



LEGISLATIVE COUNCIL

GENERAL PURPOSE STANDING COMMITTEE NO. 5

# **BUDGET ESTIMATES 2011-2012**

## **QUESTIONS ON NOTICE**

**General Purpose Standing Committee No. 5**

Primary Industries, Small Business

Monday 24 October 2011

Answers to be lodged by: 17 November 2011

**Budget Estimates Secretariat**  
**Telephone 9230 3509**  
**Fax 9230 2981**  
**[budget.estimated@parliament.nsw.gov.au](mailto:budget.estimated@parliament.nsw.gov.au)**

Hearing date	Portfolio	Answer to be lodged by
24 October 2011	Primary Industries, Small Business	17 November 2011 [21 days]

**Questions relating to the portfolio of Primary Industries**

**24 October 2011, 11.15 am – 12.15 am**

**Questions from the Hon Robert Brown, MLC**

1. One of the government's announced "aims" is to support the restructure of the commercial fishing industry through fishing business exit grants and share class buyouts.
  - a. Is this the same program that will use \$5 million this year to develop a structural adjustment policy for fisheries to ensure a sustainable fishing industry?
  - b. What progress has been made so far, and how much money has been paid so far under the scheme?
2. We were told at last year's Budget Estimates hearings that there was \$1 million allocated in that budget for 54 research projects within the Marine Parks. Can you provide:
  - a. details of each of those projects, and
  - b. any results they may have reached?
3. In the Budget papers there is an allocation of \$11 million this year to control noxious weeds, including an extra \$1.5 million this year to attack noxious weeds, improve agricultural productivity and protect the environment. Added to the \$38 million included in the NSW Parks and Wildlife Budget, this means the State is spending nearly \$50 million a year on weed control. How does the Department measure its success in controlling weeds?
4. How will the development of a land use agricultural mapping policy, at a cost of \$2.6 million, be used to "protect strategic agricultural land" and just what is "strategic agricultural land"?
5. Under the \$13 million biosecurity upgrade at Elizabeth Macarthur Agricultural Institute, has work started, and what is the construction timetable? Does such an expensive upgrade mean the State has been exposed to biosecurity threats because of a lack of such a facility?
6. One of the Department's achievements in the last year has been the development of the new Sherpa Rice variety and improved broad acre rice flood irrigation systems. Can the Government assure the Committee such research will continue, despite the push by some Green Independent MPs who want to ban such agricultural practices?
7. What progress has been made so far in identifying and producing maps of important agricultural lands for future food, fibre and bio-energy production?
8. Has there been any noticeable increase in the amount of money recreational fishers pay for their licences? In recent years, we have had about 540,000 fishers paying more than \$13 million in fees.
9. In the last couple of years, the Livestock Health and Pest Authorities have been massively restructured. Shooters and Fishers Party support for the changes was predicated on the previous Government commitment to "no less service delivery at local levels". Has this in fact been the outcome of the mergers, because we have anecdotal evidence that some farmers in the far west are having a hard time getting vets to travel to their properties beyond Nyngan, because they now have to come from Orange?

10. Quad bikes are widely used in the pastoral industries around the State, but are not without their dangers. Given the fact that over the past ten years nationwide there have been over 140 fatalities related to quad bikes – mostly from the result of a roll-over where people are crushed to death or suffer asphyxiation, is the Department looking at "roll over" protection requirements for these machines?
11. Will the Government support a Parliamentary inquiry into the Natural Resources Commission report which saw the previous Government "lock up" the 100,000 hectares of River Red Gum forests and wetlands in the southern Riverina?
12. How much would it cost the Coalition Government to "reverse" the Red Gum National Park declarations, and would the Government consider changing the declaration from National Parks to some other more "user friendly" classification?
13. Has Forests New South Wales undergone steady job cuts in recent years and if so – what is the total job loss figure for the last three years, when added to the recent retrenchment of 11 scientists?
14. In relation to Wind Farms – the Victorian Government recently announced a ban on wind farms within five kilometres of 21 regional centres, and gave residents the power to veto turbines within two kilometres of homes. Is New South Wales likely to adopt a similar position in our regional areas?
15. The European Carp has apparently survived the recent huge floods in the Murray-Darling system, to the point where they are an even bigger pest than they were before.
  - a. What is the Department doing to expedite a destruction program for this "river rabbit"?
  - and
  - b. Is NSW working with the CSIRO on examining the potential of koi herpes virus as one possible method of control?
16. There is always argument about the prices major supermarkets pay farmers for their produce. The NSW Farmers Association recently released research on farm gate prices which they said showed farmers getting very low prices. The Supermarkets immediately rejected those figures – so we are no better off. Will the Government undertake its own survey to determine if the supermarkets are paying low prices and then making bigger profits by marking up the cost as the produce goes on the shelf for sale?
17. What co-ordination does Commissioner of the NSW Office of Water undertake prior to environmental water releases, for example, earlier this year there was 240 mega litres released into the Millewa State Forest, which flooded and already flooded area?

### **Questions from Mr David Shoebridge MLC**

18. Regarding forestry contracts with Boral – is there currently any litigation or commercial claims over wood supply agreements in NSW?
19. Has there been any changes to logging practices including harvest rate as a result of, or following such claims?

20. Have there been any changes to forest management practice for single tree selection to allow it to be determined across two coops?
21. How much wood from Native Forests in NSW is provided to the Eden woodchip mill owned by South East Fibre Exports per annum?
22. Are there any current agreements in NSW to provide woodchips for wood fired power stations?
23. What records are kept by Forests NSW regarding the weight of trucks entering chipmills in NSW?
  - a. What provisions are in place to double check these records?
24. Has any agency of the NSW government conducted any studies into the impacts of logging on bushfire risk?
25. What increases to log royalties has Forests NSW made in response to the report of the Auditor General in 2009?
26. How does Forests NSW calculate and collect levies from log trucks using Edrom Road and Imlay road.
27. What was the revenue from this source in 2009, 2010 and 2011?
28. What was the gross cost to FNSW of maintaining the roads in each of those years?
29. What were the numbers of staff employed by Forests NSW in Batemans Bay and Eden in
  - a. 2009
  - b. 2010
  - c. 2011
30. What was the total cost of prosecutions of persons for offences in relation to environmental protests at Mumbulla Mountain between March 2010 and June 2010?
31. In relation to the environmental protests at Mumbulla Mountain how many Infringement notices were issued:
  - a. by Police
  - b. by Forestry Officers
  - c. how many people were arrested.
  - d. How many people (in a-c) were found guilty in subsequent court hearings?
  - e. What the total sum of fines collected?
32. Does Forests NSW supply logs to the Boral Sawmill at Batemans Bay for use as firewood?
33. What profit/loss did Forests NSW native forest operations make in 2010/11?
34. What volumes of large high quality hardwood sawlogs did Forests NSW provide to mills in 2009/10 and 2010/11 from north east NSW (lower and upper north east RFA regions)?

35. How much has Forests NSW paid as compensation to millers for failures to supply timber committed in Wood Supply Agreements in
  - a. 2004/5
  - b. 2005/6
  - c. 2006/7
  - d. 2007/8
  - e. 2008/9
  - f. 2009/10
  - g. 2010/11?
36. How much financial compensation are Boral currently seeking from Forests NSW for failure to satisfy Wood Supply agreements, and what is the shortfall in volumes?
37. How much do Forests NSW expect that they will pay to industry in 2011/12
  - a. As compensation for failure to supply volumes committed in Wood Supply Agreements?
  - b. By buying back commitments for large high quality sawlogs?
38. At the current rate of logging when is it predicted the timber supply will be exhausted in the North East Region?
39. Has the Department found a method yet to compare actual versus predicted yields?
40. What volume of large high quality hardwood sawlogs do Forests NSW anticipate they can supply each year from north east NSW until 2023 from
  - a. native forests
  - b. plantations?
41. What volume of large high quality hardwood sawlogs do Forests NSW anticipate they could supply, on average on 100 year sustainable yield basis, each year from north-east NSW from
  - a. native forests, and
  - b. plantations?
42. How many hectares of FNSW plantation has been clearfelled in the last 10 years?
43. How many have been replanted?
44. How many hectares of in-planting has occurred in native forest on FNSW estate?
45. Are FNSW using herbicides on any public land to remove competition for preferred species?
  - a. Does this include spraying tree seedlings such as tallowwood?
  - b. Where is this happening and how many hectares have been sprayed?
46. There are provisions under the IFOA for koala observations to trigger changes to Harvest Plans to give koalas greater protection. How many Harvest Plans have been amended as a result of this clause and how many additional hectares of koala habitat has been protected from logging as a result, since the IFOAs were introduced?
47. What area of the Pilliga Forests will be taken out of forestry production if all of the proposed Eastern Star Gas wells, pipeline, roads and other related infrastructure is developed?

### Questions from the Hon Jeremy Buckingham MLC

48. Fish River Water Supply Scheme

- a. How will the outcomes of the Fish River Water Supply Scheme review be incorporated into the Macquarie Bogan Unregulated and Alluvial Water Sources Water Sharing Plan?

49. Strategic Regional Landuse Planning

- a. How many staff positions within the Department of Primary Industries have been specifically allocated to work on the development of Strategic Regional Landuse Plans
- b. In what area of the department will these staff work?
- c. How many of these are new positions?
- d. How many of these positions are currently filled?

50. Sydney Catchment Authority - Coal Seam Gas

- a. Has the Minister met with the CEO of Sydney Catchment Authority to specifically discuss the authority's position in relation to coal seam gas development within the Special Catchment Areas?
- b. What specific actions have been taken to ensure the existing approved coal seam gas exploration activities within the special catchment areas will not negatively impact on water supplies?
- c. Have any additional resources been provided to Sydney Catchment Authority in the latest budget to monitor and manage access and compliance related to the existing approved coal seam gas exploration activities within the special catchment areas

51. Lake Cargelligo

- a. Why is the Government lowering the level of Lake Cargelligo and directing water to the Nerathong Creek considering Wyangla Dam is nearly full?

52. Game Council

- a. Has any assessment / research been undertaken by or on behalf of the Game Council to determine if any change in feral animal numbers or species has occurred in State Forests in the last 12 months?
- b. Has any assessment / research been undertaken by or on behalf of the Game Council to determine if any change in feral animal numbers or species has occurred generally across the state in the last 12 months?
- c. In the previous budget year was any money spent by the Game Council on electoral funding or lobbying activities?
- d. In the current budget year has any money been allocated by the Game Council for electoral spending or lobbying activities

53. Aboriginal Water Trust

- a. What was the total expenditure for the NSW Aboriginal Water Trust in 2010/11? Would a breakdown be provided relating to operational and other expenditure?
- b. Did a review of the NSW Aboriginal Water Trust take place in 2009? Has this review been made public?
- c. What is the budget for the ongoing engagement of Aboriginal people in Water Sharing Planning and Management?

54. Aboriginal Land Claims and Travelling Stock Routes

- a. What parcels of public land previously reserved for travelling stock purposes have been disposed of or reserved for other purposes in:
  - i. the 2008/09 financial year
  - ii. the 2009/10 financial year, and
  - iii. the 2010/11 financial year?
- b. How and by whom are decisions made to dispose of such public lands?
- c. What decisions have been made by the Government in relation to travelling stock reserves and their future management?
- d. The Aboriginal Land Claims Investigation Unit (ALCIU) issues limited titles for some land converted to the Torrens Title system and unlimited titles for other land. What policy or criteria governs the ALCIU's decision to place a limitation on the title of land?
- e. How many limited titles have been issued by the Crown to private entities in:
  - i. the 2008/09 financial year
  - ii. the 2009/10 financial year, and
  - iii. the 2010/11 financial year?
- f. What was the ALCIU's budget for surveying Aboriginal land claims in:
  - i. the 2009/10 financial year, and
  - ii. the 2010/11 financial year?
- g. What was the ALCIU's expenditure, including expenditure by other agencies on behalf of the ALCIU, on surveys for land to be transferred to Aboriginal Land Councils in:
  - i. the 2009/10 financial year, and
  - ii. the 2010/11 financial year?
- h. How much of the allocated \$5.9 million in 2010/11 was spent on processing Aboriginal land claims?
- i. How much money has been budgeted to process land claims in 2011/12?
- j. If boundary surveys have been budgeted for, what is the timeframe for undertaking these surveys?
- k. What targets or other Key Performance Indicators does the ALCIU have in place for processing Aboriginal land claims?
- l. How does the ALCIU determine the priority for processing Aboriginal Land Claims (ie by age, location etc)?
- m. Approximately what percentage of time do staff in the ALCIU spend working on assessing the status of land claimed?
- n. Approximately what percentage of time do staff in the ALCIU working on the investigation of claims determined to potentially be claimable following a status check?
- o. What processes does the ALCIU (at both the Head Office and District Offices) have in place for ensuring authorities that deal with Crown Land, such as Reserve Trust Managers or Authorities proposed compulsory acquisition of Crown land, are aware of Aboriginal Land Claims that are yet to be determined?

55. Natural Resources Advisory Committee

- a. Why has the Natural resources advisory council been abolished?
- b. What will happen to NRAC's workplan?
- c. What budget has been allocated for whatever the NRAC's replacement committee?
- d. How many members will sit on NRAC's replacement committee, and which organisations will be represented?
  - i. Will any Aboriginal organisations be represented?



- e. How will the terms of reference for the NRAC replacement differ from NRAC?

56. Grey Nurse Sharks

- a. What advice was sought by the minister in relation to the protective measures at Fish Rock and Green Island before the revocation occurred?
- b. Will the minister table the advice from the department or advice from any other source that was used in making this decision?
- c. How many submissions have been received during the community consultation in relation to the protective measures at Fish Rock and Green Island?
- d. How many of these submissions support the protective measures?

57. Closure of Cronulla Fisheries Research Centre for Excellence

- a. Will the Minister guarantee the continued timely publication of the Status of the Fisheries Resources of NSW and the reliability of the stock assessments contained in them?
- b. How will the closure of the Cronulla Fisheries Research Centre affect the distribution of compliance effort to locations where recreational fishing effort is concentrated?
- c. Will the recreational fishing management team move to Nowra?
- d. Given that 1% of recreational fishers live in the Nowra area whereas 60% of fishers live in the Sydney area, what is the benefit of locating the recreational fishing management team in Nowra?

58. Marine Park Scientific Audit

- a. What is the total cost of the Independent Scientific Audit likely to be?
- b. Why was the original consultation on the review of these zoning plans not considered adequate?
- c. What new and additional information has been obtained during the Independent Audit?

59. Marine Park Zoning Plan Reviews

- a. What was the cost of the Solitary Islands Marine Park Zoning Plan Review 2008-2009 undertaken by the Marine Park Authority, including all aspects of the public consultation processes - from the advertisements, the written submission processes, report preparation and all the meetings with all stakeholders involved from the business community, commercial fishers, recreational fishers, spearfishers, aquaculture operators, the tourism sector, conservation community and marine scientists.
- b. What was the cost of the Jervis Bay Marine Park Zoning Plan Review undertaken by the Marine Park Authority, including all aspects of the public consultation processes - from the advertisements, the written submission processes, report preparation and all the meetings with all stakeholders involved from the business community, commercial fishers, recreational fishers, spearfishers, aquaculture operators, the tourism sector, conservation community and marine scientists.

### Questions from the Hon Amanda Fazio MLC

60. In relation to Grants to Non-Government Organisations

- a. Does your department provide recurrent grant funds to non-government organisations? If yes,
  - i. What are the names of all organisations in receipt of funding?
  - ii. What is the total amount of funding received by each organisation, including goods and services tax?
  - iii. On what date was the funding advanced?
  - iv. What was the purpose for each grant or funding advance?
  - v. Was any funding withheld or returned?
  - vi. If so, what were the reasons for withholding or requiring the funding to be returned?
- b. What is the indexation rate applied to non recurrent grant funds in 2011/2012?

61. In relation to feasibility studies, audits, taskforces and reviews:

- a. Is your department currently undertaking any feasibility studies, audits, taskforces or reviews, If so;
  - i. What are the terms of reference or details of each study, audit, taskforce or review?
  - ii. Who is conducting the study, audit, taskforce or review?
  - iii. Was each study, audit, taskforce or review was publically advertised seeking expression of interest or competitive tenders?
  - iv. Is there a contract in place detailing terms of engagement for the study, audit, taskforce or review?
  - v. What is the timeline of each study, audit, taskforce or review?
  - vi. What are the details of any costs involved in each study, audit, taskforce or review?

### Questions relating to the portfolio of Primary Industries, Small Business

#### Questions from the Hon Amanda Fazio MLC

##### Phones

- 62. How many blackberries does DPC assign to your staff?
- 63. For each phone, how much was each bill from April to October?
- 64. How many have phones have been lost in your office?
- 65. What is the cost of replacing those phones?

**Media/public relations**

- 66. How many media or public relations advisers are employed for each of your portfolio agencies?
- 67. What is the forecast for 2011-12 for the number of media or public relations advisers to be employed and their total cost?
- 68. How many media or public relations advisers are employed in your ministerial office?

**Overseas trips**

- 69. Have any of your overseas trips in the past year been paid for in part or in full by using public money?
- 70. If so, did any of your relatives or friends accompany you on these trips? What are their names and what costs did they incur?

**Office costs**

- 71. How much do you pay your chief of staff?
- 72. How much do you pay your head media advisor?
- 73. What is the salary of each of your staff?
- 74. What is the estimated expenditure for your office budget in 2011-12?
- 75. Have any office renovations or fit outs been undertaken in your ministerial office since April?
- 76. If so, could you give details of contracted costs?
- 77. What is your office budget?
- 78. How many political advisors are in your office?
- 79. How many administration staff?
- 80. How many Department Liaison officers are assigned to your office?
- 81. How many staff in the Department are assigned to Ministerial support duties?

**Cabcharge**

- 82. In terms of your ministerial office, how much did your office spend on taxi fares, including Cabcharge since April?

**Restructure**

83. Are any of your portfolio agencies undergoing a restructure?
84. How many jobs are expected to be cut as a result of that restructure?
85. How many people are expected to have their wages cut as a result of that restructure?
86. How many voluntary redundancies are expected to be offered as a result of that restructure?

**Agency costs**

87. What is your agency's catering budget?
88. Since April, has the agency changed its branding?
89. How much was spent on rebranding the agency?
90. How much has been spent on stationary?

**Correspondence**

91. How long is the average turnaround for responding to correspondence in your agency?
92. How many pieces of correspondence have been outstanding for more than 60 days?
93. In relation to Sydney's Water Treatment
  - a. The Sun Herald on 23 October 2011 included a front page story including information on leaks from Sydney water infrastructure. In Opposition your party criticised the previous Government for not spending enough on renewal of infrastructure for Sydney water – what extra are you spending?
  - b. Is the Government's decision to take more in dividends from Sydney Water the reason you are actually spending less this year on the Sewage Overflow abatement project (\$73.6 million 2010-11 to \$71.9 million 2011-12) and the Sewer Network Reliability upgrades program (\$81.8 million 2010-11 to \$71.6 million 2011-12)?
94. In relation to the Cronulla Fisheries Research Centre
  - a. Did you have any discussions with the Member for South Coast before deciding to relocate staff from Cronulla Fisheries centre to Nowra? What discussions did you have with the Member's for Coffs Harbour and Port Stephens prior to announcing this decision?
  - b. What economic or other impact analysis was undertaken before your decision to close the Cronulla Fisheries Centre?

95. In relation to Program Funding

- a. According to last and this year's budget papers the total funding for Agriculture & Biosecurity; Fisheries; and Science and Research last year was \$394 million, in this year's budget the total for Agriculture; Fisheries and Biosecurity, which appears to include research, totals \$264 million. Can you explain what one off factors or department structural changes have lead to this funding reduction and can you commit to the current staffing numbers in the Department continuing for the term of this Government?
- b. How many of the Government's 5000 redundancies will come from the Department of Primary Industries
- c. Regarding the closure of the Cronulla fisheries research centre, what will the process be for replacing staff who decided not to move to a new location? Will you guarantee that there will be at least the same number of staff as there currently is?
- d. How much funding (and where in the budget estimates) is allocated for redundancies for those Cronulla Fisheries staff who chose not to move?
- e. The 2011-12 budget paper No.3 shows on page 8 – 16 that for Agriculture you expect the exact same level of FTE (965) for the actual 2010-11 figure and your forecast for 2011-12. Is this correct and will this level of staffing be maintained in the forward estimates for 2012-13 and 2013-14? If you are not able to commit to its maintenance please explain why?

96. In relation to Forest Research Centre at Pennant Hills

- a. Minister where you aware when you decided to delete 11 positions at Forests NSW's research centre at West Pennant Hills that the positions deleted would include experts on cane toads and bats? Does it concern you that NSW will no longer be able to call on someone from within Government who has expertise in Cane Toad movements or flying fox colonies?

97. In relation to the Murray Darling Basin Plan

- a. What detailed negotiations have you undertaken regarding structural adjustment for communities affected by the Murray Darling basin plan?

98. What is the current status of the regional broadband project?

99. In relation to the Pyrmont Pact

- a. In a recent question on notice regarding the Pyrmont Pact you indicated that the expenditure of \$16m promised for restructuring was dependent on the outcome of a review of the fishing industry currently underway. Do you endorse the Industry direction outlined through the Pyrmont pact process and if you do why are you delaying the this funding?

100. How many shark towers do you expect to be built this financial year using the additional funding allocated by the Government?
101. In a reply to a recent question on notice from me recently, you informed me that there are no compliance officers in the Department of Primary Industries. Minister how many staff in the Department – regardless of their job titles – are involved in compliance work on agricultural related issues (eg . NLIS compliance, chemical use compliance etc)? Have any people in these positions been made redundant in the past six months?
102. In relation to Wind Farm developments
  - a. Minister in the lead up to the election you made a commitment to farmers that the coalition would stop wind farm development. We now know you weren't able to get your shadow cabinet to endorse your policy position – does it worry you that you were ignored?
  - b. Minister your opposition to wind farms ignores the fact that for some farmers – including a finalist for this year's farmer of the year awards – wind farms bring valuable income that helps make their farming business more viable, is it appropriate for you as Primary Industries Minister to be telling farmers they can't have wind farm developments?
103. What is your commitment to the development of carbon farming initiatives for NSW farmers? Given that you and your leader Mr Stoner have said you do not believe in Climate Change do you believe the money the Department is spending on research on climate change is being wasted?
104. In relation to funding for Water Catchment Authorities (CMA) can you explain the following drops in the budgets for individual CMAs
  - a. Border Rivers-Gwydir Catchment Management Authority 'other receipts' from \$15 million in 2010-11 to \$7.5 million in 2011-12 (BP 3. P8-84)
  - b. Murray CMA \$ 1,860m to \$946 million (P8-100)
  - c. Murrumbidgee CMA FTE falling from \$106 to \$10 million?
105. In relation to Crown Roads
  - a. What backlog does the Lands section of your Department have of applications for conversion of crown road reserves? How does this compare to last year? What is the expected time frame to overcome any backlog?
106. In relation to the Office of Food Security
  - a. What has been budgeted in terms of delivering the Office of Food Security and Agriculture Sustainability?

- b. Has additional funding been made available for this purpose or will it simply be a reallocation from the existing DPI budget and staff?
- c. What is the time frame for the establishment of that office?
- d. Will the office bring together all people dealing with food security in the Department or will it act as a coordinating body?
- e. What action has the Government taken to develop a whole of Government approach to food security?
- f. Is the Senior Officers group established by the previous Government and chaired by the Department of Premier and Cabinet dealing with food security still in operation? If yes when did the group last meet and what outcomes has it achieved? If no has any cross portfolio group replaced it and if so what is the nature of that group?

107. In relation to pest and disease monitoring programs

- a. The budget Papers for the Trade and Investment, Regional Infrastructure and Services Cluster indicate that \$41 million has been committed to pest and disease monitoring programs. How much of this budget is allocated to monitoring programs for pest and diseases in abandoned and neglected orchards and vineyards?
- b. How much is allocated to enforcing pest and disease management in these crops and vineyards so that they do not impact neighbouring orchards and vineyards?

108. In relation to Agriculture Research and Development

- a. \$390 million for DPI appears to be the total sum of expenses and capital expenditure for the Agriculture, Fisheries and Biosecurity service groups. Is this the case?
- b. How much of this is actually dedicated to research and development?
- c. What is the bread down of Research and Development projects?

109. In relation to the DPI budget

- a. Could you please confirm how the total budget figure of \$1.1 billion for DPI, used in the Minister's press release (6 September 2011) calculated?
- b. There is an increase in other operating expenses for agriculture from \$32.8 million in 2010-11 to \$45.99 million in 2011.12. What is the reason for this?

.....

**There were no additional questions on notice lodged by members relating to the portfolio of Primary Industries, Small Business.**



