Uncorrected proof GENERAL PURPOSE STANDING COMMITTEE No. 1

Monday 13 September 2010

Examination of proposed expenditure for the portfolio areas

TOURISM, HUNTER, SCIENCE AND MEDICAL RESEARCH, WOMEN

The Committee met at 9.15 a.m.

MEMBERS

Reverend the Hon. F. J. Nile (Chair)

The Hon. I. Cohen The Hon. L. A. Foley The Hon. K. F. Griffin The Hon. D. J. Gay The Hon. M. J. Gallacher The Hon. M. J. Pavey The Hon. I. W. West

PRESENT

The Hon. J. L. McKay, *Minister for Tourism, Minister for the Hunter, Minister for Science and Medical Research, and Minister Assisting the Minister for Health (Cancer)*

Industry and Investment Mr B. Buffier, *Deputy Director*

Land and Property Management Authority Mr W. Watkins, *Chief Executive*

Department of Premier and Cabinet Ms V. D'Adam, *Deputy Director*

Hunter Development Corporation Mr C. Norman, General Manager

Office of Science and Medical Research Mr C. Armstrong, *Acting Director, Innovation, Research & Policy*

Tourism New South Wales Ms L. Gray, Executive Director

Office for Women's Policy Ms A. Shehadie, *Acting Executive Director*

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 **CHAIR:** I declare open to the public this hearing, which will inquire into budget estimates for 2010-2011. I welcome Minister McKay and accompanying officials to the hearing. Today the Committee will examine the proposed expenditure for the portfolios of Tourism, Hunter, Science and Medical Research and Women. Before we commence I will make some comments about procedural matters. In accordance with the Legislative Council's *Guidelines for the Broadcast of Proceedings*, only Committee members and witnesses may be filmed and recorded. People in the public gallery should not be the primary focus of any filming or photographs.

In reporting the proceedings of this Committee, you must take responsibility for what you publish and the interpretation you place on anything that is said before the Committee. The *Guidelines for the Broadcast of Proceedings* are available on the table by the door. Any messages from attendees in the public gallery should be delivered through the Chamber and support staff, or the Committee clerks. Minister, I remind you and the officers accompanying you, that you are free to pass notes and refer directly to your advisers while at the table. I remind everyone to please turn off their mobile phones.

The Committee has agreed to the following format for the hearing: the Tourism portfolio will be examined from 9.15 a.m. until 10.15 a.m.; the Hunter portfolio will be examined from 10.15 a.m. to 11.00 a.m.; the Science and Medical Research portfolio will be examined from 11.00 a.m. until 12 noon; and the Women portfolio will be examined from 12 noon to 1.00 p.m. I mention that to assist the Minister in organising the relevant staff to be available at those times.

The Committee has resolved that answers to questions on notice must be provided within 21 days, or as otherwise determined by the Committee. The Committee has not varied the 21-day time frame. Transcripts of the hearing will be available on the web from tomorrow morning. All witnesses from departments, statutory bodies or corporations will be sworn prior to giving evidence. I remind the Minister that she does not need to be sworn as she has already sworn an oath to her office as a member of Parliament. All other witnesses will be asked to state their full name, job title and agency, and whether they wish to swear either an oath or take an affirmation.

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BARRY BUFFIER, Deputy Director General, Department of Industry and Investment, and

LYNDALL GRAY, Executive Director and General Manager, Tourism New South Wales, sworn and examined:

CHAIR: I declare open for examination the proposed expenditure for the portfolios of Tourism, Hunter, Science and Medical Research and Women. There is no provision for a Minister to make an opening statement before the Committee commences questioning. However, I will allocate some of my time for questions, if the Minister wishes to make a brief opening statement.

Ms JODI McKAY: No.

CHAIR: We will commence questioning by Opposition members.

The Hon. MELINDA PAVEY: Hello, Minister.

Ms JODI McKAY: Hello.

The Hon. MELINDA PAVEY: I will open up questioning by talking about the major events Cabinet committee of which you are a member. You are a member of the committee along with Ministers Borger, Greene and Judge, is that right?

Ms JODI McKAY: Yes.

The Hon. MELINDA PAVEY: And Macdonald was on it, but not now.

Ms JODI McKAY: That is right. The Premier is also on the committee.

The Hon. MELINDA PAVEY: How many times has the committee met since Minister Macdonald

left?

Ms JODI McKAY: The committee has met once.

The Hon. MELINDA PAVEY: And before that, how many times?

Ms JODI McKAY: The committee has met once.

The Hon. MELINDA PAVEY: Only once?

Ms JODI McKAY: That is right.

The Hon. MELINDA PAVEY: When was that?

Ms JODI McKAY: I will have to take the date on notice. I will have to get back to you.

The Hon. MELINDA PAVEY: Would Mr Buffier remember?

Mr BUFFIER: I do not.

The Hon. MELINDA PAVEY: Do you go to the committee?

Mr BUFFIER: No, I do not.

Ms JODI McKAY: I will come back to you with a date. I will take it on notice.

The Hon. MELINDA PAVEY: So you are not sure whether Minister Macdonald was there, or was not there?

Ms JODI McKAY: Minister Macdonald was not in the room, no.

The Hon. MELINDA PAVEY: It has only met the once, so that has obviously been in the last three months.

Ms JODI McKAY: I would think that, with that meeting, it was chaired by the Minister for Major Events. I believe he is fronting the committee later this week.

The Hon. MELINDA PAVEY: What Tourism matters did you raise at that meeting?

Ms JODI McKAY: It is a committee that is obviously geared around major events, so there were discussions in regard to funding that Tourism certainly contributes to major events. I think that in general that is certainly what one would expect, but I would think that information regarding what was discussed in detail is a matter that is Cabinet in confidence.

The Hon. MELINDA PAVEY: So you are not prepared to tell us what you thought of the Sydney New Year's Eve Resolution Concert from a Tourism perspective?

Ms JODI McKAY: As I have indicated to you, there were discussions from my perspective in regard to Tourism funding.

The Hon. MELINDA PAVEY: Were you asking for more?

Ms JODI McKAY: Those discussions are Cabinet in confidence.

The Hon. MELINDA PAVEY: Those discussions are Cabinet in confidence. Did you seek a briefing from the Minister Macdonald after that Sydney New Year's Eve Resolution Concert was announced?

Ms JODI McKAY: I have not spoken to Minister Greene about that. That is a matter for his portfolio.

The Hon. MELINDA PAVEY: But did you speak with Minister Macdonald when he had the Ministry and came up with the great idea to have Sting?

Ms JODI McKAY: No I have not had a discussion, or did not have a discussion, with Minister Macdonald.

The Hon. MELINDA PAVEY: Did you feel it was relevant, as the Minister for Tourism, considering that Tourism was very much part of the outlook for having such a concert of that profile?

Ms JODI McKAY: I would think that that question is best referred to the Minister for Major Events.

The Hon. MELINDA PAVEY: I have a question in relation to the annual conference event bureau within Tourism. I was told that a major organisation within New South Wales sought to have a conference in either Port Macquarie or Coffs Harbour in the past year or so. They went to Tourism New South Wales to seek advice on how to get the conference in that location. The conference involved approximately 300 people. In any event, nothing really happened, and that conference ended up being held in Canberra because Canberra was quite aggressive in terms of seeking a conference for the community in the Territory. Are you happy with the way the conference area of the Tourism portfolio is being managed?

Ms JODI McKAY: I will say two things in regard to that: the convention bureau, which is where conferences come under, is funded by Events New South Wales, which is a matter for the Minister for Major Events. As I said, he will be fronting this Committee later in the week. In regard to any discussion that happened with officials of Tourism New South Wales, I would require more detail to be able to answer that.

The Hon. MELINDA PAVEY: If an organisation went to Tourism New South Wales saying that they have 300 people for a conference—

Ms JODI McKAY: Are you sure they went to Tourism New South Wales?

The Hon. MELINDA PAVEY: Yes, I am. I am very sure.

Ms JODI McKAY: Do you know who that meeting was with?

The Hon. MELINDA PAVEY: I am not able to say because the organisation is a bit embarrassed about the situation and it does not want to cause embarrassment to New South Wales.

Ms JODI McKAY: Unless you provide me with details on it, I am afraid that I cannot speak hypothetically.

The Hon. MELINDA PAVEY: I will provide you with details after the budget estimates and look forward to a response as to why we missed out on such a conference.

CHAIR: Make it a question on notice.

The Hon. DUNCAN GAY: Who attended the one meeting of the major events committee?

Ms JODI McKAY: I think the Hon. Melinda Pavey ran through who was at that meeting.

The Hon. DUNCAN GAY: No, we did not hear who was there.

Ms JODI McKAY: From memory, Minister Greene, Minister Judge and myself.

The Hon. DUNCAN GAY: The Premier was not there?

Ms JODI McKAY: No, not at that meeting.

The Hon. DUNCAN GAY: You said the Premier is part of that committee?

Ms JODI McKAY: She is part of that committee.

The Hon. DUNCAN GAY: Do you consider one meeting of the major events committee enough?

Ms JODI McKAY: I think the format of this is to enable there to be a sharing of ideas. Obviously that happens outside a committee structure as well. A number of portfolios work across major events. The role of Tourism New South Wales is to provide tourism funding for major events and the promotion and advertising of major events. However, the calling of those meetings is a matter for the Minister for Major Events and the Premier.

The Hon. DUNCAN GAY: If you believe that this is an important committee, why has it met only once?

Ms JODI McKAY: You would have to direct that question to the Minister for Major Events and the Premier. As I indicated, there is a sharing of information across government all the time when it comes to major events, but this is directly related to the portfolio of the Minister for Major Events.

The Hon. DUNCAN GAY: Do I detect that you are disappointed in the Premier's performance?

Ms JODI McKAY: No, absolutely not.

The Hon. DUNCAN GAY: I turn to the Deloitte review into the regional tourism partnership funding program. When did the forum of regional tourism organisations commission Deloitte to evaluate the regional tourism partnership program?

Ms JODI McKAY: The Forum of Regional Tourism Organisations, or FORTO as it is known, did not commission the review. I have asked Tourism New South Wales to undertake what is a mid-year or mid-term review of the regional tourism partnership program, and that is the program that sees our 13 regional tourism organisations supported through Tourism New South Wales. The review is very much about monitoring its success and making recommendations to me on how it might be improved. Given the Government's commitment to the New South Wales Tourism Strategy and the extra \$40 million that we have put into tourism—that is an extra \$3.5 million annually for regional tourism, taking our annual regional tourism spend to \$5.1 million—it is appropriate that we conduct this review. So Tourism New South Wales has engaged Deloitte

to undertake the review. I understand that that review has been completed and Tourism New South Wales is now examining those recommendations. Regional tourism is incredibly important to this State's tourism industry.

The Hon. DUNCAN GAY: How much did the review cost?

Ms JODI McKAY: The Deloitte review?

The Hon. DUNCAN GAY: Yes.

Ms JODI McKAY: I will take that on notice.

The Hon. DUNCAN GAY: When will the final report, which you have received, be made public?

Ms JODI McKAY: It will be made public. The regional tourism organisations are keen to see the recommendations in this report, but obviously we need to ensure that there is an appropriate and measured response from government to those recommendations. Regional tourism is so important. Last week we saw that 604,000 international tourists visited regional New South Wales alone, injecting some \$686 million into the New South Wales economy. That is for the year ended June 2010. In regard to our domestic visitors, because obviously that is also critically important to us, we expect to get that data later this week.

The Hon. DUNCAN GAY: Were the submissions in writing and were some of them available online? Will the submissions be made public when the report is made public, and when will that be?

Ms JODI McKAY: Sorry, what was the last bit of your question?

The Hon. DUNCAN GAY: Will the submissions be made public when the report is made public, and when will that be?

Ms JODI McKAY: I certainly do not have an issue with considering that. In general, I am sure most of the regional tourism organisations would be quite willing to talk to you about how they see regional tourism in New South Wales.

The Hon. MELINDA PAVEY: So that is a yes?

Ms JODI McKAY: As I said, I am happy to consider it.

The Hon. MELINDA PAVEY: I have some questions about the Vivid festival. What was the total cost of the Vivid festival?

Ms JODI McKAY: Again, that is a matter for the Minister for Major Events. As you would well know, we have three new festivals, Vivid, Vivacity and Crave. With regard to the cost, you would need to refer to the Minister for Major Events.

The Hon. MELINDA PAVEY: Are you involved in any discussions or negotiations about hosting the Australian Surf Life Saving Championships in New South Wales?

Ms JODI McKAY: No, I am not.

The Hon. MELINDA PAVEY: Are you aware of any discussions and negotiations going on?

Ms JODI McKAY: No. It would be unusual for me to be involved in that because I am the tourism Minister. That would usually be done in consultation with the Minister for Major Events.

The Hon. MELINDA PAVEY: Returning to the Vivid festival, it had nothing to do with you?

Ms JODI McKAY: No. Events like Vivid and Vivacity are obviously important to Tourism New South Wales because they attract both domestic and international visitors. They also provide an opportunity for Sydneysiders and those living in regional New South Wales to participate in activities here in Sydney. But the role that we have is very much in regard to promoting Vivid. The responsibility of Tourism New South Wales is

in working with Events New South Wales in the promotion and advertising which includes sometimes putting together packages and working with airlines, et cetera. But the cost of the actual running and operation of the festival is more for the Minister for Major Events.

The Hon. MELINDA PAVEY: Tourism New South Wales does not put any money towards it at all?

Ms JODI McKAY: Yes, I just said we certainly do put money towards it in regard to promotion and advertising.

The Hon. MELINDA PAVEY: How much was that?

Ms JODI McKAY: I will take that question on notice and come back to you.

The Hon. MELINDA PAVEY: Ms Gray, do you have a ballpark figure that you might be able to share with us at budget estimates?

Ms JODI McKAY: I said I will take that on notice and come back to you.

The Hon. MELINDA PAVEY: Was it one or two? Surely, Minister, you have some idea of how much you contributed to Vivid Festival—just a ballpark figure.

Ms JODI McKAY: We usually recommend in terms of promotion and advertising of one of those three major festivals around \$1 million but that would also include industry partnership because keeping in mind the way we operate is very much about our funds leveraging industry support. Any dollars that we put in would need to also attract industry support. So including industry funding, it would be around \$1 million. It is a ballpark figure. I am happy to come back to the Committee and take that on notice.

The Hon. MELINDA PAVEY: From your analysis of the Vivid Festival how many domestic tourists attended Vivid?

Ms JODI McKAY: I would think that that is probably a matter that you need to discuss with the Minister for Major Events. Events New South Wales would be able to give you those figures.

The Hon. MELINDA PAVEY: As tourism Minister you cannot tell me how many international tourists either visited?

Ms JODI McKAY: You would need to talk to the Minister for Major Events.

The Hon. DUNCAN GAY: With respect, if you are investing that sort of money into something like that festival surely you and your department would be checking what sort of bang you get for your buck? If you say the ballpark figure is \$1 million you would need to know what sort of result you got.

Ms JODI McKAY: As I said, I will take that on notice. That conversation needs to be had in conjunction with Events New South Wales. What I can tell us is that the figures for the last three quarters have shown that our figures have been extremely healthy.

The Hon. MELINDA PAVEY: What is "our figures"?

Ms JODI McKAY: The figures for both Sydney and regional New South Wales.

The Hon. MELINDA PAVEY: What do you mean when you say that the figures have been healthy?

Ms JODI McKAY: We have seen an increase over the past three quarters for international visitors, as I indicated. Our national figures are out later this week. Over the June quarter we saw a 5.2 per cent growth in visitor numbers compared with 2.1 per cent for Australia as a whole. Even this Committee would agree that after the turmoil of the global financial crisis that is pretty impressive. As I said, we have experienced three consecutive positive quarters of growth in the number of international visitors. Our national figures will be out later this week so we have experienced two quarters of growth but certainly we would be hopeful of seeing a third quarter of growth in our national figures.

The Hon. DUNCAN GAY: Minister, my questions are directed to Ms Gray in her role on the Passenger Cruise Terminal Steering Committee. Have you raised any concerns about the location of the cruise terminal in your time on that steering committee?

Ms GRAY: As Tourism New South Wales representative on the Passenger Cruise Terminal Committee our first order of the project was to look at the cruise terminal facilities west of the harbour. There was much discussion with industry, which is also represented on that committee. As a result the report was delivered on the recommendations for the facilities west of the harbour and now that committee is looking at options for east of the harbour bridge.

The Hon. DUNCAN GAY: Do you agree with your fellow committee member Anne Sherry of Carnival that White Bay is a suboptimal location for the cruise ship terminal?

Ms JODI McKAY: Further questions should be directed to the Minister for Planning as the Minister responsible for matters relating to the cruise terminal location.

The Hon. DUNCAN GAY: Minister, Ms Gray is a member of that committee. This is budget estimates where members of this Committee can ask anyone in this room representing in their capacity those questions.

Ms JODI McKAY: You also know that you cannot ask the executive director of Tourism New South Wales a matter related to government policy.

The Hon. DUNCAN GAY: This is not a matter of government policy.

Ms JODI McKAY: You are asking for her opinion on government policy.

The Hon. DUNCAN GAY: Is it government policy to have a suboptimal location? Is that what you are telling us?

Ms JODI McKAY: That is something that you have put.

The Hon. DUNCAN GAY: No, that is what you said.

Ms JODI McKAY: No.

The Hon. DUNCAN GAY: You said that government policy is to have a suboptimal—

Ms JODI McKAY: No.

The Hon. DUNCAN GAY: I asked Ms Gray if she agreed with Ann Sherry's concerns.

Ms JODI McKAY: And what I have indicated to you—she has given you her answer—is that she is not required to provide an answer that offers an opinion on government policy.

The Hon. MELINDA PAVEY: Ms Gray is on the committee as a representative so the issue of policy really is not for consideration.

Ms JODI McKAY: And I refer to the answer Ms Gray has given to the Committee.

The Hon. MELINDA PAVEY: I think if you are going to put someone of Ms Gray's ability, intelligence and capacity on a committee—

Ms JODI McKAY: That is very kind of you.

The Hon. MELINDA PAVEY: It is true. If you are going to put Ms Gray on a committee and not allow her to be part of a process to explain what Tourism New South Wales thinks about the Government's decision on this—it is not policy.

Ms JODI McKAY: I think Ms Gray has already given you her answer. I reiterate that the committee has undertaken the planning work for the west harbour cruise terminal and has now focussed its attention and options for the east harbour. I understand that that work is scheduled to be completed shortly, and that is the answer that I will give.

The Hon. DUNCAN GAY: You obviously will not allow your director to answer, but as the Minister for Tourism what impression does the White Bay facility give to overseas tourists as they arrive here?

Ms JODI McKAY: I think from a tourism perspective cruising is incredibly important to us. We have seen a dramatic increase since 2007-08. As this Committee may or may not know, cruising contributes some \$1.2 billion to the Australian economy, and that is actually a 54 per cent increase since 2006-07.

The Hon. DUNCAN GAY: We know the figures. What are you going to do about it?

Ms JODI McKAY: Obviously, the Government is working through the options in regard to the cruise terminal location, and I refer to my previous answer.

The Hon. DUNCAN GAY: Given that the current big issue in international cruising is the size of the next generation of super liners, do you believe the steering committee should be exploring options east of Sydney Harbour Bridge given that ships such as the *Queen Mary II* and many others that are coming into the northern hemisphere cannot fit under the bridge?

Ms JODI McKAY: I think that is what I just indicated to you.

The Hon. DUNCAN GAY: No, it was not.

Ms JODI McKAY: I just said that they are now looking at locations east of the harbour bridge.

The Hon. DUNCAN GAY: Where would that be?

Ms JODI McKAY: It is work that the committee is undertaking but it is certainly happening.

The Hon. DUNCAN GAY: Just give us a couple of suggestions.

Ms JODI McKAY: I have no idea. You would have to refer to the Minister for Planning, who is responsible, the lead Minister on this committee.

The Hon. DUNCAN GAY: You are probably right.

The Hon. IAN COHEN: Does Tourism New South Wales—a branch of State and Regional Development, Industry and Investment NSW—have memorandums of understanding with Tourism Australia, Events New South Wales Pty Ltd and the New South Wales Department of Environment and Climate Change?

Ms JODI McKAY: We only have one memorandum of understanding and that is with the National Parks and Wildlife Service, a division of Climate Change.

The Hon. IAN COHEN: Is that about specific issues? Is that tourism in national parks?

Ms JODI McKAY: It is, yes.

The Hon. IAN COHEN: Is it about the upgrade of national parks and tourism?

Ms JODI McKAY: No, it is certainly in regard to working—

The Hon. IAN COHEN: Or upgrade of tourism activities in national parks?

Ms JODI McKAY: It is in regard to how we promote nature tourism. As you will be aware, there was a ministerial task force that focused very much on how we increase visitor numbers in national parks, and it is incredibly important to us that we see visitor numbers increase. We have hundreds of national parks and reserves that are spread across the State—I do not need to tell you that—but we want our visitors to make the

most of their time in New South Wales and we want them to experience the best that we have to offer with our national parks.

The Hon. IAN COHEN: You have identified the memorandum of understanding. Could you perhaps table it and take that on notice for the Committee?

Ms JODI McKAY: I am happy to take it on notice.

The Hon. IAN COHEN: In terms of the process with national parks, did Tourism New South Wales have any formal consultation with any members or organisations in the environment movement about this process?

Ms JODI McKAY: You would certainly be aware that there was a great deal of consultation—

The Hon. IAN COHEN: Consternation, but I am not aware of consultation.

Ms JODI McKAY: If I may finish, there was a great deal of consultation during the National Parks and Tourism Task Force.

The Hon. IAN COHEN: Could you list the environment peak bodies that were contacted in that process?

Ms JODI McKAY: I am happy to take that on notice.

The Hon. IAN COHEN: Would you disclose all the commercial partners that Tourism New South Wales currently has agreements or contracts with, including the nature of the relationships or agreement and joint initiatives undertaken?

Ms JODI McKAY: Commercial partnerships in what regard—in regard to national parks?

The Hon. IAN COHEN: Any commercial partners—it may not just be national parks.

Ms JODI McKAY: That would be a fairly significant role for Tourism New South Wales because obviously, as I indicated, the \$40 million that we are putting into tourism—our extra money under the New South Wales Tourism Strategy—is generating some extra \$20 million from industry. So it is really important that we work in consultation with our commercial partners, those that have an interest in tourism in New South Wales. But if you look at our airline partnerships, for instance, we have an agreement with some 13 airlines worth more than \$10 million. So I would need to understand exactly what you require because that is a fairly enormous ask. Is there one area specifically that you would require details of?

The Hon. IAN COHEN: No, I will come back to that.

Ms JODI McKAY: Okay. Keep in mind also that some of those agreements would be commercial in confidence, but I am happy to take further questions on that if required.

The Hon. IAN COHEN: In answer to some of the questions asked by members of The Nationals you said that a number of those issues were major events. Also you mentioned planning. It is a bit before your time, but back in 1995-99 then Minister Kim Yeadon talked very enthusiastically about wiring up all the departments for information transfer. I wonder whether you have any information with other levels of government— complementary formats on written information and spreadsheets and such like—and proper communication between your department of tourism and special events, which obviously cross over very significantly.

Ms JODI McKAY: I do not really understand the question, but I would think that quite possibly that question is best directed to the Minister for Commerce.

The Hon. IAN COHEN: I disagree. We have tourism issues and major events issues. Are the departments able to communicate with each other or are they in completely separate silos? Do you have any format or way of communicating, because special events issues—to which I will come in a minute—are inextricably intertwined with Tourism New South Wales surely?

Ms JODI McKAY: Obviously from an agency perspective Tourism New South Wales works very closely with Events New South Wales. It has always been that way. In referring particular questions to the Minister for Major Events, what I have indicated to the Committee is that he is the best person to answer those because they fall under his portfolio. But I can confirm that there is certainly a great deal of discussion between Events New South Wales and Tourism New South Wales.

The Hon. IAN COHEN: I have before me a communication with Phil Villiers, who is the General Manager of Tweed Tourism. At one point he was quoted in the local papers as saying that Tweed Tourism received 308 room night bookings, worth a total of \$44,000 in revenue, around the relevant time in 2009. There is also reference to 156 visitor nights and a total revenue of about \$24,000, which is about half of what was quoted by Tweed Tourism for the event.

Ms JODI McKAY: Which event, I am sorry?

The Hon. IAN COHEN: The Repco Rally. It was a major event, it was a major tourism drawcard, and there are major discrepancies in the prediction of how much it actually earned for the industry.

Ms JODI McKAY: Again, I would indicate that that question should be answered by the Minister for Major Events.

The Hon. IAN COHEN: But that was the General Manager of Tweed Tourism. He is in your department, is he not?

Ms JODI McKAY: No, he is actually part of local government. We have 13 regional tourism organisations, so he is in the Far North Coast Tourism region. But Tweed Tourism is very much a local government organisation.

The Hon. IAN COHEN: So it is purely local government; nothing to do with the Department of Tourism at all?

Ms JODI McKAY: It should be Tourism New South Wales.

The Hon. IAN COHEN: Yes.

Ms JODI McKAY: That would be funding that we would give the far North Coast, so Northern Rivers Tourism. But I would think that if this is a question related directly to the Repco Rally you need to ask the Minister for Major Events.

The Hon. IAN COHEN: Surely accommodation levels and projected accommodation levels relate to more than just the rally. This refers back to my earlier question. Are Tweed Tourism or other tourist bodies siloed off from your department? Do you not have an annual tourism strategy? This is an event within a tourism strategy—they are not separate.

Ms JODI McKAY: We have a New South Wales Tourism Strategy, and I am happy to provide you with that information. But our role is very much about supporting regional tourism organisations. You are quoting someone from Tweed Tourism. He is quite possibly speaking as a local government employee and our role is very much to ensure that we have the support required in terms of promotional and advertising dollars to our regional tourism organisations, and that would be the Northern Rivers Regional Tourism Organisation.

The Hon. IAN COHEN: You said earlier—I do not want to verbal you—that something like \$686 million is going to the regional economy through tourism. Am I correct?

Ms JODI McKAY: Yes.

The Hon. IAN COHEN: Is that excluding major events? Is that completely separate from local government initiatives? How can you quote that \$686 million figure for the local economy, which you take credit for, yet exclude yourself when questioned about major events and exclude yourself from local government tourism initiatives? Where do we draw the line? What is the point of a figure like \$686 million? Is that excluding those series of events?

Ms JODI McKAY: That is very much the value of regional tourism.

The Hon. IAN COHEN: Including or excluding major events?

Ms JODI McKAY: It is about visitation. The issue that you have touched on—

The Hon. IAN COHEN: That is the point I am trying to make. Visitation is measured during events and from the year before. It is all about nights booked, so that surely ties in with major events. I find it incredible that you are separating yourself from major events.

Ms JODI McKAY: I am not separating myself; I am indicating that you need to refer it to the appropriate Minister. What I will also indicate is that the Deloitte review—

The Hon. IAN COHEN: Has my time for questions expired?

CHAIR: Yes.

Ms JODI McKAY: Shall I finish my answer?

The Hon. IAN COHEN: Sure. I am a bit disappointed because I had so many other questions and you could have enjoyed yourself answering them.

Ms JODI McKAY: I am sure you are enjoying yourself more than I am enjoying myself.

The Hon. DUNCAN GAY: If you went to the Repco Rally you would have enjoyed yourself.

Ms JODI McKAY: I indicate—and I am happy to provide this information because it is important that the Deloitte review, which the Hon. Duncan Gay touched on, is very much about how we build a closer relationship with local government, because our 13 regional tourism organisations are obviously quite dependent on local government support. It is important to note that at this point—and local government has always wanted to operate this way—they largely control their own tourism destinies in local government areas. Is that the best way of managing tourism in New South Wales? Possibly not, but to get to that point we are undertaking a review to understand how we build a closer relationship with our 149 or 150 councils.

CHAIR: What cooperation and coordination do you have with the Federal Minister for Tourism with regard to special events? Do you have regular meetings? Obviously they are the major promoter of tourism.

Ms JODI McKAY: Absolutely. Tourism New South Wales has a significant relationship with Tourism Australia, but I have contact with the Federal Minister through Ministerial Council meetings and I speak to him quite frequently. It is an important time for the tourism sector as we work through the national long-term tourism strategy. It is critical for all States to understand the issues that need to be addressed from a national perspective and the role that we play in that.

CHAIR: If you planned certain strategies would you share those with the Federal Minister so that you could coordinate them?

Ms JODI McKAY: It usually occurs through the agencies. If there is an issue that I need to speak to him about, most certainly. We have also received significant financial support from Tourism Australia in recent times, particularly for business tourism. It is imperative that the two work closely. Sydney is the only global city in Australia and it is critical that Sydney works well if tourism in Australia is going to work well. That is why this year we have invested some \$10 million in a new tourism campaign for Sydney and some \$12 million in a new tourism campaign for regional New South Wales.

CHAIR: Where would the campaign for Sydney be targeted?

Ms JODI McKAY: We launched that campaign in the last few months. We have rolled out that campaign in Victoria and Queensland and into New Zealand, and during the expo we rolled it out in Shanghai. Later this year we will be rolling it out in the United States, so it is our major campaign for the next few years. It is significantly supported by the tourism sector. It is important that we use our dollars to make sure that Sydney

works the way it should, because there are so many people employed in this sector both from a regional tourism perspective and certainly here in Sydney.

CHAIR: Given the Government's recent reorganisation of ministries, where does your budget allocation come from?

Ms JODI McKAY: Our budget allocation for Tourism New South Wales for 2010-11 is \$52.9 million, which is allocated through the larger Department of Industry and Investment. That is where we sit.

CHAIR: As you know, to attract tourists to New South Wales there needs to be a lot of tourist recreational attractions. Have you been involved with the promotion of the new waterways recreational centre between the M4 and the M7, which has just been announced?

Ms JODI McKAY: The Wet 'n' Wild project that was announced over the weekend? I have had one meeting in regard to that but I have not been involved.

CHAIR: Is it purely commercial? Are there no government subsidies?

Ms JODI McKAY: The Premier announced it over the weekend and you would have to direct that question to her. My understanding is that at this stage it is a proposal. It would need to go through a merit-based planning assessment process.

CHAIR: But that would be an important item to include in future promotion when it is finally approved.

Ms JODI McKAY: Absolutely. As Minister I have implemented a program that is very much about understanding that our focus has previously been on the central business district of Sydney. Our Greater Sydney Tourism Partnership Program is matched dollar for dollar for those councils who want to work together or independently to promote their local areas. We work with regional tourism organisations but we previously have not had a focus on that. Our Greater Sydney Tourism Partnership funding will really come to the fore with a proposal like the Wet 'n' Wild project.

CHAIR: What I am getting at is that with those sorts of projects it would obviously help to have Government support or encouragement and for your department to be giving favourable support as well. Have you been able to do that and do you get involved with individual projects of that nature?

Ms JODI McKAY: Obviously it would need to go through a merit-based planning assessment process and most people would be aware of that. In regard to the tourism value, both in terms of jobs and investment, particularly for western Sydney, that is something we would be very supportive of. That does not mean it would necessarily get the support of the Minister for Planning, for instance. Obviously I support it from a tourism perspective because I see the great value it would bring.

CHAIR: Would you make a submission—

Ms JODI McKAY: No.

CHAIR: —or do anything to give some encouragement to it? Do you think you should?

Ms JODI McKAY: At this point I have not been approached to do that. I understand it is very much in the early stage.

CHAIR: In principle would you get involved in making submissions about any projects, considering how important it would be for this to receive favourable consideration?

Ms JODI McKAY: It would be rare, but I would take each project on its merit.

CHAIR: There has been some controversy about another recreational plan for the Jamberoo recreation park on the South Coast. They are seeking to expand that centre with some water activities, which would make it more attractive. Apparently the council has been very negative about it. I gather it has opposed it. Would you

get involved or give some encouragement from a tourism point of view and say this is a very important project for this State?

Ms JODI McKAY: I certainly have not been asked at this point to get involved. I only know what I have seen in the newspaper in regard to the council's decision. I have been to the Jamberoo Action Park and have frolicked in the water there as Minister for Tourism in a joint campaign we announced and promoted with Jamberoo Action Park and the Illawarra Fly. I would consider any requests like that on merit.

CHAIR: So you wait for a request to come in? I was trying to establish whether you would initiate something or just wait for that.

Ms JODI McKAY: It would not necessarily need to be a request. I would consider the proposal on merit in regard to whether I got involved or not.

CHAIR: There were questions earlier about Events New South Wales and obviously that is a very important area of coordination. You have mentioned already that there is a committee. There did not seem to be very much contact with Events New South Wales. Do you have any input into their planning or schedule and give your opinion and say there should be more or less emphasis on these events?

Ms JODI McKAY: As I indicated, there is a very fruitful relationship between Events New South Wales and Tourism New South Wales and the two organisations work quite closely. Events New South Wales comes under the control of the Minister for Major Events. I meet with the chief executive officer of Events New South Wales to understand the requirements of Tourism New South Wales in regard to coming events.

CHAIR: From a tourism point of view would you be able to coordinate publicity for major events?

Ms JODI McKAY: That is our role, yes.

The Hon. KAYEE GRIFFIN: What airline partnerships does the New South Wales Government have in place to boost tourism in New South Wales?

Ms JODI McKAY: We work closely with global and domestic airlines to boost visitor numbers, nights and expenditure in New South Wales. We have in place a number of marketing partnerships with domestic and international airlines. Those partnerships provide greater opportunities for both parties to extend the reach and effectiveness of tourism campaigns and promotional programs. As I have indicated to the Committee, last year we developed cooperative marketing partnerships worth a total campaign value of more than \$10.5 million, which helps us to extend our marketing and promotional reach, in particular, in our key overseas markets.

Internationally, we work in partnership with Jetstar in Japan and New Zealand and that campaign is valued at \$1.4 million. We work also with Virgin Blue in New Zealand, which is valued at around \$100,000; V Australia and Delta in the United States of America, which is valued at \$1 million; Emirates in France, Germany, Italy, the United Kingdom and New Zealand, which is valued at \$860,000; Singapore Airlines in the United Kingdom, Germany, India and Singapore, which is valued at \$600,000; Etihad in France, Germany, Italy, Ireland and the United Kingdom, which is valued at \$550,000; China Southern Airlines and Cathay Pacific-Dragon Air in China, which is valued at \$680,000; Qantas in the United Kingdom, United States, China and India, which is valued at \$1.55 million; and Virgin Atlantic in Hong Kong, which is valued at \$80,000. Domestically, we work with Jetstar and Virgin Blue to attract domestic visitors to New South Wales, and those partnerships are valued at \$2.7 million.

Working with airlines offers us a major opportunity to attract more visitors into Sydney and New South Wales. For example, in a recent campaign worth \$900,000, Tourism New South Wales partnered with Tourism Australia and China Southern Airlines to run outdoor and in-flight advertising reaching travellers in key geographical areas in China. Over three months billboards promoted travel to Sydney near seven of China's major airports. Those billboards were in full view of a massive audience. The passenger traffic through Beijing Capital International Airport alone is enormous, with 65.3 million passengers in 2009. That campaign was a coup for New South Wales, given that China Southern Airlines is China's leading airline and China is the fastest growing tourist market in the world.

For the European market we have been working closely with Emirates, jointly investing around \$600,000 in several campaigns in the United Kingdom, France and Germany. Those campaigns were part of our \$2.4 million three-year strategic marketing partnership with Emirates. In the United States we have partnered with Webjet and V Australia in a \$300,000 campaign to encourage Americans to switch from a European high-season airfare to a good-value holiday in Sydney. This was the first time that Webjet dedicated a campaign to Sydney as a key destination to drive tourism from the United States to Australia. The campaign was aimed at reaching millions of Americans living on the West Coast through cable television and online advertising. Email promotions were sent also to around 20,000 of Webjet's customers who had booked a European holiday the year before.

Following the great success of its airline partnerships last year in 2010-11 Tourism New South Wales will also undertake cooperative marketing and promotional campaigns in domestic and international markets with at least 11 airline partners to the value of \$9.5 million. We are seeking to expand more partnerships with airlines to extend further the reach and the effectiveness of Tourism New South Wales marketing and promotional campaigns, in particular, in the international marketplace. Currently we are in the process of appointing an aviation specialist in Tourism New South Wales whose role will be to develop and implement strategies that expand air services and overall airline capacity to and within New South Wales. This new position will enable us to adopt a more streamlined approach to aviation in this State.

The Hon. LUKE FOLEY: How does the partnership between Tourism New South Wales and Tourism Queensland benefit the New South Wales tourism industry?

Ms JODI McKAY: Together, New South Wales and Queensland command the greatest market share of international holiday visitors, nights and expenditure in Australia. Eight out of every 10 international holiday visitors go to New South Wales and/or Queensland during their time in Australia—that is around 2.3 million people every year from a total of 2.8 million international holiday visitors to Australia—injecting more than \$4 billion annually into the economies of both States. We want to build on that dominance to attract more international visitors to New South Wales and to Queensland. I think everyone understands that when international tourists visit Australia they do not recognise State borders.

For that reason in late 2009 the New South Wales and Queensland governments announced a three-year \$8.8 million marketing partnership to attract more international holiday visitors to the East Coast of Australia. That partnership is about showcasing the best of what New South Wales and Queensland have to offer international tourists. Through the partnership, Tourism New South Wales and Tourism Queensland have already worked on joint campaigns worth an estimated \$2.5 million with Tourism Australia and our airline partners. Etihad, Qantas, Jetstar, Singapore Airlines, Cathay Pacific and V Australia. The two States have worked together with Etihad Airlines and Qantas on three different campaigns to attract visitors from the United Kingdom, which is our biggest tourism market.

We have run three campaigns in China with Qantas and Cathay Pacific to tap into the huge growth potential of the Chinese market. We have run joint campaigns also that have been targeted at key tourist markets, including Japan, Scandinavia, Germany, India and the United States of America. In addition, Tourism New South Wales and Tourism Queensland ran two joint sales missions to the United States of America and China. New South Wales companies were supported on those missions as part of the New South Wales Government's International Industry Incentive Funding Scheme. The mission to the United States of America that was run in October and November 2009 provided an opportunity to meet with 82 wholesale product buyers from 51 different companies based across North America, plus 331 retail travel agents and wholesale staff from the Greater New York, Boston, Seattle and Los Angeles areas and over 500 consumers from the Greater Los Angeles area.

In March 2010 Tourism New South Wales and Tourism Queensland partnered on the Greater China Mission where they held separate two-day networks and a joint networking dinner. Fifteen New South Wales operators joined the mission and 20 key wholesale and retail agents from China and 10 each from Hong Kong and Taiwan also attended. Many of the international markets in which we have already run campaigns and trade missions in partnership with Queensland are amongst our top markets for overseas visitors. The United Kingdom is our largest source market for international visitors. New South Wales received 60.3 per cent of visitors and 33.1 per cent of nights by United Kingdom travellers in Australia.

The outbound market from China is one of the fastest growing in the world. New South Wales receives 67.3 per cent of visitors and 44.6 per cent of visitor nights spent by Chinese travellers to Australia. New South

Wales and Queensland will continue to work together to promote both States in our key tourist international markets.

The Hon. IAN WEST: What is the Government doing to promote regional tourism?

Ms JODI McKAY: Tourism is incredibly important to the New South Wales economy and it is particularly important to regional committees. Tourism is worth more than \$28 billion to our economy and the industry directly employs 162,500 people across the State. That is nearly 5 per cent of all jobs in New South Wales. Almost half of all tourism jobs in the State are in regional New South Wales. Regional New South Wales through the new \$12 million "See where it takes you" campaign that was launched in April 2010. The campaign focuses on the range of experiences that visitors can enjoy in regional New South Wales. We are also giving regional tourism organisations an opportunity to buy into the new campaign. We have already seen strong support from regional industry. If regional tourism organisations are able to invest in the new campaign we will match them dollar for dollar up to \$3.8 million.

Tourism New South Wales also works in partnership with partners on campaigns that very much aim to attract visitors to destinations throughout our State. For example, Tourism New South Wales in partnership with CountryLink ran television and print advertising in June 2009 that generated a 262 per cent increase in package sales by CountryLink and 2,195 business leads to operators. All Tourism New South Wales campaigns are combined with public relations activities, which in 2009 resulted in 174 regional New South Wales media visits last year, generating 688 stories in domestic media worth an estimated \$30 million in publicity.

Tourism New South Wales also supports regional tourism organisations and industry to undertake campaigns to attract visitors to regional New South Wales. From 1 January \$5.133 million is being provided to regional tourism organisations each year as part of the regional tourism partnership program. This program supports the marketing of regional New South Wales, very much building demand for travel to regional areas. As we have heard, events can also raise an area's profile and help a city, town or region add to the visitor experience and attractions available to tourists. In turn, this can increase visitor numbers and, importantly, leads to economic benefit.

We play a significant role in supporting and developing events in both Sydney and regional New South Wales. Through Tourism New South Wales, for example, we provide funding specifically to help market and promote events in regional New South Wales under the Regional Flagship Events Program. The program provides one-year grants of \$10,000 or grants of \$20,000 each for three years to successful applicants, with \$412,000 being provided to 20 regional events this year. The events supported under the program are run by the local community and involve local producers, artists, craftspeople, sportspeople and musicians. The events attract thousands of visitors each year and reflect the identity and unique character of each region.

Event organisers that receive regional flagship funding are able to promote their event to a much broader audience than would otherwise be possible, which helps them grow in size and economic benefit to regional communities. Past recipients that have become successful and sustainable events in their own right include the famous Parkes Elvis Festival, the Deni Ute Muster and, of course, the Lovedale Long Lunch. The New South Wales Government is committed to supporting events that create local jobs and provide a boost to regional economy. That is why as part of the New South Wales Jobs Summit we have established a \$120,000 Regional Events Development Workshop Program.

This particular program is being run by Tourism New South Wales and aims to assist communities to develop sustainable events to increase visitors to the area and provide economic benefit to the local community. From August to November 2010, 12 free-of-charge workshops will be held throughout New South Wales. The Regional Events Development Workshop Program will result in the creation of new regional events and will help existing events grow their visitor numbers so that they may become eligible to apply for marketing funding assistance and support under the Regional Flagship Events Program.

The Hon. KAYEE GRIFFIN: What has been the return on investment in the new tourism campaigns for Sydney and regional New South Wales?

Ms JODI McKAY: As I have told the Committee, the Government is investing in the promotion of our State's tourism industry. As I have indicated already, it is an industry that directly supports 162,500 jobs, or 5 per cent of all jobs in New South Wales, and contributes \$28 billion to the New South Wales economy. In April this year we launched two new major tourism campaigns for New South Wales with a combined

\$22 million, including industry support. We are planning similar investment over the next two financial years. These new campaigns celebrate the best of Sydney and regional New South Wales in our key interstate and overseas markets. Together with industry partners, last financial year we invested more than \$10 million in the new Sydney campaign.

Initially the Sydney campaign was launched in Melbourne, south-east Queensland and New Zealand. We then launched that campaign in China during New South Wales Week at the Shanghai Expo. In addition to advertising, our digital marketing program targeted China's 385 million internet users, with a primary focus on the 10 million internet users in Shanghai. In the United Kingdom the campaign launches during Australia Live 2010 and then will be launched in the United States of America in January 2011 as part of G'Day USA. The New South Wales Government's new tourism campaign for Sydney has received comprehensive support from the State's tourism industry. In fact on 23 April, Patricia Forsythe, chief executive officer of the Sydney Business Chamber, said:

This is a tremendous initiative that should pay dividends to New South Wales.

The Australian Hotels Association (NSW) also supported the new campaigns, with Sally Fielke, the chief executive officer, saying:

This is a real positive note for the industry for 2010 and these marketing campaigns will give the hotel industry even more to build on.

The initial stage of the Sydney campaign highlights the personal experiences of some of Sydney's most famous and accomplished sons and daughters with television commercials airing in Melbourne, south-east Queensland and also in New Zealand. Key messages from the Sydney campaign will also be incorporated in major cooperative campaigns with airlines to attract more international visitors to New South Wales. From 18 April to the end of June 2010 the campaign generated more than 500,000 visits to the Tourism New South Wales website, sydney.com, representing an increase of 51 per cent on visits for the same period in 2009. This resulted in 94,273 business leads for Sydney tourism operators. Our \$12 million campaign for regional New South Wales.com website received more than 860,000 visits, which represents an increase of 40 per cent for the same period in 2009. So far, this has resulted in 166,523 business leads for regional New South Wales tourism operators. Collectively, the new Sydney and regional New South Wales campaigns have generated more than 1.3 million visits to our websites and more than 260,000 business leads for New South Wales' hardworking tourism operators.

The Hon. LUKE FOLEY: What is the progress of the task forces established under the New South Wales tourism strategy?

Ms JODI McKAY: The New South Wales tourism strategy very much identified the need to form a joint ministerial task force to address tourism issues relating to education, planning and investment, local government and national parks. The Taskforce on Tourism and National Parks was the first task force formed to report on ways to promote and protect the State's natural and cultural heritage, very much through appropriate use of national parks and reserves. Our national parks are among the most important and visited tourist attractions in New South Wales. Hundreds of national parks and reserves are spread across this State and they attract visitors from around Australia and all over the world. However, it is important that we properly manage access to and use of our national parks to protect them for future generations.

To this end, the Taskforce on Tourism and National Parks delivered its report, and the recommendations have been adopted. As Committee members would be aware, the National Parks and Wildlife Amendment (Visitors and Tourists) Bill 2010, a key recommendation of the task force, was passed on 9 June 2010. That new legislation brings New South Wales in line with other major nature tourism destinations like Africa and Tasmania. The legislation will allow us to promote our iconic national parks with low-key sustainable activities and attractions while protecting them very much for generations to come. Tourism New South Wales is working with the National Parks and Wildlife Service to capitalise on new opportunities to better promote and protect our national parks. Nature Tourism is a key driver of economic activity and employment, particularly in regional areas of New South Wales.

Obviously, we are committed to working across industry and government to provide appropriate supply site infrastructure and services to match current and future tourism demand. The tourism planning and investment task force was the next task force established to advise on making the New South Wales planning

system more tourism friendly and also to attract tourism investment. The New South Wales Government currently is considering the task force's final report. However, as a first step in our response to the taskforce's recommendations the New South Wales Government has provided \$1 million to deliver a comprehensive master plan to redevelop and expand Sydney's convention and exhibition facilities. Importantly, the Government supports what is a two-precinct model for convention and exhibition space that uses both Darling Harbour and Sydney Showground at Sydney Olympic Park. Using such a fantastic precinct will benefit western Sydney in job creation and investment in local businesses.

A cross-agency committee, led by the Land and Property Management Authority, has been set up to oversee the master plan process and look at ways in which the Sydney Showground can be incorporated into a two-precinct business event model. The master plan will be completed by the end of October this year. The Tourism and Education Task Force was formed to advise on strategic issues around both supply and demand and ways to maximise the tourism benefits from the international education sector. That advice will inform the tourism industry plan, which is being prepared for consultation and to develop an education tourism plan for New South Wales. The task force has delivered its report, which is currently under consideration.

CHAIR: We will now examine the portfolio for the Hunter. The Hon. Michael Gallacher will take 15 minutes for questions and then we will have a morning tea break.

CRAIG NORMAN, General Manager, Hunter Development Corporation, and

WARWICK WATKINS, Chief Executive, Land and Property Management Authority, sworn and examined:

The Hon. MICHAEL GALLACHER: Good morning, Minister, How are you?

Ms JODI McKAY: Very well. How are you?

The Hon. MICHAEL GALLACHER: We have 15 minutes so I am going to try to keep questions fairly short and sharp, if I can. I have a heap of questions, so it is amazing I have only 15 minutes. Minister, could you indicate to the Committee when the scoping study into light rail in Newcastle will be released?

Ms JODI McKAY: I think, as you know, there has been a great deal of discussion and debate about transport in Newcastle. I have made my views very well known. I know that you have not made your views known: I welcome that when it does come about. Minister Robertson has indicated that the work on the scoping studies will be completed by the end of this month. They will then be presented to the Newcastle renewal steering committee, which is chaired by the chief executive officer [CEO] of the Land and Property Management Authority, Warwick Watkins.

The Hon. MICHAEL GALLACHER: That means they will be released to them, publicly therefore, at the end of the month—by the end of September?

Ms JODI McKAY: The process that has been put in place is very much about understanding that this is a vexed issue within the Newcastle and Hunter region community. By putting the information through the Newcastle renewal steering committee, on which the general manager of the Newcastle council sits, it does give the opportunity for transparency for the community to make a decision on transport as part of urban renewal that is in the best interests of the city and the region. It also means that it goes through a council process, which will hopefully ensure that we get some broad consensus on what is the appropriate solution.

The Hon. MICHAEL GALLACHER: Is the lord mayor on that committee, Minister?

Ms JODI McKAY: The lord mayor is not on that committee. There are no political representatives on that committee. It is purely a bureaucratic committee.

The Hon. MICHAEL GALLACHER: So it will not, therefore, be publicly released?

Ms JODI McKAY: No. As I indicated to you, the general manager is on that. Part of the discussion we have had with the general manager is about making sure that there is a process connected directly from that committee's deliberations into Newcastle council. Ultimately, whatever the submission to Infrastructure Australia or the Federal Government is out of this process, it will be transparent and it will go through a Newcastle council process.

The Hon. MICHAEL GALLACHER: Okay.

Ms JODI McKAY: So the councillors will be deciding. She has indicated that she will work with the chief executive officer of the Land and Property Management Authority to determine the best process for councillors to be kept in the loop, if you like, on the deliberations.

The Hon. MICHAEL GALLACHER: When will the public have access to the scoping study?

Ms JODI McKAY: That will be very much determined by what the council decides. I have indicated that this is the best way that I know in terms of getting broad community consensus and transparency around this decision. So that will be very much about the process that the general manager puts in place.

The Hon. MICHAEL GALLACHER: When the general manager makes a decision it does not mean it will be publicly available to the councillors or to anybody else.

Ms JODI McKAY: I think you are naturally assuming that this is not about transparency. It is. This is the best way I know to get community consensus. We have had so much debate over the last 20 years on this

issue, it is important that we resolve transport as it relates to urban renewal. This is the best way that I know to ensure that there is an appropriate process that gets broad community consensus as well as transparency. I am not going to dictate to council how that occurs. That would not be in the spirit of what I am trying to achieve. What I have indicated is that I will take the general manager's advice on what she believes is appropriate in terms of the communication with councillors and their role in assessing any recommendations that come out of the steering committee.

The Hon. MICHAEL GALLACHER: If the general manager decides at the end of the month that she is not going to release this to the councillors for any period of time, that will be the decision she makes and that is the decision that you will have to stick by. Is that correct?

Ms JODI McKAY: If you have met the general manager of Newcastle council, you would know that that is not the way she operates.

The Hon. MICHAEL GALLACHER: But the fact is that it is not publicly available. All this debate has been about transparency, openness and accountability, but it is still not happening and we still do not have a date when the public will get access to this report.

Ms JODI McKAY: I think, as I have indicated to you, that this needs to have bipartisan support. I believe this is the best way of achieving that. It is the best way of getting community consensus on the revitalisation of our central business district. It is the second city of the State.

The Hon. MICHAEL GALLACHER: But they will not get access to it for months.

Ms JODI McKAY: You do not know that.

The Hon. MICHAEL GALLACHER: You do not know that either.

Ms JODI McKAY: I know that the general manager will—I am not going to dictate to her what is the process that she wants to employ with her council. As I said to you, that would not be in the spirit of what I am trying to achieve. I believe she will implement a fair and transparent process to ensure that this information is shared with the community, shared with councillors, and there is broad consensus on the submission to Infrastructure Australia.

The Hon. MICHAEL GALLACHER: What is to prevent her, though, putting in place a situation that only councillors are entitled to view the report and are not entitled to disseminate it publicly? What is there to stop that happening?

Ms JODI McKAY: I think, again, you start from a position of negativity.

The Hon. MICHAEL GALLACHER: Do you blame the public, though? It has been so many years and now we have been told publicly, but it is still not going to be released? Everyone believes it is going to be released in September. You have just broken more hearts today by telling them that they are not going to get it in September.

Ms JODI McKAY: I think the hearts that I have broken no way compare with the hearts that you have broken up there, Michael, in not being able to reach consensus within the Liberal and National parties—

The Hon. MICHAEL GALLACHER: I find that an absolutely unbelievable and silly comment.

Ms JODI McKAY: —on what your view is on transport in Newcastle.

The Hon. MICHAEL GALLACHER: You tell people it is coming in September.

Ms JODI McKAY: You have not been transparent.

The Hon. MICHAEL GALLACHER: It is not about me; you are the Minister. You will have your chance next year.

Ms JODI McKAY: You have not come clean on what your personal view is, or on what your party's view is.

The Hon. MICHAEL GALLACHER: You told the public September, and they are not going to get it.

Ms JODI McKAY: That is not true.

The Hon. MICHAEL GALLACHER: It is true. You just say that it is going to go to the general manager and she will determine the framework.

Ms JODI McKAY: No.

The Hon. LUKE FOLEY: Point of order: The Leader of the Opposition is engaging in debate. He is not asking questions. I ask that you remind him of the standing orders.

CHAIR: We will try to avoid having a debate between the two of you.

The Hon. MICHAEL GALLACHER: It is a very emotive issue, Mr Chairman; I am sorry.

CHAIR: Ask a specific question, Mr Gallacher.

The Hon. MICHAEL GALLACHER: It appears that they are not going to get it in September.

Ms JODI McKAY: As I have indicated—and I will indicate again—this is the best way I know of having the community make this decision. It is the best way I know of having a transparent process. The information is not going to the general manager. The information is going to the Newcastle renewal steering committee. There is going to be a process put in place that shares the information and allows an appropriate, measured and organised process for making a decision on this.

The Hon. MICHAEL GALLACHER: When did you come to the decision that heavy rail was untenable for the renewal of the Newcastle central business district?

Ms JODI McKAY: I think you only have to look at the condition of our central business district to understand how difficult—

The Hon. MICHAEL GALLACHER: When did you come to that realisation—before the last election?

Ms JODI McKAY: As Minister I have led the revitalisation strategy. As you well know, I instigated the Hunter Development Corporation city centre renewal report. That was at my instigation. That is the blueprint for how we revitalise Newcastle. Again, you have made no comment on whether you support that—

The Hon. MICHAEL GALLACHER: So you stick by what you said last week that heavy rail is untenable.

Ms JODI McKAY: What I have indicated is that the status quo cannot remain. We have a barrier as it stands right now. I have been very open about my personal view on this; you have not. You have not indicated to the Newcastle business community—

The Hon. MICHAEL GALLACHER: Remember, Minister, we have minutes.

Ms JODI McKAY: Where do you stand?

The Hon. MICHAEL GALLACHER: We will have a chance to discuss that. Right now you are the one who is answering questions and I am the one who is asking them. When did you come to the realisation? Was it in the past couple of months, after receiving the scoping study? Was it before that?

Ms JODI McKAY: I have not seen the scoping study.

The Hon. MICHAEL GALLACHER: You have not seen it.

Ms JODI McKAY: I have not seen the scoping study. What I have seen, as a resident of Newcastle and as the Minister for the Hunter, is that we have instigated a blueprint for revitalisation. We have delivered on every single one of those. What we have not been able to get consensus on is the transport solution because we look at transport independently, not as part of urban renewal. My role is to be brave enough and bold enough to take a leadership position on this, and I have done that. You have not.

The Hon. MICHAEL GALLACHER: So you have formed an opinion that light rail appears to be the future, as you have said publicly, but you have not seen the scoping study.

Ms JODI McKAY: I believe that the status quo is completely unacceptable.

The Hon. MICHAEL GALLACHER: Okay. So what does that mean?

Ms JODI McKAY: I believe that connection needs to be achieved between Hunter Street and the waterfront. Again, I will ask you what your view is.

The Hon. MICHAEL GALLACHER: What do you mean by "the status quo is untenable"?

Ms JODI McKAY: I mean heavy rail, with no crossing—no ability to cross for about 1½ kilometres of line.

The Hon. MICHAEL GALLACHER: Do you have the backing of your colleagues on that?

Ms JODI McKAY: I have my personal view as Minister and the member for Newcastle. As you well know, this is a vexed issue. As you well know, I have been brave enough—

The Hon. MICHAEL GALLACHER: Do you have the backing of your colleagues?

The Hon. MICHAEL GALLACHER: Do you have the backing of the Premier?

Ms JODI McKAY: As I have indicated, I have taken a stand on this issue. You have not.

The Hon. MICHAEL GALLACHER: Has the Premier indicated that she is supporting you on this?

Ms JODI McKAY: The Premier has given me her support in regard to the process that has been put in place—that is, the scoping study will be completed by the end of September. That information will go to the Newcastle renewal steering committee, and we will then formulate a submission to the Federal Government by the end of the year. Time and time again, the Premier has indicated how important she believes Newcastle is. It is the second city of New South Wales, and she is very supportive of the revitalisation efforts that I am leading in Newcastle.

The Hon. MICHAEL GALLACHER: If heavy rail is untenable, and if we work on the premise that you have said the status quo is untenable—

Ms JODI McKAY: Is that your view?

The Hon. MICHAEL GALLACHER: You said that the status quo, heavy rail, is untenable. Therefore, what do you see as the options if heavy rail is no longer in place?

Ms JODI McKAY: I think that the transport Minister and the Premier have both indicated that there needs to be a rail-based solution.

The Hon. MICHAEL GALLACHER: What does that mean, bearing in mind that people in the Newcastle area will be reading this *Hansard* tomorrow and asking what you mean by a rail-based solution? If you are saying that heavy rail must go, are you saying light rail?

Ms JODI McKAY: They will also be reading this *Hansard* and knowing that you have made no commitment.

The Hon. MICHAEL GALLACHER: That is fine. I am happy for them to read that, but you can at least—

Ms JODI McKAY: A rail-based solution could be light rail, it could be a tram-train option, it could be all manner of things. But I think what the community has done is spoken very loudly about the fact that it wants a rail-based solution.

The Hon. MICHAEL GALLACHER: What are those "all manner of things"? There is light rail, there is tram-train.

Ms JODI McKAY: I will not pre-empt what may or may not be—

The Hon. MICHAEL GALLACHER: You have already done that because you said you have a view and you have said that heavy rail is untenable. What is your preferred option?

Ms JODI McKAY: I have clearly indicated to you that I believe the rail line as it stands now is a barrier in the Newcastle central business district. I can sit in my office and if I want to support the guy across the street who owns the sandwich shop that is 200 metres away I have to walk three kilometres. I cannot get across the rail line, and as a result our central business district is dying.

The Hon. MICHAEL GALLACHER: You spoke about your leadership role and how you are carrying the Newcastle flag. If heavy rail is gone, what is your preferred option—light rail, tram-train? What is it?

Ms JODI McKAY: As I have indicated to you, a process is in train that will determine the transport solution as part of the broader renewal of Newcastle. The other issue—

The Hon. MICHAEL GALLACHER: No, it is simple. Which one are you pushing?

Ms JODI McKAY: —that is important in this argument is that the renewal of Newcastle should not be just about the rail line, and this is where we get stuck.

The Hon. MICHAEL GALLACHER: We know that.

Ms JODI McKAY: The renewal of Newcastle is about the justice precinct and the university precinct. It is about jobs and investment.

The Hon. MICHAEL GALLACHER: We know all that. It is fantastic. We do not have enough time for that. You did that last week. This is about giving people an idea. What is your preferred option? Which one will you be standing up and saying, "This is the one I prefer". Matthew Morris has something else, Sonia Hornery has something else. You are the Minister. What is your preferred option now?

Ms JODI McKAY: I have made very clear that I do not support the heavy rail line in its current situation.

The Hon. MICHAEL GALLACHER: And you are recommending?

Ms JODI McKAY: What I have also indicated is that we must establish connection from Hunter Street to the water. I do not know what the ultimate answer is because it is not just about me dictating—

The Hon. MICHAEL GALLACHER: But you are advocating on behalf of the city and the region.

Ms JODI McKAY: It is about the community reaching broad consensus. I do not believe we will get everyone on the same page—this argument has proved far too complex for us to think that that may be achievable—but I am going to make sure that my community knows that I will advocate for improved connectivity.

The Hon. MICHAEL GALLACHER: But you do not have the support of your colleagues. Name one Labor MP in Newcastle or Lake Macquarie who is supporting you on this. Just give me one State Labor member in the Lake Macquarie or Newcastle local government area who is supporting you.

Ms JODI McKAY: The member for Swansea, Robert Coombs.

The Hon. MICHAEL GALLACHER: What is he suggesting? What is his preferred option?

Ms JODI McKAY: I am certainly not going to put words in the member for Swansea's mouth so it is probably best that you talk to him, but he also believes that this needs to be solved. I will not stick my head in the sand with this. I will not be like you—

The Hon. MICHAEL GALLACHER: Just tell us your preferred option.

Ms JODI McKAY: —and not commit to any sort of solution beyond heavy rail, and that is where you are now.

The Hon. MICHAEL GALLACHER: So none of the local members in Newcastle is supporting you.

Ms JODI McKAY: You will not come out—you have lost the support of the business community on this and you know it.

The Hon. IAN WEST: Point of order: I am trying to listen to the Minister's answer and there is a lot of interference coming from the questioner. I simply ask that we get a question and then get an answer.

CHAIR: The Hon. Michael Gallacher will let the Minister answer the question, and not keep repeating the same question.

The Hon. MICHAEL GALLACHER: I thought she was having trouble hearing me. I am sorry.

Ms JODI McKAY: I am hearing you loud and clear and providing the appropriate answer.

The Hon. MICHAEL GALLACHER: Have you indicated that you will not stand or you will stand at the 2011 election? Can you clear that up?

Ms JODI McKAY: I do not think that that has anything to do with-

The Hon. MICHAEL GALLACHER: You are the Minister for the Hunter and we want to know whether you will be continuing in that role up to and after the election. [*Time expired*.]

Ms JODI McKAY: Time is up.

The Hon. MICHAEL GALLACHER: You got that right.

CHAIR: Only the Premier knows that.

[Short adjournment]

The Hon. IAN COHEN: Minister, I must admit I shut down when you were having the intense debate with the Opposition—it sometimes happens with me on the crossbench. Have you now abandoned the Hunter Corporation Development renewal report findings in relation to the Newcastle rail line?

Ms JODI McKAY: The Newcastle renewal report, which was the report compiled by the Hunter Development Corporation, made a recommendation that the rail line be cut at Wickham and that we look at a form of bus transport that could run up Hunter Street, or indeed up the rail corridor. Minister Robertson has clearly indicated that he accepts that there are connection issues, that they need to be resolved as part of the renewal of Newcastle but he has indicated that he believes the community wants to see a rail-based solution.

The Hon. IAN COHEN: So pursuing that direction has just been stopped for the moment. Thanks. Will you guarantee the Newcastle community that plans to cut the Newcastle rail line are now permanent and that instead attention will be directed to improving transport and public services in any renewal strategy?

Ms JODI McKAY: If I may take your question in a different way, I start from the principle of transport being part of urban renewal—so not compromising on patronage or service delivery in regard to public transport but understanding that what we have not done previously is examine transport as part of the renewal and revitalisation of Newcastle. We have something like 130,000 seats on buses and trains running to Newcastle station each week. I am not positive on the numbers of patronage currently, but I would say it is between 5 per cent and 10 per cent. We have a rail line that you cannot cross in terms of vehicular and pedestrian activity. It must be part of the urban renewal strategy that the Government pursues—the connection between Hunter Street and the waterfront.

The Hon. IAN COHEN: What is the Government doing to consult with the local community about city renewal? How are you approaching that? Is it successful?

Ms JODI McKAY: If we go back in terms of the original task force and the preparation of the report, significant consultation was undertaken with the community as part of that which eventually led to the central business district, the Newcastle city centre, renewal report put together by Hunter Development.

The Hon. IAN COHEN: Are you talking about public meetings or face-to-face discussions?

Ms JODI McKAY: That is right. A number of consultation forums were held. For instance, I ran a website that invited submissions. Written submissions were able to be received. But I think the real question is ongoing. At the moment there are probably three key consultation areas. The first is around the Hunter Street master plan, which is currently out on exhibition—that is the master plan that council is largely leading, but obviously we have had a role to play in that we are supporting it with some \$300,000. That is currently on public exhibition.

The second stage of that is around the 4½ hectare site that Hunter Development Corporation is now fast tracking. Importantly, the community is going to have to have significant input in terms of the design and future of that particular significant site. Hunter Development Corporation is in the process of coming back to me on the community consultation process for that particular site. As you have heard, through the Newcastle renewal steering committee there will be a process to be determined by council in regard to the transport option and how that fits with the broader renewal strategy.

The Hon. IAN COHEN: Has your department or the New South Wales Government generally requested any Federal infrastructure funding for Newcastle? If so, what infrastructure?

Ms JODI McKAY: The aim of the transport solution as part of the broader renewal strategy approach that Minister Robertson announced a couple of weeks ago was very much about making sure that the scoping study is completed by the end of September and fed into the Newcastle renewal steering committee framework, which would include consultation with council and a process to be determined by them. It would then be about the objective of a submission to the Federal Government by the end of the year. While transport seems to germinate this argument—it is a critical part of it—it is just one part of the broader renewal strategy that was clearly outlined by the Hunter Development Corporation Newcastle renewal report.

The Hon. IAN COHEN: Do you acknowledge that there is significant community support for the Glendale interchange of bus-rail system in Lake Macquarie? Will you indicate to the Committee what priority the Government gives that project? Is there a budget allocation or funding for that project?

Ms JODI McKAY: Obviously Glendale station and the transport interchange is one of those projects that keeps popping up. It is one of those projects that people keep mentioning in the Hunter region.

The Hon. IAN COHEN: Is the community mentioning it? Where is that coming from? Do you acknowledge that it is very much a community-based opinion?

Ms JODI McKAY: It is a project that has certainly been mooted for a long time. It is a project that certainly acknowledges the value of connections in Glendale for the future development of that key part of the Hunter region. So yes, it is the community, it is the local member who has been a very strong advocate for it,

and it is also business groups and community advocacy groups. My understanding is that New South Wales Transport Infrastructure and RailCorp have worked with the Transport Infrastructure Development Corporation to finalise what is called the Glendale Transport Interchange Strategic Appraisal report. The findings of that report are going to inform the preparation of the Hunter Regional Transport Strategy, so that is obviously one of those regional transport strategies that the Premier has indicated are currently underway. New South Wales Transport Infrastructure is continuing to work closely with the Lake Macquarie council in relation to the town centre and the associated transport access. Lake Macquarie council has just completed its Glendale master plan, which is a document which does clearly outline that this piece of infrastructure is required. But there is always the argument about what is—

The Hon. IAN COHEN: Our time has expired. Can you give any undertaking or commitment that this project will be built in the next five years?

Ms JODI McKAY: I think that that would be pre-empting the preparation of the regional transport plan, and I think that it is important to see what information is contained within that transport plan.

The Hon. IAN COHEN: Have you, or the New South Wales Government, made any application for Federal infrastructure funding for the Glendale interchange?

Ms JODI McKAY: Certainly not to my knowledge, but I would think that is probably a question best asked of the Minister for Transport and, indeed, quite possibly the Federal member, Greg Combet, as well.

CHAIR: I realise that the Minister for Water is mainly responsible for the Tillegra Dam but, as the Minister responsible for the Hunter, what impact do you think there would be if the dam did not proceed on the merit-based test that is now with the Minister for Planning? What impact would it have on the Hunter community if it did not go ahead from the point of view of meeting water supply needs?

Ms JODI McKAY: As you are aware, the proposed Tillegra Dam is subject to a merit-based assessment process and I think it is important to indicate to the Committee that I am not going to pre-empt the outcome of that process. However, with growth projections indicating 160,000 more people by 2031, which is outlined in the Lower Hunter Regional Strategy, I am advised that the proposed Tillegra Dam is the most cost-effective and sustainable way to secure the Hunter's water future for the next 50 years. I also understand that research by Monash University shows that Tillegra Dam will generate an increase in aggregate investment in the Hunter of \$588 million as well as gross regional product by approximately \$1.18 billion over a 25-year period.

On top of that, there is also obviously the 280 direct construction jobs and at least 1,850 jobs in total. Water security, the construction of this dam, jobs and economic prosperity for the Hunter are all obviously critically important in this project. I certainly understand that the Hunter is vulnerable to drought, particularly given the 160,000 population projection under the Lower Hunter Regional Strategy.

CHAIR: With the Tourism hat that you also wear, do those job numbers include any impact on tourism if the dam went ahead?

Ms JODI McKAY: Those are very much about construction jobs, the direct jobs that I have mentioned, but certainly in terms of jobs overall I think it is important to note that there are significant tourism benefits that would flow from a dam like this. Importantly, I think that that has been one of the key reasons why some members of the Dungog community have seen the advantage of pursuing this dam. However, again I note that it is currently undergoing a merit-based planning assessment process and I do not intend to pre-empt the outcome of that process.

CHAIR: In the budget papers there is reference to the Honeysuckle Urban Renewal Plan in the Hunter. Would you explain the purpose of that plan and what progress is being made?

Ms JODI McKAY: I will ask the General Manager of the Hunter Development Corporation to answer that question.

Mr NORMAN: The Honeysuckle project has been going since 1992. It was initially funded through a combination of \$71 million of Federal Government funding from the Building Better Cities program and \$29 million from the State. We initially started with a 50-hectare site, which bounded the southern part of the harbour in Newcastle and parts of the suburb of Carrington. I would say we are about two-thirds of the way

progressed with the development. It has generated about \$1.3 billion in economic benefit for the region and has helped transform the former industrial lands there.

Ms JODI McKAY: As part of that project some 12 hectares of public open space have been created, as well as about 5,000 jobs, 1,900 residents now call that area home and there are 2,500 workers in the precinct, which is critical if we are to build the mass of jobs with the Newcastle CBD. There are about 170 community housing units and Hunter Development Corporation has completed about \$95 million in community projects.

The Hon. MELINDA PAVEY: Wal Murray started it.

CHAIR: I was going to ask another question about Hunter Water Corporation but it may not be relevant to you. Do you have any involvement with that corporation?

Ms JODI McKAY: No, those questions are best directed to the Minister for Water.

The Hon. IAN WEST: Can you provide details on how the Government is supporting local councils and communities in the Upper Hunter?

Ms JODI McKAY: I very much appreciate the question because shortly after becoming Minister for the Hunter I undertook visits to all local government areas to gain an understanding of the priorities for the different parts of the region. In response to that I initiated the Upper Hunter Directions Forum, which includes the mayors and general managers of the Upper Hunter Shire, Muswellbrook, Singleton, Dungog, Gloucester and Great Lakes councils. The relevant State and Federal members of Parliament were also invited to attend. The forum has provided councils with the opportunity to highlight strategic issues of importance to them over the next 25 years and to date our response and commitments to those issues of concern to the Upper Hunter have been significant.

The issue of the cumulative impact of coalmining on local communities has been one of great concern to Upper Hunter communities and in response to the ongoing concerns expressed by the Upper Hunter communities the New South Wales Government has established a group of senior Ministers to develop a strategic plan for coalmining in New South Wales by the end of the year. That includes the Planning, Infrastructure, Lands, Health, Treasury, Environment, Climate Change and Water, and Industry and Investment portfolios. The coalmining strategy will undertake a very broad level strategic assessment of the likely impacts of coalmining in key coalfields, including the Hunter Valley. That includes identifying at a macro level the likely impacts of new mining proposals on key parameters such as air and water quality. Its overall aim is to develop a best practice whole-of-government regulatory framework for new coalmines and minimise any adverse health and environmental impacts associated with sustainable development of the industry.

In addition to this, the Government has committed to an air quality monitoring network to operate twenty-four hours a day, seven days a week with online community access. This will see 14 air quality stations constructed throughout the Upper Hunter. I note the Minister for Climate Change and the Environment recently announced the chair and 13 members of the air quality monitoring network advisory committee, which will play a pivotal role in facilitating community consultation and providing input into establishing a network. I am advised that NSW Health, with the assistance of the Hunter New England Public Health Unit, has compiled a report on the health status of the population of the Hunter New England Area Health Service focusing on respiratory diseases, asthma, cardiovascular disease and cancer. This report contains some of the data necessary to determine the most appropriate next steps.

An independent expert committee will advise on air quality and health issues. The committee is chaired by Professor Guy Marks from the Woolcock Institute and includes other leading experts in both cancer and toxicology. It is important the community has confidence in the calibre of those providing the advice and that we as a Government harness the very best minds to advise us. I understand that the expert committee has met with residents to hear their concerns and is currently considering issues raised around coalmining operations and coal-fired power generation in the Hunter Valley. Concerns have also been expressed in relation to a perceived lack of monitoring by government of mining industry development consents. In response to these concerns the New South Wales Government has committed additional resources to employ two Department of Planning compliance officers, who will be based full time in the Upper Hunter to monitor mines' compliance with conditions of consent. Another recommendation of the Upper Hunter Directions Forum is the development of an economic diversification strategy. This is a partnership between the New South Wales Government and Upper Hunter councils. It is about identifying new and emerging business opportunities over the next 25 years to ensure the diversification of the Upper Hunter's economic base. I am advised the New South Wales Government has contributed \$80,000 towards this project and councils have contributed \$20,000. A consultant has been appointed and the project is underway. I understand it will be completed in early 2011 and will provide an opportunity to look beyond coal for economic growth in the Upper Hunter.

The infrastructure priorities of the Upper Hunter have also been assessed as part of the Upper Hunter infrastructure audit project. I understand that councils felt their infrastructure priorities were being overlooked, particularly those impacted upon by the coal industry. This audit was undertaken by Regional Development Australia with funding from the New South Wales Government and completed through direct consultation with the six councils. The report was endorsed by the Upper Hunter Directions Forum in November 2009. The outcomes from this are being used as input to the development of the Hunter Transport Strategy. Through the Upper Hunter Directions Forum the Government has been able to address a number of the concerns of local Upper Hunter communities and I very much look forward to continuing this constructive work.

The Hon. KAYEE GRIFFIN: Can you provide details of the efforts by the New South Wales Government and Newcastle City Council to improve the city's coastline?

Ms JODI McKAY: The New South Wales Government through the Land and Property Management Authority, Newcastle City Council and Hunter Surf Life Saving released the draft Newcastle Coastal Revitalisation Master Plan in April to guide the rejuvenation of our beautiful coastline. Consultation on the draft master plan took place between April and May this year and I was very pleased that the community engaged so actively and positively in the process. More than 1,000 submissions were received, which will help us shape the final plan. I am advised recommendations arising from the community's feedback are expected to be provided to Newcastle City Council and the Land and Property Management Authority in the coming weeks, with a final plan to be released shortly after. The final plan will address what has until now been a very ad hoc approach to the upgrade and maintenance of important coastal facilities.

The master plan included some commonsense ideas that attracted widespread agreement together with some ideas that sparked healthy debate. You would expect that in Newcastle. It is clear Novocastrians are passionate about their coastline. Once finalised, the Newcastle Coastal Revitalisation Master Plan will provide a foundation for the future management and revitalisation of Newcastle's iconic beaches. The project complements the renewal of Newcastle's central business district. I made sure when I instigated this process that it was part of the broader renewal of the central business district. It will enable improvements and development of public infrastructure along the coast.

Newcastle City Council's recent approval of \$1.2 million to support the revitalisation of the Merewether Beach precinct marks a turning point in the future of Newcastle's coast. The deterioration of the Merewether Beach precinct in recent years is a painful source of lost pride and opportunity for our community. As member for Newcastle and Minister for the Hunter I am very passionate about addressing this. The Merewether plan of management, which I introduced in 2008, was the first step in a broader process of renewal for Newcastle's coastline. I realised the importance of having a streamlined approach to the maintenance of buildings, facilities and public spaces. I also understood that delivering this approach would only be possible with a very clear vision and a management plan that was supported by all stakeholders.

The Government and Newcastle council worked together with Hunter Surf Life Saving and in full consultation with the wider community to deliver the final Merewether plan of management. It created the vision needed for the Merewether Beaches Reserve area from Coane Street in the north to Robinson Street in the south. Newcastle council's approval of funding represents strong endorsement of the Merewether Plan of Management and of the process—instigated by me—by which it was developed. Council's support for the Merewether Beach precinct now brings its contribution to improving public spaces in and around Merewether to over \$2 million. I support Newcastle council's vision in allocating this significant amount of money to bring about fast and tangible change. I welcome the council's ongoing support and partnership for the future of our coastline.

Preservation of Merewether's surfing heritage was one important goal in the Merewether plan. The Government, working with the community, has declared the site a National Surfing Reserve, which will protect it for future generations. As I said earlier, our achievements at Merewether represent tangible evidence of what

the Newcastle coastal revitalisation master plan aims to deliver. It is the first of the beach precincts to see the result of the significant process that we have undertaken. The master plan will provide a cohesive and balanced guide for future management of the coast, ensuring that we maximise the potential of all our beach facilities.

When the final master plan is endorsed by Newcastle council we will have, for the first time in Newcastle's history, a plan that consolidates the future direction of 11 kilometres of coast. That plan will identify the location and type of development that together we, as a community, believe is acceptable. It will drive investment in our coastal assets and ensure the proper management of our community's coastal facilities and public spaces. I will continue to work with council, the community and the appropriate government agencies to ensure that the excellent results we are seeing at Merewether are but a taste of what we can expect to deliver for our entire coastline.

The Hon. LUKE FOLEY: Can you outline the work being undertaken to create a Newcastle Sports and Entertainment Precinct?

Ms JODI McKAY: The New South Wales Government is investing around \$90 million in the redevelopment of the EnergyAustralia Stadium to deliver state-of-the-art facilities for players and fans. That redevelopment work is continuing on time and to budget, with completion anticipated in time for the 2011 National Rugby League season. Building on this investment, I commenced a consultation process in July with the aim of improving the way in which we manage our sporting and entertainment assets at Broadmeadow. The consultation process will progress under the banner of the Newcastle Sports and Entertainment Precinct [NSEP]. The NSEP precinct plan includes iconic regional facilities such as the EnergyAustralia Stadium, the Newcastle Entertainment Centre, the Newcastle Showground and various sporting and recreational facilities leased to their respective tenants. It is an important regional hub for sport and entertainment and contributes greatly to the recreational and sporting fabric of our community.

The New South Wales Government, in partnership with the Hunter Region Sporting Venues Authority, better known in the Hunter as Hunter Venues, has identified an opportunity to increase community use of this precinct. That will include developing a plan of management to enhance pedestrian, cycle and public transport linkages and to improve and develop facilities on the Broadmeadow site. Our overwhelming objective is to create a world-class sporting and entertainment precinct for Newcastle. This opportunity is timely, in particular, given Australia's bid to host the 2022 Federation Internationale de Football Association [FIFA] World Cup, which as members of this Committee would be aware, is expected to be determined in December. We believe it is prudent to start planning now for the delivery of a world-class precinct over the next 10 years.

We are in a perfect position to start planning for the chance to host World Cup matches in 2022 should Australia's bid be successful. As such, we will need to develop a plan that will deliver a world-class precinct over the next 10 years capable of hosting the number of spectators that World Cup matches would draw. However, Australia's bid is not and should not be the only reason to look at the future of the Broadmeadow sporting and entertainment precinct. Regardless of whether or not Australia's bid is successful, we need to use this opportunity to identify how we can improve our sporting and entertainment facilities. The precinct, which is centrally located, has enormous potential to become the Hunter's sporting and entertainment hub and position Newcastle firmly on the national sporting stage.

Developing a world-class sporting precinct in Broadmeadow will enable Newcastle to host national and international sporting fixtures for generations to come. It will support also local sporting teams and those organisations currently operating within the precinct, including the Newcastle District Tennis Association, the Newcastle Police and Community Youth Club, the Newcastle Basketball Association and the Newcastle International Hockey Centre. Providing these and other tenants on the Broadmeadow site with modern facilities and better transport and pedestrian links will help to support our region's young sporting stars. Development of the plan of management will be undertaken in two stages, the first involving consultation with current tenants to identify opportunities and challenges on the site.

The first stage, which is currently underway, will be completed by December and will ensure that the second stage can be focused on delivering a World Cup precinct, should Australia's bid for the World Cup in 2022 be successful. The second stage, which will be undertaken early next year, will include broad community consultation that will help to shape the final plan for the future of the Broadmeadow precinct. We have looked at how to engage with the community and how to engage with tenants. As such, we have enlisted the support of former professional rugby league player and consultation specialist, Mark Sargent, the project's community liaison manager.

CHAIR: We will move on to the Science and Medical Research portfolio.

CHRIS ARMSTRONG, Acting Director, Innovation, Science and Industry Analysis, Office of Science and Medical Research, sworn and examined, and

KERRY DOYLE, Executive Director, Innovation, Science and Industry Analysis, Office of Science and Medical Research, affirmed and examined:

The Hon. DUNCAN GAY: How important to the Government is the Medical Research Support Program?

Ms JODI McKAY: The Medical Research Support Program [MRSP] is incredibly important to us and also, obviously, to our medical research institutes. We are committed to supporting health and medical research through this program. Since 2006 some \$117.2 million has been committed under the Medical Research Support Program, which has provided critical operational support to underpin medical research excellence in New South Wales. In 2010-11 we will provide \$27.3 million under the MRSP, which is an increase of \$1.3 million, or 5 per cent, from last year. That support will underpin cutting-edge basic and translational research in areas including cardiovascular research, diabetes, cancer and childhood diseases. Importantly, this will support some 17 institutes in New South Wales.

I am very proud of the significant outcomes that have already been achieved by the New South Wales medical research organisations that have been supported under this program. Those achievements include a world first technique by researchers at the Victor Chang Cardiac Research Institute and St Vincent's Hospital that will almost double the life of donor hearts being transported for transplant surgery from the current four- to five-hour limit to up to 14 hours—the discovery by researchers from the Garvan Institute of Medical Research that one day may remove the need for a lifetime of toxic immunosuppressive drugs after organ transplant.

The Hon. DUNCAN GAY: Did you say \$27.3 million for this year?

Ms JODI McKAY: I did.

The Hon. DUNCAN GAY: Can you show us where that is in the budget estimates?

Ms JODI McKAY: As you would know-

The Hon. MELINDA PAVEY: Can we clarify something? The Garvan Institute put out a press release saying the New South Wales Medical Research Support Program was cut from \$27 million last year to \$17 million this year.

Ms JODI McKAY: As you would quite possibly also be aware, I hope—if you have done the work you need to do to front this Committee and ask me questions—is that \$17.3 million—

The Hon. MELINDA PAVEY: I am asking you to comment on the Garvan Institute's press release.

Ms JODI McKAY: I have not seen the Garvan Institute's press release, but I am happy to indicate that certainly in forward estimates the \$17.3 million is there. What we as a Government have done over the past three years is top up that funding. That has been a process over the past three weeks of working with the medical research chairs and chief executive officers, and that funding has been topped up by \$10 million. We now have \$27.3 million, which is an increase of \$1.3 million, or 5 per cent, from last year.

The Hon. MELINDA PAVEY: So industry got to you and got an extra \$10 million?

Ms JODI McKAY: I am not sure what you mean by "got" to us?

The Hon. MELINDA PAVEY: They lobbied you hard and said, "We need some more money"?

Ms JODI McKAY: If you understand how the Medical Research Support Program operates, it is very much about peer-reviewed funding and how government takes that into consideration in regard to the indirect cost of research, which is really what this program is about. We need to understand that currently if our

researchers and our research institutes do well, we need to be able to supply more funding. That is what we have done. We value research in this State and we have provided, as I said, an increase of \$1.3 million, or 5 per cent, from last year. It is the highest amount that we have committed to the Medical Research Support Program.

The Hon. DUNCAN GAY: This is a budget estimates hearing and we are examining the budget papers, which indicate \$17.3 million. You now tell us there is \$27.3 million. That is an increase of \$10 million from the budget estimates. From where has this extra \$10 million come?

Ms JODI McKAY: I think you would be aware that the budget papers have been saying \$7.3 million for a number of years, but—

The Hon. MELINDA PAVEY: It is \$17.3.

Ms JODI McKAY: It has been \$17.3 million for a number of years, but we have certainly made sure that, for instance, in 2009-10 the allocation was actually \$26 million to the Medical Research Support Program.

The Hon. DUNCAN GAY: If you were going to do that, why did you not put it in the published budget papers? The general population has to rely on the budget papers and the efficacy of the Government. It is a simple question: Why was this money not in there? Now that it is going to be put in there, where did it come from?

Ms JODI McKAY: As you would well know, there are always revisions to the budget.

The Hon. DUNCAN GAY: This quickly?

Ms JODI McKAY: It is important also to note the environment that we operate in from a research perspective. You may or may not be aware that the Commonwealth is currently reviewing its university funding criteria, which very much relates to the indirect costs of research. The National Health and Medical Research Council is also proposing changes to its policy framework.

The Hon. DUNCAN GAY: But this is a 30 per cent variation; this is not tinkering at the edges. This is a 30 per cent variation within a few months of the budget being delivered. Why did that happen and where did the money come from?

Ms JODI McKAY: As I have indicated to you, over the last number of years the \$17.3 million has been in the forward estimates but the Government has always worked with our medical research institutes to understand their needs. I have one member of staff in the Office of Science and Medical Research who has been working with our medical research institutes understanding their needs and understanding the significant environment of reform in which they operate. We need to understand their needs, which vary year to year but also vary depending on the changes that the Commonwealth Government will decide in coming months.

The Hon. DUNCAN GAY: But, Minister, you are—

Ms JODI McKAY: We are working through issues with them. We have indicated an extra \$10 million on top of the \$17.3 million currently in the forward estimates. We will add to that by \$10 million.

The Hon. DUNCAN GAY: Thank you.

Ms JODI McKAY: So there is significant funding available to our medical research institutes.

The Hon. DUNCAN GAY: You would lead me to believe that you are always going to extend that by about \$10 million? If that were the case, why did you allow in your negotiations with Treasury \$17.3 million to be the figure that went into the budget estimates? Once again I ask: Where does the extra \$10 million come from?

Ms JODI McKAY: Okay. I have already given this answer-

The Hon. DUNCAN GAY: No, you have not.

Ms JODI McKAY: —but I think it is very important to understand—

The Hon. MELINDA PAVEY: Where is the \$10 million coming from, Minister? What agency?

The Hon. LUKE FOLEY: Let her answer.

Ms JODI McKAY: It is coming from consolidated revenue. Can I answer one question at a time?

The Hon. MELINDA PAVEY: Any question you answer would be great.

Ms JODI McKAY: It is important to understand the environment of change that our medical research institutes are operating within. I raised in my previous answer those three key planks, if you like, that are currently in a state of flux: the National Health and Medical Research Council framework, the governing policy for institutes and our universities, and indeed the national health reforms. All those will influence the indirect cost of research in an ongoing way. We are working closely with NSW Health. We are working closely with the chief executive officers and chairs of our medical research institutes. We are working closely with the Cancer Institute, for instance.

The Hon. DUNCAN GAY: When did you make the decision about the extra \$10 million, and have the various agencies or the interested bodies been alerted to the extra \$10 million?

Ms JODI McKAY: What do you term "interested agencies"? Are you referring to medical research institutes?

The Hon. DUNCAN GAY: Yes.

Ms JODI McKAY: Okay.

The Hon. DUNCAN GAY: And their constituent bodies?

Ms JODI McKAY: The majority of them have been informed that funding has been made available. However—

The Hon. DUNCAN GAY: So this is an announcement today, is it?

Ms JODI McKAY: No. However, we are developing—

The Hon. DUNCAN GAY: When was it announced?

Ms JODI McKAY: —new key performance indicators for our research funding. It is all about focusing on research and translation. That is a key priority for us. We certainly have advised the medical research institutes.

The Hon. MELINDA PAVEY: How did you do that? By letter this week, last week—when?

Ms JODI McKAY: They have been advised by telephone and they will be advised-

The Hon. MELINDA PAVEY: So nothing is in writing?

Ms JODI McKAY: As I just indicated to you, until we understand what those key indicators will be around the MRSP, and that is information we are still working through. Again I refer to the period of great flux and change that we are operating in.

The Hon. MELINDA PAVEY: In New South Wales Labor, yes, I understand that.

Ms JODI McKAY: I did indicate that that was federally and that those three programs impact on how we support the indirect costs of research. The key indicators and the framework for our MRSP, which will determine what each institute actually receives, will be determined in coming weeks and they will be notified certainly of—

The Hon. DUNCAN GAY: It is a very late decision. This decision is almost on the eve of budget estimates. Was it because of lobbying? Have you been lobbied about this after disappointment?

Ms JODI McKAY: The chairs and the chief executive officers of the medical research institutes speak very strongly about the need for us to support the indirect costs of research. They also feel very strongly about the environment of change that they are operating in. They need our money to basically turn the lights on so that they can operate day by day.

The Hon. DUNCAN GAY: How far into the future does this go? Is this six months, nine months, 12 months?

Ms JODI McKAY: This is funding that will take us up to the next financial year.

The Hon. DUNCAN GAY: Is there a guarantee beyond that?

Ms JODI McKAY: I have indicated clearly to you that I would definitely want to see an increase, or the increase in forward estimates of the budget. But the important thing to do at this point is to understand what the ramifications will be in regard to the Commonwealth changes. That is what we are waiting for. That is what we are working through with the Commonwealth.

The Hon. DUNCAN GAY: Can you understand that in scientific research one year is not enough to guarantee? It needs to be in the forward estimates when you have staff working on research projects. One-year related funding certainly is nothing.

Ms JODI McKAY: I would think that our institutes—and I have been working very closely, as I said, with the chairs and the chief executive officers—have clearly indicated that, in this environment of change and uncertainty from the Commonwealth level, they require some guarantee of funding for the indirect costs of research. What we have been able to do is to give them that peace of mind. I have also indicated clearly to them that the key performance indicators of our research funding will be in future very much focused on research excellence and translation. Those indicators, of which they are very well aware, will be determined once we understand what the implication of the Commonwealth's changes will be.

The Hon. MELINDA PAVEY: We have two minutes to go. Given that you have just announced there has been an increase in funding to the 17 research institutes three months into the financial year—which I would imagine would make it very difficult for those research scientists to be able to plan ahead—are you happy that Queensland has invested \$31 million to boost medical research through the Queensland Institute of Medical Research, and that we are falling behind Queensland? Do you recall about two weeks ago Peter Beattie, the former Premier of Queensland who created the "smart State" in Queensland which has put New South Wales even further behind, said that New South Wales is a shambolic mess? Does your evidence before this Committee today not confirm that it is a shambolic mess? Three months into the financial year you just get from consolidated revenue an extra \$10 million, which barely keeps us up with Queensland.

Ms JODI McKAY: What I can indicate—and I am very happy to talk to you about State-by-State comparisons because I think it is important to get that on the record—is that we have \$27.3 million. It is the largest allocation ever. It is a 5 per cent increase on last year.

The Hon. MELINDA PAVEY: "Ever" for New South Wales—I need to get that in perspective.

The Hon. IAN WEST: Point of order: I would really like to hear the Minister's answer. This constant interruption is causing great difficulty for people trying to hear the Minister's answer.

Ms JODI McKAY: Thank you. In terms of Victoria, let us go to Victoria—and I am happy to talk about Queensland. Victoria provides the operational infrastructure support funds. It is the same—

The Hon. MELINDA PAVEY: Point of order: I asked a question about Queensland, not Victoria.

Ms JODI McKAY: I am happy to go to Queensland first.

The Hon. MELINDA PAVEY: I only have about 30 seconds left to get some answers from this Government on this important issue.

CHAIR: You were going to give us a comparison, you said.

Ms JODI McKAY: I am. Victoria has a cap of \$25.7 million, which equates to about 20¢ in the dollar for peer-reviewed funding grants, and, again, ours is \$27.3 million. In regard to the Queensland Government, it recently increased indirect funding support by \$7.8 million to \$14.8 million to \$27.3 million.

The Hon. MELINDA PAVEY: Does that include their buildings for research infrastructure? Does that include the buildings they are building in Queensland for scientists to operate out of?

Ms JODI McKAY: You are talking about a completely different point.

The Hon. MELINDA PAVEY: No, I am talking about science research and investment in a smart State.

Ms JODI McKAY: No. That has nothing to do with the Medical Research Support Program.

The Hon. MELINDA PAVEY: It does have a lot to do with medical research.

Ms JODI McKAY: No. If you knew this portfolio, you would know it is-

The Hon. MELINDA PAVEY: I do understand it, Minister. I do. That is why New South Wales is falling behind.

Ms JODI McKAY: I think you have just shown your ignorance of this portfolio.

The Hon. MELINDA PAVEY: No. I think you have done a really good job of that.

The Hon. IAN COHEN: Minister, to get some balance, wearing your other hat as Minister for the Hunter, you gave approximately \$90 million for the footy stadium in Newcastle. Do you not think that is a bit incongruous—whether medical research funding is \$17 million or \$27 million—in the allocation funds or priorities?

Ms JODI McKAY: I think if you are to talk about the Hunter, you would also know that two weeks ago they began construction of a \$90 million medical research institute building for the Hunter Medical Research Institute [HMRI] on the grounds of the John Hunter Hospital. Obviously the State Government has contributed a significant pool of money for the Hunter Medical Research Institute building.

The Hon. IAN COHEN: Where did that money come from? What is the portfolio?

Ms JODI McKAY: That came from consolidated revenue. Obviously, as part of that, there was land that was handed over by Health as well. I think our commitment was \$18 million. The Federal Government contributed some \$35 million. In regard to comparisons in the Hunter, I think that would clearly indicate this Government's commitment to medical research in the Hunter region.

The Hon. IAN COHEN: Thank you for that. There is a report by the Standing Committee on State Development, "Science and its commercialisation in New South Wales Final Report"—I am wondering whether you are familiar with that—that was headed by Tony Burke before he began his stellar career in Federal politics. One of the recommendations of that committee was to appoint a Chief Scientist and another recommendation was that that Chief Scientist should convene a science leadership group. Have any of those recommendations been taken up by your department?

Ms JODI McKAY: What I can indicate to you is that we have a Chief Scientist and Scientific Engineer. Her name is Professor Mary O'Kane. She is incredibly highly regarded within the science and research group. As part of her work, there is a science agencies group that operates within government. The Government has also established an Innovation Council, which is very much about working with industry partners that have an interest in this and in ensuring that government action is taken by both the science agencies group and the Innovation Council.

The Hon. IAN COHEN: Is this under the Chief Scientist?

Ms JODI McKAY: Yes. She sits on the Innovation Council. She serves on a number of boards. I am happy to provide that list to you.

The Hon. IAN COHEN: Perhaps you could take it on notice.

Ms JODI McKAY: I am happy to.

The Hon. IAN COHEN: I appreciate that. Thank you very much. Today in your preparation for this hearing you may or may not have heard a statement made on ABC Radio that many millions—I do not have the exact amount as it was said on the radio—could be saved by the introduction of alternative medical treatments and modalities. Is that being examined in terms of medical research in your department? Is there any budgeting for research into alternative medical modalities, which, despite the accusations or reactions from the medical fraternity, are getting quite a degree of acceptance as a way to save money and to provide a broad spectrum of treatments?

Ms JODI McKAY: Sure. I will ask the executive director to indicate what we are doing within the Office of Science and Medical Research.

Ms DOYLE: We have actually had quite a strong focus on this area over a period of time from a \$600,000 investment to join up with the national investment of \$4 million for the National Institute of Complementary Medicine. That looks at traditional Chinese medicines but also across the complementary medicines spectrum. It has a very, very strong focus on building that evidence base as well as the health economics of these types of interventions. In addition, under the Life Sciences Research Awards, we provide \$800,000 to seed fund a joint chair in traditional Chinese medicine. That chair is joined through the University of Sydney and the University of Western Sydney.

It is very importantly bringing together that mix of skills linking to the National Institute of Complementary Medicine and also has a high level of chemistry and mainstream science to help to provide that evidence base that the University of Sydney can bring to bear. I am also pleased to be able to say that we have a joint program with China, which, as you may be aware, has \$450 million to provide an evidence base and to internationalise traditional Chinese medicines. That program is very well received. We have joint activities in the proteomics area, the stroke area and in the neurosciences. There is a big level of interest. We are increasingly looking at these things as we look at the benefits from research from a health economics perspective.

The Hon. IAN COHEN: One issue is labelling issues for such products. Has there been any research into the accuracy of labelling regimes, given that it is a pioneering area and consumers and professional bodies are concerned about labelling regimes and relevance in those types of products?

Ms DOYLE: That is not something that would come under the Office of Science and Medical Research or its responsibilities. It would occur potentially through a number of places. The Therapeutic Goods Administration decides if things are a drug and they need to be labelled in that way, and clearly the Office of Fair Trading. We have a report that is in the public domain, commissioned by Professor Alan Ben Suison some years ago that, with the Minister's concurrence we could provide to the Committee.

The Hon. IAN COHEN: I appreciate that. Looking at another groundbreaking area, what research is New South Wales undertaking into the use of nanotechnology in consumer products?

Ms JODI McKAY: I am happy to answer that broadly. Mr Armstrong is very much about directing that within the office of Science and Medical Research, if you have any specific questions. Our work is very much about progressing the benefits and the safety concerns in relation to nanotechnology. As you would know, that follows the Legislative Council's inquiry into nanotechnology in 2009. Our Chief Scientist and Scientific Engineer chaired that expert advisory committee on nanotechnology, and we are implementing our response to that through four key actions. Given that we have run out of time, I am happy to provide information to you independently.

The Hon. IAN COHEN: Is it reasonable to ask that the Office of Science and Medical Research provide a list of all its current memorandums of understanding in that area if that is appropriate?

Ms JODI McKAY: We can take that on notice.

CHAIR: Moving on to the budget for science and medical research, I note that page 7-41 in Budget Paper No. 1 has an allocation of \$47 million, but Industry Innovation is included in that. Can you separate the science and medical research policy allocation and the Industry Innovation allocation?

Ms JODI McKAY: I will ask the Deputy Director General of Industry and Investment to answer that question for you.

Mr BUFFIER: The budget papers do not specifically show the allocation for the Office of Science and Medical Research. It is for a larger part the department headed by Ms Doyle, and as she has indicated that has subsequently changed. The Office of Science and Medical Research recurrent budget is \$44.4 million. That is what it will be in 2010-11, with \$27 million for the medical research support fund, \$10 million for the science leveraging fund, and various components for salary.

CHAIR: That is \$44 million.

Mr BUFFIER: Yes.

CHAIR: So that is only \$3 million for Industry Innovation?

Mr BUFFIER: No. Because of that supplementation we are talking about of \$10 million, you would need to take that off that figure so it is closer to \$13 million. I would like to take that question on notice and break it up specifically for you and give you the details so that it reconciles back to those figures.

CHAIR: Thank you. You mentioned earlier about central funding for research. What is the amount of the Federal allocation for New South Wales compared with the State allocation?

Ms JODI McKAY: We would need to take that on notice. What we could provide is what funding our science leveraging fund, for instance, leverages in terms of Commonwealth support for New South Wales. But to answer your specific question, we will need to take that on notice.

CHAIR: Is there a ratio that they look at, for example, does the Federal Government give you \$2 for every \$1 or something like that?

Ms JODI McKAY: No. It is very much determined by our researchers' success in particular grant programs. For instance, under the centres of excellence bid that was recently determined, New South Wales did extremely well. We actually secured eight of the 13 centres of excellence, which is about \$150 million but it varies depending on the strength of our researchers and their individual submissions.

CHAIR: So there is no lump sum allocated by the Federal Government; it is based on the applications from the various centres.

Ms JODI McKAY: No, that is right.

CHAIR: What were the main centres that received that Federal funding? Will you take that on notice? Was it mainly universities?

Ms JODI McKAY: Of the Australian Research Council Centres of Excellence, Macquarie University received \$21 million for a study of cognition and its disorders and another \$12 million plus for a study of the core to crust fluid system. The University of Newcastle received some \$14 million for a study on geotechnical science and engineering. These are the titles of the centres of excellence, if you like. The University of New South Wales received \$12 million for climate system science; the University of New South Wales, \$12,700,000 on population ageing research; the University of New South Wales, just over \$24 million for quantum computation and communication technology; the University of Sydney, about \$20 million for all-sky astrophysics; and the University of Sydney, about \$23 million for ultrahigh bandwidth devices for optical systems. Obviously we had an interest in other areas, but those were the lead centres in terms of our success under that program. The success that we had there is very much reflective of the work that the Chief Scientist and the Office of Science and Medical Research have carried out to ensure that we have priorities within

government, that we communicate with our research institutes and universities, and that we use our science leveraging fund to ensure that we are leveraging maximum Commonwealth support.

CHAIR: When you allocate the State funds do you follow a similar system, or do you just have lump sum allocations?

Ms JODI McKAY: In regard to the science leveraging fund, it is very much determined—we have an internal committee that is chaired by the Chief Scientist. It is independent of me as Minister, and I think that is appropriate. That committee would determine what contribution we would make as the leveraging part of what we would put up to each of the Commonwealth rounds of funding.

CHAIR: Do you ever give any suggestions as to priorities for research or is that left to the Chief Scientist?

Ms JODI McKAY: One of the first things the Chief Scientist did, which I think has very much helped within government, is to coordinate a process of determining our research priorities. That was a Cabinet process. We actually went through that process, and that is one of the reasons we are being successful. It is also important to note with our science leveraging fund, for example, that we have committed just over \$38 million but that has leveraged some \$268 million from the Commonwealth and \$466 million cash and in-kind from partners for New South Wales research. That science leveraging fund is critical to us in terms of being able to leverage both Commonwealth funding and also philanthropic. The philanthropy sector has an expectation that its funds will also leverage government support.

CHAIR: To clarify, does the Chief Scientist make the recommendations to Cabinet and then Cabinet discusses them?

Ms JODI McKAY: No. The Chief Scientist works through a process, which was a Cabinet process, in determining our priorities. I think there were 14 research priorities. Those Government research priorities basically supply what is a very broad theme to guide the building of research capacity and concentrations in New South Wales. They have very much been able to underpin what has been the New South Wales Government funding that it has contributed on new research developments and, as I indicated, on Commonwealth research funding bids.

The Hon. IAN WEST: Will the Minister advise the Committee on what the Government and the community at large are doing to encourage young people to take up a career in science?

Ms JODI McKAY: That is a really important question. Obviously, New South Wales aspires to be the clever State, building on the strength of our educational and research capacities to create a strong knowledgeintensive economy and a brighter future for the people of New South Wales. We need more scientists, engineers, mathematicians and innovators to help us tackle the big challenges facing this State and the world, so inspiring our future scientists is crucial. Scientific and technological skills in areas such as medicine, computing and engineering will be critical for New South Wales in the next 10 to 20 years, particularly in building a clever, skills-based economy. Encouraging young people to pursue a career in science and research is a major part of our activity towards achieving this goal.

The Government's Young Science Ambassadors Program, run in partnership with the National Youth Science Forum, supports our best and brightest science students providing approximately \$1,000 for each student to travel overseas to attend an international science event. Through this program the New South Wales Government is supporting students from all over the State to travel to prestigious science events in North America, Russia, England, Italy, Stockholm and South Africa. The Government also supports the Young Tall Poppy Awards, which recognise excellence among New South Wales's up-and-coming researchers and Science EXPOsed, which an expo for secondary students highlighting the exciting range of research being carried out in our State. This year Science EXPOsed was held at the Powerhouse Museum during National Science Week. The three-day event showcased the exciting opportunities of a science career to around 3,000 New South Wales high school students. Students took part in hands-on workshops, exhibits and careers panels and the feedback was positive. One year 9 student said:

Science EXPOsed was really fun because there was a really good variety of activities. The people [careers panel] were really friendly and very helpful with our questions.

One teacher said:

Very good day exploring aspects of science, design and technology. All the interactive and hands-on activities are enjoyed most by students.

The popularity of events like Science EXPOsed shows that students are interested in science and demonstrates to younger people the impact that good science and research can have on our daily lives. We want to encourage young people's curiosity, creativity and endeavour. One way in which we are doing that is through our apps4nsw competition. Apps4nsw offers prizes for anyone with a great idea for an exciting application to help us put New South Wales Government information and services into the hands of everyday users and for developers who can produce an app that is "launch ready". There was also an "ideas" category especially for school kids. The competition attracted 122 entries across the three categories of best application, best idea and best student idea.

First prize in the student ideas category went to the Hunter School of the Performing Arts for Corey Rosevear's "Closest public transport" idea. Second prize went to Model Farms High School for Anthony Eden's "Transport notification" idea. Our support of these initiatives demonstrates the New South Wales Government's commitment to supporting science and research in New South Wales, helping to unlock knowledge and provide a strong future for the people of our State.

The Hon. KAYEE GRIFFIN: Minister, will you provide details to the Committee of the Life Science Awards Program? How is that program helping attract the best researchers to New South Wales?

Ms JODI McKAY: The Government's annual Life Sciences Research Awards [LSRA] which the executive director touched on is designed to help us attract the world's leading medical researchers to our State. Over the past five years the Government has invested approximately \$4.8 million to attract outstanding life scientists to New South Wales to pursue their research in New South Wales. It has been a highly successful program, along with its precursor BioFirst Awards, in attracting 19 researchers of global standing in fields such as cancer, cardiovascular, muscular, and neurology to New South Wales through grants and funding that have resulted in cutting edge research. In turn, those researchers have generated an additional \$13 million in Commonwealth and host institution funding for their projects. This research has high value to our State, both to improved health care and the economy.

I am pleased to report that in the latest \$800,000 round of the LSRA we have once again been able to see some invaluable additions to our State's research institutions. This year four internationally renowned researchers have won support from this year's Life Sciences Research Awards. Those researchers are recognised leaders in their respective fields of research and their relocation to New South Wales is a major coup for the State. Their efforts will help New South Wales remain at the leading edge of scientific research into cancer, cardiovascular disease, hearing impairment and the treatment of chronic depression. Our \$800,000 investment will be matched by the institutions hosting the researchers, which provides a real incentive for top research talent.

The four medical researchers awarded funding under the Life Sciences Research Awards program this year are: Dr Matthias Klugmann, based at the University of New South Wales; Dr Darren Saunders and Professor David Ryugo at the Garvan Institute; and Dr Ravinay Bhindi, based at the North Shore Heart Research Group at the Kolling Institute. Attracting researchers of that calibre—and I will not go into their significant research programs—is an endorsement of the success of our Life Sciences Research Awards Program and, obviously, I have already touched on the significance and importance of the medical research program both of which are very much about providing assistance for our researchers to ensure that not only do they have the talent on board but also the ability to undertake high-quality research that impacts on a range of issues important to the people of New South Wales.

The Hon. LUKE FOLEY: Minister, will you provide some details on government efforts to ensure the State's leadership position in research and some examples of international collaboration?

Ms JODI McKAY: As the Minister for Science and Medical Research I am proud that New South Wales is considered by many to be Australia's leading clever State. This status is underscored by the fact that New South Wales boasts the biggest research sector in Australia. Research organisations and businesses in New South Wales spend more than \$6.2 billion annually on research and development and our State is home to some of the world's best scientific minds. We have 11 universities, including five that are ranked by the respected Shanghai Jiao Tong index as among the world's best top 400 and that attract students and researchers from around the world.

Our own researchers are recognised as world leaders in a range of science, engineering and medical sectors, including information and communications technology, solar energy, robotics, nanotechnology, cardiovascular research, cancer research, and medical devices development and manufacturing. While we are in a position of strength, we cannot take our leadership in this sector for granted. To this end the Government released the New South Wales Knowledge Statement that provides a crystal-clear vision on how to unlock the power of the State's intellectual capital and how to maximise benefits for its economy, environment and people. Our leadership position in science and medical research nationally and internationally will be enhanced through this Knowledge Statement by providing a sharp focus for the sector moving forward.

The Knowledge Statement was launched at the Premier's Business University Government Forum on 25 August, which brought together more than 100 leaders from industry, government and the university sector, with a focus on the workforce of the future. The Government also offers a range of financial support and services for the science and medical sectors through the Office for Science and Medical Research, enabling high quality research and helping to attract significant Commonwealth and philanthropic funding. I have already touched on the importance of our Medical Research Support Program. We have also mentioned the support that we invest through the science leveraging fund. We have invested some \$37.5 million in New South Wales research projects since 2006. To date, we have committed approximately \$38 million in funding to New South Wales research, helping attract almost \$270 million in investment from the Federal Government and \$466 million funding and in-kind support from our partners.

As a result of New South Wales Government support and the outstanding work being done by our research organisations, as I have indicated, New South Wales topped the nation in the latest round of the Commonwealth's Australian Research Council Centres of Excellence Program, where our State won eight out of a total of 13 centres. This success is a major coup for New South Wales, both financially and in terms of building world-class research and knowledge in this State. The eight New South Wales led centres have been awarded more than \$150 million to support their work and this will contribute to knowledge in fields as diverse as ageing, climate change, geology and quantum computing. These centres will bring the best of the world's brains together with New South Wales based talent working cooperatively or collaboratively with prestigious institutes such as Oxford University, the University of Tokyo, the Max Planck Institute for Astrophysics and the Foundation for Fundamental Research on Matter, or FOM, which is based in Amsterdam.

I am also pleased to report that New South Wales research featured prominently at the recent Shanghai World Expo. The Premier demonstrated New South Wales's strength in the sector at the expo during the university showcase where she also announced a second round of funding for the China-New South Wales Collaborative Research Program, which for us is very much about cementing strong research relationships between New South Wales and China. The Premier also announced plans to establish the Australian China Centre for Research, Education and Applications from Satellite Sensors, which will see a sharing of cutting-edge satellite research with immense commercial potential for both our countries. What these outcomes clearly demonstrate is New South Wales's leadership position in research, both nationally and internationally, as well as the benefits that this sector brings to New South Wales.

CHAIR: We will now move on to the portfolio of Women.

ALEXANDRA SHEHADIE, Acting Executive Director, Office for Women's Policy, Department of Premier and Cabinet, and

VICKY D'ADAM, Deputy Director General, Department of Premier and Cabinet, affirmed and examined:

The Hon. MELINDA PAVEY: Ms Shehadie, how long have you been in the acting position?

Ms SHEHADIE: Since 3 December last year, 2009.

The Hon. MELINDA PAVEY: Do you expect to be made permanent?

Ms SHEHADIE: It is a maternity leave position.

The Hon. MELINDA PAVEY: What is the total budget for 2010-11 of the office?

Ms JODI McKAY: The allocated budget for the Office for Women's Policy in 2010-11 is \$5.341 million.

The Hon. MELINDA PAVEY: How does that differ from last year?

Ms JODI McKAY: Can I work through what that—

The Hon. MELINDA PAVEY: No, it is okay, if you could allow me to ask the questions. How does that differ from last year?

Ms JODI McKAY: In 2009-10, last year, the allocation was \$5.284 million, so \$5.341 million compared with \$5.284 million.

The Hon. MELINDA PAVEY: Last year during budget estimates we found out that the office sat on 10 interdepartmental committees and chaired one. How many is it this year?

Ms JODI McKAY: There are 11 committees that the Office for Women's Policy staff are members of. You also have to remember that at a national level the Office for Women's Policy is a member of the Ministerial Conference on the Status of Women Senior Officials Group and the Council of Australian Governments Senior Officials Working Party to develop a national plan to reduce violence against women.

The Hon. MELINDA PAVEY: Is that 13 then, across State and Federal?

Ms JODI McKAY: Across State and Federal.

The Hon. MELINDA PAVEY: Do you still have 17 staff in the office, as you did last year?

Ms JODI McKAY: Yes.

The Hon. MELINDA PAVEY: All of those committees, except one I understand, are concerned with domestic violence at a New South Wales level. Homelessness is one of those, which obviously domestic violence has a big impact on. The Committee was advised that six of the 17 positions within the Office for Women's Policy were involved in non-domestic violence policy work. What sort of policy work are the officers working on if it is not related to domestic violence?

Ms JODI McKAY: I am happy to refer that, I just want to clarify though that there is also the Department of Corrective Services Women's Advisory Council, which is not necessarily domestic violence related, and also the Premier's Expert Advisory Council on Women. That was previously the Premier's Council for Women, so we have made it an expert advisory council.

The Hon. MELINDA PAVEY: I have some questions on that next, so what work are you involved with in the Office for Women's Policy other than domestic violence?

Ms SHEHADIE: We do a lot of work around leadership, around pay equity, and on work and family balance.

The Hon. MELINDA PAVEY: How does pay equity manifest itself?

Ms JODI McKAY: Obviously part of the work that we have done through the Premier's Council for Women was about understanding what role we could play as a government in terms of leadership.

The Hon. MELINDA PAVEY: Have any policy recommendations arisen from this work on pay equity?

Ms JODI McKAY: How many?

The Hon. MELINDA PAVEY: Have there been any.

Ms JODI McKAY: Yes, so what-

The Hon. MELINDA PAVEY: What were those policy recommendations?

Ms JODI McKAY: I am trying to answer. What we are conducting currently is a pay equity audit. It was a recommendation that came out of the work that—

The Hon. MELINDA PAVEY: Okay, a pay equity audit. What was another one?

Ms JODI McKAY: Out of what?

The Hon. MELINDA PAVEY: Out of the issue of pay equity. You said you have come up with a number of policy recommendations and you have done a pay equity audit. What else has been achieved?

Ms JODI McKAY: I think if you look at the "Making the Public Sector Work Better for Women" report, which is the Government's five-year strategy to improve women's recruitment, development and retention across this State, we have obviously committed a lot of work to make sure that agencies in the sector work to reduce the level of gender pay inequity, so the gender pay gap. That audit is critical to us being able to determine what the current situation is. We are also, importantly, introducing a number of initiatives about sector level benchmarks that we have agreed to by 2012. Those benchmarks include women's representation, for instance, in non-traditional occupations, which we want to increase from 16 per cent to 20 per cent; increasing women's representation in senior positions, from 28 per cent to 35 per cent; and maintaining women's representation at a minimum of 60 per cent. I think it is important that we are certainly making headway. As you would well know, there is a long way to go before women achieve equity in pay in this country.

The Hon. MELINDA PAVEY: How many members are on the Premier's expert council for women, or whatever it is now called?

Ms JODI McKAY: There are seven.

The Hon. MELINDA PAVEY: What is its budget?

Ms JODI McKAY: It does not have a set budget. The work it does is part of the work that the Office for Women's Policy does.

The Hon. MELINDA PAVEY: Could you please provide a list of the names of the members of the expert group?

Ms JODI McKAY: As I indicated, we have established an expert advisory council, which is very similar to what we have with the Premier's Council on Preventing Violence Against Women. We have gone through a recruitment process and those members are currently being told of their success or otherwise on that committee.

The Hon. MELINDA PAVEY: So we do not actually have one at the moment, we are just forming it?

Ms JODI McKAY: No, we have had one operating but we are moving to an expert committee. It is something we believe we need to do, particularly as we have made a commitment to work—

The Hon. MELINDA PAVEY: Could you provide me with the names of the people who are on-

Ms JODI McKAY: I am happy to.

The Hon. MELINDA PAVEY: Could you provide the names of the people who were on the council and, if you are just about to make the announcement, you will most likely be able to provide the names of the people on the expert council? Could you also provide a list of the CVs of the people you are about to appoint?

Ms JODI McKAY: This is public knowledge. It is on the Office for Women's Policy website.

The Hon. MELINDA PAVEY: How can it be public knowledge if you have not appointed the people yet?

Ms JODI McKAY: The Premier's council is on the website.

The Hon. MELINDA PAVEY: No, the expert advisory group we are talking about.

Ms JODI McKAY: Which is the previous expert advisory—

The Hon. MELINDA PAVEY: So you are just going to appoint the same people?

Ms JODI McKAY: No, I have not indicated that. I indicated that the Premier's Council for Women's Policy has been replaced by what we have termed an expert advisory council. We have gone through a transparent process of recruiting that and they are in the process of being informed of their success or otherwise on the new expert advisory committee.

The Hon. MELINDA PAVEY: I thought you said I could go and look at a website, but I cannot do so in relation to the advisory group.

Ms JODI McKAY: Yes you can.

The Hon. MELINDA PAVEY: But it has not been announced yet.

Ms JODI McKAY: The expert advisory group?

The Hon. MELINDA PAVEY: Has or has not?

Ms JODI McKAY: We are in the process of informing the expert advisory group—

The Hon. MELINDA PAVEY: So, it is not on the website yet.

Ms JODI McKAY: The previous one is and we are happy—

The Hon. MELINDA PAVEY: I am talking about the current one.

Ms JODI McKAY: I am happy to provide you with a list of names.

The Hon. MELINDA PAVEY: Will that group have a budget for travel and meetings?

Ms JODI McKAY: It does, as do all board appointees to Government boards. It is the standard day rate. The chair receives \$324 for a full day and \$171 for a half day. A member receives \$207 for a full day and \$104 for a half day. That is in accordance with the guidelines for New South Wales board and committee members' appointments and the remuneration is the standard sitting fee for board and committee members across government.

The Hon. DUNCAN GAY: Turning to domestic violence, it is my understanding there are no domestic violence proactive support services [DVPASS] offered west of Parramatta in the Sydney region. Is that so and, if it is, is that satisfactory?

Ms JODI McKAY: We will have to get the list. I will come back to you on that. In the \$50 million Domestic and Family Violence Action Plan that we recently announced we committed \$2.2 million to seed the domestic violence proactive support services, the DVPASS program as it is known within the non-government sector. That was expanded to Redfern, Marrickville, Wollongong, Canterbury, Campsie and Sutherland.

The Hon. DUNCAN GAY: My question still stands.

Ms JODI McKAY: Which we can take on notice.

The Hon. DUNCAN GAY: Were all DVPASS programs offered the opportunity to apply for repeat funding?

Ms SHEHADIE: The DVPASS came to be funded by a process whereby during the development of the action plan there was a consultation process, and a number were identified to us.

The Hon. DUNCAN GAY: They did not all get-

Ms SHEHADIE: Not all applied, no. That is right.

The Hon. DUNCAN GAY: Were all that applied given funding?

Ms SHEHADIE: No, they were not, because there was a process for that.

The Hon. DUNCAN GAY: In a study carried out by the New South Wales Bureau of Crime Statistics and Research between January 2008 and June 2009, 20,000 cases of domestic violence-related offences that were dealt with by the New South Wales courts were analysed and found that the most common penalty imposed on offenders was a bond. Do you believe this is a satisfactory outcome?

Ms JODI McKAY: I am aware of the Bureau of Crime Statistics and Research study, which was, as you indicated, into the sentencing of domestic violence offenders by New South Wales courts. I understand the study, which was the first of its kind in Australia, analysed approximately 20,000 cases of domestic violence-related offences dealt with by New South Wales courts between January 2008 and June 2009. It considered a range of offences arising from domestic violence incidents and assessed the types of sentences received and the factors influencing whether offenders received a prison sentence.

The Hon. DUNCAN GAY: What about my question?

Ms JODI McKAY: The study found that some of the most prevalent domestic violence-related offences were common assault, breach of an apprehended violence order, and property damage, and other common offences including assault occasioning actual bodily harm and stalking with intimidation. As you would expect in sentencing, imprisonment rates were highest for the more serious but low-volume violence offences, including recklessly wounding, recklessly causing grievous bodily harm, and being armed with intent. The study found the most common penalty for these offences was imprisonment—38 per cent, 60 per cent and 41 per cent respectively. The study's results indicate that the penalties imposed on offenders convicted of domestic violence-related offences cover the full spectrum of penalties available to the courts and vary, as expected, according to the severity of the offence. The Government will continue to monitor offences and sentencing trends related to domestic and family violence and to ensure that the most effective service responses and support are available for women and children experiencing this violence.

The Hon. DUNCAN GAY: Your answer that you will continue to monitor suggests that you have been monitoring. Can you answer my question? Do you believe that an outcome where the most common penalty was a bond is satisfactory?

Ms JODI McKAY: It very much depends on the severity of the activity.

The Hon. MELINDA PAVEY: I have some questions about the Staying Home, Leaving Violence program and how the success or otherwise of that program is perceived in the department. I understand there are about 18 communities across New South Wales in this pilot program. Has any quantitative systemic data been collected from clients of Staying Home, Leaving Violence to enable evaluation on the impact of this program on the lives of women?

Ms JODI McKAY: You need to refer that question to the Minister for Community Services. This program comes under her portfolio.

The Hon. MELINDA PAVEY: Is anyone from the Office for Women's Policy on committees looking at that issue? What has been your input to those committees and your assessment of the program so far?

Ms SHEHADIE: We are on the executive steering committee as a participant. It is chaired by the Department of Community Services. My understanding is—I might have to take the question on notice if it is not referred to the Minister for Community Services—that an evaluation was done on the Bega model and the south-east Sydney model and based on those evaluations the decision was made to expand it.

The Hon. MELINDA PAVEY: Were you on the committee?

Ms SHEHADIE: The executive steering committee has been set up to oversee the implementation of the program and to look at the data to determine where the best possible sites for the program should have been set up.

The Hon. MELINDA PAVEY: So the Office for Women's Policy is a member of the executive steering committee?

Ms SHEHADIE: That is right.

The Hon. MELINDA PAVEY: Are you happy with the program and do you think it is having some good outcomes on the basis of the research and the data?

Ms SHEHADIE: As you can appreciate it was piloted in only two sites and the rollout has only happened over the past 12 months, so the data is still being gathered on the effectiveness of the program.

Ms JODI McKAY: I can add to this, but I think it is important to direct it to the appropriate Minister. My understanding is that an evaluation of the pilot programs in Bega and East Sydney, as Alex indicated, found that two-thirds of victims were able to remain in their homes with the violent offender removed. In east Sydney 91 per cent of women employed at the time of referral were able to keep their jobs, and 88 per cent of children remained at the same school or childcare centre. As you have identified and as Alex reiterated, the success of the program has led to its expansion to an additional 10 locations during 2010-11, bringing it to a total of 18 locations.

The Hon. MELINDA PAVEY: I cannot identify whether they have been successful; I am only asking a question.

Ms JODI McKAY: If you need further information it is best to direct your question to the appropriate Minister.

The Hon. MELINDA PAVEY: I refer again to the pay equity issue and to the relatively low number of women in apprenticeships in our technical trades. Research shows that the mining and resource boom is resulting in the highest wages being offered. When I asked you a question earlier about pay equity you said that you had conducted an audit and a review and that you had done some benchmarking. What initiatives are in place to encourage women into trade areas in that sector?

Ms JODI McKAY: That question, which relates to skills, is best directed to the Minister for Education and Training.

The Hon. MELINDA PAVEY: Ms Shehadie, do you have anything to add? I saw some briefing notes that might assist us in this area.

Ms JODI McKAY: It is not my role to influence policy in that regard, in particular, when we are dealing with skilled development in regional and rural areas. As I said, one of the key outcomes of that strategy is to increase women's representation in those non-traditional occupations from 16 per cent to 20 per cent. I can give you some examples. Recently we delivered a pilot e-mentoring program across the New South Wales public sector to support women working in non-traditional roles. That pilot program was designed to maximise mentoring flexibility across agencies and geographic locations through e-channels rather than face-to-face meetings and to provide women in non-traditional occupations with the support and career development help that they need.

The Government's public sector workforce branch within the Department of Premier and Cabinet is also developing case studies to promote young women in non-traditional occupations. We undertake also a number of other initiatives to encourage women's participation in traditionally male-dominated occupation. That includes the Women in Trade Support Program, which is run by RailCorp. If you want to know more about that issue, you should talk to the Minister for Transport. Industry and Investment NSW has the New South Wales Women in Manufacturing Network, which provides support to business women in the manufacturing sector; the Roads and Traffic Authority has the Women in Engineering Program, which encourages young women to consider a career in engineering; and TAFE New South Wales has—

The Hon. MELINDA PAVEY: You said earlier that this was not your area of expertise and that some other agencies were doing this work. You said that this was not your role but I appreciate the information that you have provided. Does the Office for Women have any policies to deal with teenage pregnancies?

Ms SHEHADIE: We have a substantial grants program—a \$2.9 million domestic and family violence grants program. From time to time applications come to us from organisations that want to assist young pregnant women who, in many cases, have come from dysfunctional backgrounds, including domestic violence related backgrounds, and who might also be in abusive relationships. Through our grants program we pick up on those issues.

The Hon. MELINDA PAVEY: I note that last year you gave \$31,000 to a Central Coast provider. Have you allocated money to any other areas, given that the teenage pregnancy rate rose by 15 per cent in 2007-08 according to data from the Australian Bureau of Statistics? Can you provide us with details of other funding by the Office for Women?

Ms SHEHADIE: Off the top of my head I think that funding was given to Anglicare in Parramatta.

The Hon. IAN COHEN: Since the release of the New South Wales Domestic and Family Violence Action Plan, what awareness-raising campaigns have been started or run as a result of priority 1.1 of that plan?

Ms JODI McKAY: Just to recap, our five-year \$15 million plan is our blueprint for laying the foundations for an integrated and coordinated whole-of-government response to combat domestic and family violence. Importantly, I inform members of the Committee that this is part one of a two-stage strategy to prevent violence against women. Currently we are looking at sexual violence against women, which is part two of our strategy for preventing violence against women. As has been indicated, we have 91 actions and the plan outlines five strategic directions.

Those directions were identified after extensive consultations were held with government and nongovernment organisations. We want to ensure that women and children receive the best possible responses when escaping violence in both the short term and the long term, that these responses are consistent and that they are integrated. We are doing our best to ensure that there is education and awareness in the community. For instance, work on a website is currently underway. I will ask the executive director to elaborate on other activities that are underway.

Ms SHEHADIE: Referring to the awareness campaigns, many applicants apply for grants in our \$2.9 million program, which has priority projects that focus on prevention and early intervention. Their applications are about community awareness-raising. A substantial proportion of the grants money goes to those grass roots local community awareness-raising campaigns. During the 16 days of the activism campaign, which starts on White Ribbon day on 25 November, we fund also about 80 local domestic violence committees that perform community awareness-raising activities. As the Minister indicated, we are developing a one-stop-shop website for those who are seeking information on domestic violence in order to assist their communities. We are creating also a specific young persons' website.

The Hon. IAN COHEN: You said that that family violence website was on its way. What is being done to advertise that website and how much traffic has there been? Has that website been activated?

Ms SHEHADIE: No, it is in the development stage.

The Hon. IAN COHEN: How long has it been in the development stage?

Ms SHEHADIE: Since the action plan was released in June. We have pretty much started work on it. A Premier's expert advisory council on preventing violence against women is advising us in relation to that website. The people on that council represent a number of key advocates in this area who will be advising us on aspects such as reaching out to incredibly high-needs groups such as Aboriginal women, women from non-English speaking backgrounds and young women. I do not know the lingo but it could be said that we have a draft of the website. However, it has not yet gone live.

The Hon. IAN COHEN: It is not yet live but when do you expect it to go live? How long will that take? Is there a hold up because you need to consult with various interest groups, or is there a hold up because of the technology required to put together that website? It seems to me to be taking a long time.

Ms SHEHADIE: We are hoping to get that website up and running. The Office for Women is leading a priority action plan and it hopes to launch the website later this year.

The Hon. IAN COHEN: How many forums with Aboriginal cultural and linguistically diverse and religious leaders have been conducted as per priority 1.8 to enhance the capacity of communities to identify domestic violence and to develop local solutions to address it?

Ms SHEHADIE: The forums are still in the development stage and we need key leaders for those groups. Again we are drawing on expert knowledge and contacts from our council, and senior representatives in those communities will assist in putting together those forums.

The Hon. IAN COHEN: When did this project start?

Ms SHEHADIE: The actions are all time identified.

Ms JODI McKAY: I am happy to give you a copy of the action plan which contains 91 actions: immediate, short-term and long-term actions. "Immediate" means that they are started within 12 months; "short term" means that they are started within two years; and "long term" means that they are started within three years.

The Hon. IAN COHEN: From what point are you talking about?

Ms JODI McKAY: From the day we launched it, which was during budget week. Effectively, this plan has only just been launched and it is a five-year plan.

The Hon. IAN COHEN: At this point in time you have not gone through a public consultation process?

Ms JODI McKAY: Yes, we went through an enormous consultation process.

The Hon. IAN COHEN: With forums?

Ms JODI McKAY: Yes, absolutely. One of the most important things when you work in this space with the non-government sector and those groups who feel so passionately about helping the most vulnerable women in this State is that they want very much to be consulted and involved in the process.

The Hon. IAN COHEN: I appreciate that. Therefore, to answer my question—perhaps you might like to take it on notice—how many forums involving Aboriginal cultural and linguistically diverse and religious leaders have been held to date?

Ms JODI McKAY: Certainly I can come back to you on the exact number. I can tell you that 30 consultations were held with key government and non-government stakeholders across the State. Obviously, many of those forums focused specifically on Aboriginal communities both in metropolitan and regional areas. Alex mentioned also out \$2.9 million in domestic violence grants, of which \$900,000 is specifically quarantined for Aboriginal programs. We are happy also to provide you, if you like, with a list of those programs that we supported during the last round of funding that are specifically related to Aboriginal women.

The Hon. IAN COHEN: That would be great to have. Who has responsibility for identifying the groups to be involved in these forums?

Ms JODI McKAY: That is very much where the expert council comes into play. As I said, this is one of those areas where we require its input into how we shape policy. That is why this \$650,000 five-year plan has been so widely accepted by this sector and by those interest groups. Developing any policy in this area is done in consultation with the council. As Alex mentioned, for instance, in regard to the website, we took it back to the council at the last meeting, which was just a few weeks ago, and we got its feedback. These people work in the sector and feel very strongly about the support the Government needs to give.

The Hon. IAN COHEN: You might take this question on notice, but can you indicate to the Committee how many women have access to the Start Safely rental subsidy at this point in time?

Ms JODI McKAY: That particular program is under Minister Terenzini. I suggest that is probably a question best directed to him as Minister for Housing.

The Hon. IAN COHEN: Does your department not have anything to do with that side of things?

Ms JODI McKAY: Only through the homelessness action plan and obviously the support we give through the domestic violence action plan.

The Hon. IAN COHEN: Similar to my earlier comment about communication or using the same formats for communication between portfolios, I imagine that in this particular instance it would be critical to be able to have cross-communication so the various departments are not siloed off: domestic violence, housing, rental opportunity. How do you go about that? Are you looking to achieve good communication because very vulnerable people are involved?

Ms SHEHADIE: We are in the process of setting up a new domestic violence senior officers group, which we will chair but also will have senior representation. We have a current one but, given the action plan, we are refreshing it. We are also on the homelessness interagency forum; in fact, one of my staff is there now. Start Safely is a key priority under that forum. That is where we do our exchange of information. Because we are in the Department of Premier and Cabinet we have the capacity to insinuate, I guess, ourselves with other agencies and actually get information from them as well.

Ms JODI McKAY: To sum up on that, it is important that this action plan not only is implemented but also is evaluated. We have made a commitment that there will be an interim report to be completed two years after the action plan begins and there will be a final evaluation, obviously after the five years. The agency group that Alex mentioned is very much about ensuring that all the way through there is the sharing of information and evaluation of the success of these actions and initiatives.

CHAIR: Ms Shehadie, you mentioned the advantage of being in the Department of Premier and Cabinet. Do you consider that an advantage to having an Office for Women as a separate establishment?

Ms JODI McKAY: Quite possibly that is something that relates to government policy, but I am happy to answer that. Certainly, it indicates the importance the Government places on the Office of Women's Policy by having it located within the Department of Premier and Cabinet.

CHAIR: Are you confident that you receive priority because in the budget papers you are assigned about one line?

Ms JODI McKAY: The Government puts a priority on women's policy right across government. Certainly the three plans—the one we have delivered, the second on sexual assault is underway as, indeed, is the

women's plan, which will be done in consultation with the new expert advisory council on women—clearly outline cross-agency involvement and commitment to women's policy within government.

CHAIR: Do you have a method of knowing what all departments are doing? Do they have to report to you or advise you on any policy they are initiating that affect women so you can at least evaluate them and be aware of them? If departments have not done that, do you ask why?

Ms JODI McKAY: That is the importance about having a Minister responsible for women. It means that it is part of the Cabinet determination process. For every Cabinet minute I respond from a Minister for Women's perspective to ensure that women, their views and policy around supporting women are included in any Cabinet deliberation.

CHAIR: Do all the men give you plenty of time to put your case? That then raises the issue, how successful are you in promoting women into leadership positions? Do you have a system of trying to encourage women into leadership positions within the Government, boards, committees, et cetera? If so, how do you do that?

Ms JODI McKAY: Absolutely. We have the Government's register of boards and committees. Currently just over 600 women have registered their interest. It is about ensuring certainly equality, particularly with women's representation on government boards and committees. I can indicate that within the next couple of weeks we will be consulting with those who have an interest in this area. Obviously, the Government has a role in leadership in particular. We want to ensure that we have a steady increase, if you like, in the number of women appointed to government boards and committees. As of June 2010, women occupied 37 per cent of board positions and new appointments to government and boards is now at 39 per cent. We are increasing the number. Is it good enough? No. We need to do better. Certainly that is a major role for us going forward in encouraging and leading by example as a Government.

CHAIR: How do you encourage women to put their names forward? What system do you have to publicise this opportunity?

Ms JODI McKAY: The register is well known; it has been there since 1995. As I said, currently it has the names of more than 600 women on it. The issue is whether all government agencies consult the register when they are appointing boards and committees. As I indicated, we would like to reach that 50 per cent mark. We can do more in this space. Obviously, promoting the register is one area we could look at.

CHAIR: That is what I am getting at. How do all women across the State know about this?

Ms JODI McKAY: Most of the groups that have an interest in this area are well aware of the register and they promote it. We have a website and it is promoted on our website. For us it is very much, as I indicated, about ensuring how we use that register to ensure that we get a greater number of women on government boards and committees.

CHAIR: The \$2.9 million for domestic violence, is that part of the Office for Women's budget of \$5.34 million?

Ms JODI McKAY: It is part of the Office for Women's policy budget, that is right.

CHAIR: I am not in any way downgrading your work in domestic violence, which I think is very important, but what activity do you carry out concerning sexual harassment or violence in the workplace, in view of the David Jones issue that is going on at the moment?

Ms JODI McKAY: Obviously, as the Minister for Women, I support any measures to protect women against sexual harassment, discrimination and bullying in the workplace. The Government is committed to achieving and maintaining workplaces that are free from all forms of harassment. Sexual harassment, in particular, can have very significant emotional and physical impacts on a woman. As you well know, sexual harassment is unlawful under the New South Wales Anti-Discrimination Act 1977 as well as under Commonwealth anti-discrimination legislation.

In the context of employment, this means that sexually related behaviour that is unwanted and by which, in the circumstances, a reasonable person would have expected to be offended, humiliated or intimidated,

is simply not acceptable. Sexual harassment victims can make a complaint to the New South Wales Anti-Discrimination Board, which will work through those cases that are found to be unlawful. Depending on the circumstances of the case, conciliation can result in settlement action, such as an apology, or perhaps financial compensation, the transfer to another position, and the person who harassed the victim being transferred, as I indicated, reprimanded, or sent to a training course about harassment. These are just some of the tools that are available.

In New South Wales it is also against the law to victimise anyone who has complained about harassment to their employer, another person, or to the Anti-Discrimination Board. It is unlawful to victimise someone who has supported another person in a harassment complaint. In 2007 the Government supplemented these efforts to encourage agencies to achieve and maintain workplaces which are free from workplace bullying. The Government released the policy, "Dignity and Respect: Policy and guidelines on preventing and managing workplace bullying". That provides an overarching framework to enable agencies to review and develop their policies to eliminate workplace bullying. This policy and actions very much demonstrate our commitment to harassment-free workplaces where all employees, women and men, are treated with respect and with sensitivity.

CHAIR: I have noticed educational posters and so on in government agencies. What success have you had in private industry, private workplaces and non-government workplaces?

Ms JODI McKAY: I think our role is very much about leading by example. In regard to further questions about the New South Wales Anti-Discrimination Act or the Anti-Discrimination Board, that falls under the role of the Attorney General.

CHAIR: So you do not see the Office for Women having any direct role in trying to promote that educational campaign in the non-government sector?

Ms JODI McKAY: No, I do very much. This issue will be examined by us. I have mentioned a sexual violence plan that we have started, which is part two of the broader prevention of violence against women framework. Certainly it will cover the gamut of sexual assaults, and that will obviously include harassment as part of that. But in relation to anti-discrimination, I do think that is a question that quite possibly is best answered by the Attorney General.

CHAIR: Another area that concerns me is violence in the wider community, not in the workplace or the home, particularly in hotels with the glassing of women. That seems to have been a very tragic development among some men. Do you have any role in trying to combat that?

Ms JODI McKAY: I think there is a general expectation in the community that the Government has a role in terms of education and awareness of this issue. I think glassing is horrendous, no matter who the victim is. Obviously we have seen that over the last weekend in particular: I believe that there has been a death at Shellharbour. It is something that I know is part of the Hassle Free Nights Program, which is being led by Communities New South Wales. The particular issue of glassing is being looked at as part of that.

The Hon. IAN WEST: Will the Minister please advise the Committee on what the Government is doing to support women to enter and remain in the workforce?

Ms JODI McKAY: As I have indicated, women have made some very real gains in recent times. We now make up close to half of the New South Wales workforce and more than half of all university graduates. However, women's workforce participation still remains behind that of men, due in large part to their disproportionate responsibility for caring and unpaid work.

In July 2010, 56.1 per cent of New South Wales women either were in paid work, or were looking for paid work, compared to 70.4 per cent of men. There continues to be significantly more women than men working in part-time roles across all age groups. In July 2010 more than two-thirds of part-time positions in New South Wales were filled by women, which is about 68.7 per cent. In contrast, almost two-thirds of full-time roles in New South Wales were held by men, or 64.5 per cent.

Over the long term, these patterns of workforce participation have implications for women's career progression and also their lifetime earnings. They also have indications for national productivity. This is one reason why we often hear so much about efforts to encourage women's workforce participation. The Government certainly recognises these issues. Over the last year we announced a number of initiatives that will

encourage women to enter and remain in the workforce and that support a range of improved workplace flexibility options to assist women to combine paid work with their family responsibilities.

I am particularly pleased, as I have mentioned to this Committee, that we are currently conducting a pay equity audit of the New South Wales public service. That audit will allow us to identify and provide a detailed analysis of the gender pay gap between male and female public servants. We are also preparing a best practice principles document that promotes good quality flexible work in New South Wales employees in public and private sector jobs. That will build on information already provided by New South Wales Industrial Relations.

In the public sector, we continue to be a leading employer with arrangements and policies providing for flexible work, the use of sick leave for caring purposes, paid maternity and parental leave, and a right to request to return from maternity, adoption or other parent leave on a part-time basis until the child reaches school age. To further expand the current application availability of flexible work in public sector workplaces, the Department of Premier and Cabinet has been developing a practical flexible work practices workshop and complimentary online resources kit to support line managers and human resources managers. It is expected that the workshop and online resource kit will be launched across the sector this year.

A review of the sector's flexible work practices policy also is under way to support this project. Under the strategy, Making the Public Sector Work Better for Women, the Government also is implementing a raft of initiatives to help women to achieve benchmarks by 2012. I have already indicated to the Committee what those benchmarks are. It is promising to see that since the development in 2008 of this strategy we have already seen women's representation in senior positions increase by two and a half percentage points to 30.5 per cent. So we are well on the way to achieving—and, I would hope, exceeding—our benchmark of 35 per cent by 2012.

This year I also was especially pleased that we were able to introduce a number of new measures to improve women's access to breastfeeding facilities and support in public service workplaces. Following consultation with the unions and relevant stakeholders, the Government successfully applied to the Industrial Relations Commission to vary the Crown Employees (Public Service Conditions of Employment) Award 2009 to provide mothers working in the public service with access to paid lactation breaks, suitable facilities and, importantly, support. That variation came into effect from 28 April 2010.

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In agreeing to this variation New South Wales Industrial Relations Commissioner Bishop noted that this was an important milestone for women in the history of the New South Wales public service.

This variation complements the Anti-Discrimination Act 1977, which seeks to ensure that no disadvantage is suffered by women who continue to breastfeed their baby when they return to full-time or parttime work. To support the implementation of this variation, in May this year the Department of Premier and Cabinet released a new breastfeeding policy that is mandatory for the New South Wales public service. These initiatives are a fantastic step forward for women's rights and will help to encourage mothers back to the workplace. The changes show the New South Wales Government's strong commitment to lead by example in our important role as a best practice employer of women.

We are also expanding our knowledge base so that policy makers and the community are well placed to understand the issues facing New South Wales women in the workforce. To this end the New South Wales Government recently engaged the Workplace Research Centre, in collaboration with Professor Marian Baird of the Women and Work Research Group at the University of Sydney, to undertake a project investigating trends and issues in women's employment in New South Wales. This research will provide statistical information and look at issues for key groups of women including, where possible, migrant women, Aboriginal women, women living in different locations, and women from different demographic groups. This research will also include a section spotlighting issues relevant to part-time work and in particular women's access to quality part-time work. In our increasingly competitive labour market, I am confident that the work we are undertaking to support the participation of women in the workforce will make a real difference for women in New South Wales.

The Hon. KAYEE GRIFFIN: What is the New South Wales Government doing to support women when domestic violence occurs?

Ms JODI McKAY: The Government is determined to make women and children's lives safer by preventing domestic and family violence and increasing support to women and children escaping this violence. A key focus of the \$50 million Domestic and Family Violence Action Plan, which we released in June this year,

is to improve services, support and criminal justice responses to women and children escaping domestic and family violence, and to enhance the integration and coordination of those responses. As I have indicated, the plan includes 91 actions, such as the domestic violence line, which is often the first port of call for victims of domestic and family violence seeking information. This is a 24-hour telephone counselling, information and referral service. It is also a centralised access point for all women's domestic violence refuges across New South Wales, other accommodation supports and interstate services.

The domestic violence line maintains strong links with the New South Wales Department of Human Services, the Community Services Helpline, women's refuges, homeless persons and Housing New South Wales in relation to temporary accommodation. Through the Domestic and Family Violence Action Plan we are providing \$3.7 million over five years to support and expand the Domestic Violence Pro-Active Support Services, commonly known as the DVPASS program, to areas of high need. That provides coordinated, integrated responses and support to assist victims with a range of housing, criminal justice, child care, health and financial issues. We are also enhancing women's access to the justice system, with a \$2.4 million expansion of the Domestic Violence Practitioner Scheme to an additional 15 courts across New South Wales.

The Domestic Violence Practitioner Scheme provides legal assistance to women and children seeking apprehended domestic violence orders in local courts and helps them to access a network of professional services that can assist them with their other legal and social welfare needs. We are also ensuring that Aboriginal women and women in rural and remote areas are able to access legal advice. This is also about community legal education and support through the expansion of the Rural Women's Outreach Program. Many women receive valuable support through the women's domestic violence court advocacy services. These are locally based, independent services to provide information, assistance and court advocacy services to women and children experiencing domestic violence.

These advocacy services provide clients with information and advice on domestic violence legislation and other areas of law; making an application for an apprehended domestic violence order [ADVO]; how to make a complaint to the New South Wales Police Force regarding a criminal offence; court proceedings, including ADVO hearings, and reporting of breaches; the role of the New South Wales Police Force and New South Wales local courts; and the role of legal representatives, including solicitors, police prosecutors and community legal centres. We also recently launched the resource Your Court, Your Safety, which is a guide that will assist victims of domestic violence as they go through the legal justice process and help them obtain the necessary safeguards they need against offenders.

As all of us know, going to court can be a difficult experience for victims of domestic and family violence, particularly when they or the police are applying for an ADVO. The guide takes victims of domestic violence step by step through court procedures, explaining in plain language what legal terms mean and the responsibilities of all parties. Contact details for a range of domestic violence support services available in New South Wales and frequently asked questions are also listed in the guide. The dynamics of domestic and family violence in relationships and its effect on children are explained, as well as further steps such as going to the Family Court. The guide is given to victims at their first contact with justice agencies and support services to consult throughout the court process and to aid their recovery from violence. Access to safe and secure accommodation at the time of crisis and in the longer term is crucial for victims of domestic and family violence. Members would be aware of crisis accommodation available through the Supported Accommodation Assistance Program, commonly known as SAAP. Through SAAP the Government is providing more than \$32 million in funding to 88 women's refuges across the State.

The Hon. DUNCAN GAY: Why is there not one in Walgett?

Ms JODI McKAY: SAAP data shows that some 20 per cent of people accessing SAAP identified domestic and family violence as the cause of their homelessness, which is approximately 7,600 women and 3,800 children. We are working with the Commonwealth to support the Orana Far West Safe House project. This project provides safe accommodation and support services for women and their children escaping violence in Aboriginal communities in the Far West. Another accommodation option for women and children escaping domestic violence is the Start Safely Program. The Government has committed \$16 million to this private rental subsidy scheme that helps victims of domestic and family violence to secure and sustain a safe home in the private rental market.

Start Safely operates within a wider context of domestic violence support services that provide integrated, holistic support to women who are leaving domestic and family violence. It is anticipated that

approximately 1,650 women with children will be housed through this scheme over four years. The final program I want to mention that provides support to women after domestic violence has occurred is Staying Home Leaving Violence, which has already been mentioned. The program seeks to ensure the immediate and long-term safety of women and their children by working with police to remove the violent partner from the home. The program facilitates long-term support for the woman and her children to help prevent further violence. Support from the New South Wales Police Force, the magistrate and the Local Court is an important aspect of the project.

Based on a risk assessment for women and children and individualised safety planning, women are provided with information about accommodation choices and other forms of support, including brokerage funding for security equipment, including monitored personal alarms and other security upgrades. I have only provided you with a snapshot of all the activities that are currently underway or in train, and I urge all members to consult the New South Wales Domestic and Family Violence Action Plan to receive a more detailed picture of the considerable work being undertaken to stop domestic violence and support those who experience it. I also understand that the Walgett Safe House project, as raised by the Hon. Duncan Gay, receives some \$342,000 per year under the SAAP program.

CHAIR: I remind Committee members that they may lodge written questions on notice with the budget estimates secretariat up to two days following the hearing. Written questions on notice will be forwarded to the relevant Minister's office, and a 21-day time limit applies to when you receive the questions. In the budget estimates resolution, the week of 15 to 19 November has been set aside for an initial round of supplementary hearings if required, that is, if the Committee decides that it is necessary. Transcripts of evidence will be published as soon as they are available after each day's hearings. Witnesses will receive a printed copy.

(The witnesses withdrew)

The Committee proceeded to deliberate.