiliations that they advised on their applications, the names and affiliations of all the members on the selection panel and short-listed candidates they recommended to you as the Minister?

Mr HANSEN: I would have to take advice on what I can provide to you on notice without breaching privacy provisions. Whatever we can provide we will do so.

The CHAIR: Can you also provide details about the appointment of the new Deputy Director-General in the form of Mr Sean Sloan, who replaced Dr Geoff Allan, and the names of the selection panel and any details around the other people that were short-listed for that position?

Mr HANSEN: I am not going to run through the "who put their hand up and who therefore did not get the job" with regards to that process. I actually chaired that selection process and interviewed all the candidates, so I am happy to talk to you offline about any candidate in particular that you want to know about. The selection panel was myself; the chair of the Ministerial Fisheries Advisory Council; a representative from inland recreational fishing, Matt Hansen; a representative from MEMA who, at that stage, was Wendy Craik—

The CHAIR: Was the chair of the Ministerial Advisory Council actually still in place when that appointment was made? I understand that some of those positions were vacant.

Mr HANSEN: They might well have been non-formal in their role but they were people with experience in the industry and who had fulfilled those parts of those—and also Bryan Skepper from Sydney Fish Market, but I think he had just left the Sydney Fish Market at that stage. It was myself and a group of industry representatives who were the selection committee for that role.

The CHAIR: Thank you. That concludes—

Mr JUSTIN FIELD: Half an hour of Government questioning?

The Hon. TREVOR KHAN: I have a heap of questions. But taking into account that these witnesses have been here all day I think my curiosity can remain capped.

The CHAIR: All baboon questions from Mr Khan will be put on notice. As to any other questions on notice, just a reminder that the secretariat will contact you shortly with a list. Thank you for your attendance and the information you have provided.

(The witnesses withdrew.)

The Committee proceeded to deliberate.

PORTFOLIO COMMITTEE NO. 4 – INDUSTRY