

BUDGET ESTIMATES 2012-2013

General Purpose Standing Committee No. 5

PRIMARY INDUSTRIES, SMALL BUSINESS

Monday 8 October 2012

SUPPLEMENTARY QUESTIONS ON NOTICE

QUESTIONS FROM HEARING

QUESTIONS FROM HEARING

Question from The Hon. JEREMY BUCKINGHAM MLC during hearing and taken on notice

The Hon. JEREMY BUCKINGHAM: So that leads to my next question. So the Commonwealth has accepted the calculations of an average annual yield of 173 gigs, or are they challenging that model?

Mr HARRISS: They have asked us questions relating to the modelling, and we have provided answers to that. This case was presented to the Commonwealth on 4 July. The Commonwealth has asked a number of questions since, which we have responded to. The Commonwealth is coming out in the next couple of weeks to actually have an on-site visit to the Nimmie-Caira region to get an appreciation of what the area is like, but they have not made any decisions one way or the other whether they support the business case to date.

The Hon. JEREMY BUCKINGHAM: Okay. If the federal government agrees to support the business case for the Nimmie-Caira water licence buyback of land acquisition, how much money annually will the Commonwealth Environmental Water Holder have to pay the New South Wales Office of Water for the management of the 173 gigalitres?

Mr HARRISS: I would have to take that on notice, but those numbers will be determined by the Independent Pricing and Regulatory Tribunal for the water management-side of things, which pays the Office of Water for its functions, and the water delivery fees are currently determined by IPART for the State Water's fees – they will, in the future, under the new Water Act be determined by the ACCC.

The Hon. JEREMY BUCKINGHAM: So you will take that on notice and get a more detailed answer?

Mr HARRISS: I can provide you how much would be charged under the current arrangements, but bearing in mind that it is a combination of a fixed charge and a use charge only for the supplementary water. So that only applies, depending on how much water is available and how much water is actually delivered and diverted. So in a year like this where there is no shortage of water around, there will be quite substantial charges incurred. In drought years there will be nothing.

ANSWER

Detailed information on the licensed entitlement created by the Lowbidgee amendment to the regulated Murrumbidgee water sharing plan is contained in an information paper titled 'NSW Water Infrastructure Project: The Lowbidgee Water Licence – including Nimmie-Caira' which can be accessed on the NSW Office of Water's website at www.water.nsw.gov.au.

If the Commonwealth supports the business case and agrees to fund the Nimmie-Caira buyback proposal, then the Commonwealth Environmental Water Holder will be required to pay the same water management and delivery charges that the current Nimmie-Caira landholders will pay following the amendments to the water sharing plan which took effect on 4 October 2012. The water management charges payable to the Office of Water for 2012/13 are \$0.75 per megalitre of water diverted, while the water delivery charges payable to State Water Corporation are \$3.72 per megalitre. The charges are subject to independent, periodic review.

As the entitlement is a category of supplementary water, which is not stored and delivered from major, regulated storages, the charges only apply to the volume of water that is physically diverted into the Lowbidgee area through licensed works on the river.

Question from The Hon. STEVE WHAN MLC during hearing and taken on notice

The Hon. STEVE WHAN: Okay. Thanks for that. Minister, in several answers to questions which you took on notice to the Cronulla Fisheries inquiry you were asked the date you visited the Cronulla centre, and in none of those answers did you give an actual date. Can you give an actual date that you visited the Cronulla Fisheries?

The Hon. KATRINA HODGKINSON: Well, it was before the decision was made, and I do remember very clearly being there. Look, the answers to another inquiry are a matter, surely, for another inquiry, and answers have been given in that space.

The Hon. STEVE WHAN: Well, no, in fact you failed to give a date. Is it possible to look at your diary?

The Hon. KATRINA HODGKINSON: Yes.

The Hon. STEVE WHAN: Would you take that on notice and give the committee an actual date of your visit and what you looked at?

The Hon. KATRINA HODGKINSON: Yes.

The Hon. STEVE WHAN: Did you just drive by the driveway or did you go onto the site?

The Hon. KATRINA HODGKINSON: I certainly remember for visit very well. And, as I visited, actually many of the parts of the Department of Primary Industries that I was the new minister for. And it was good to see where our officers were working and also them to be able to compare those with potential future officers too. So, you know, I think that we have said quite a lot in this space. In fact, there is an entire other inquiry which is totally devoted to this space.

The Hon. STEVE WHAN: Thanks, Minister.

ANSWER

The Minister visited the Cronulla centre prior to the decision being made, outside of business during a weekend.

Question from The Hon. Adam Searle MLC during hearing and taken on notice

The Hon. ADAM SEARLE: Minister, the Trade and Investment Department which hosts the Small Business Commissioner was late in paying some 364 invoices worth nearly \$640,000, I believe, for that quarter. Can you give an explanation as to what those invoices were for and what led them to being late.

The Hon. KATRINA HODGKINSON: I might just hand over to the DG of T and I in that case because that's sort of the Deputy Premier's area.

The Hon. ADAM SEARLE: Sure.

Mr PATERSON: I can't provide you with a breakdown of each individual item.

The Hon. ADAM SEARLE: I'm happy for you to take it on notice if you can –

Mr PATERSON: There are very large numbers of transactions that are processed. We occupy something-I think it's 213 different premises around New South Wales so

we have got a very diverse portfolio and we're aggregating a whole range of our financial and support services together. Part of addressing the payment regime for small businesses is a challenge for our organisation, as it is for some other large organisations, in being able to bring all of those elements of transaction processing into a central location (1) where you can control it and (2) where you can make sure those payments are made on time. If there's extensive detail, without trying to go into the payment details for every individual case, I would be apprehensive about committing to explain to the Committee each individual circumstance without then going back to the third parties to consult with whether they want-

The Hon. ADAM SEARLE: Okay.

Mr PATERSON: So I'm happy to assist the Committee to respond a question on notice which looks at the cases where we had failed the 30-day payment and to provide a generic explanation if there are groupings of reasons as to why we have fallen short.

ANSWER

Suppliers often send invoices directly to the location where the service was delivered rather than the Shared Service Centre for processing. The Department operates from over 213 different locations across NSW. Consequently the Shared Service centre does not receive some invoices until after the due date, in such cases, the Shared Service centre pays these invoices as quickly as possible.

Question from The Hon. Adam Searle MLC during hearing and taken on notice

The Hon. ADAM SEARLE: Thank you, Minister. Just in relation to reducing red tape, I think your Government says it's got a one-on, two-off policy initiative and an overall objective of reducing regulations by 20 per cent over this term of office. I think there are something like 44 regulations that have been enacted in your portfolio since September last year. Is that a correct figure and, whatever the figure is, how many have been revoked or repealed?

The Hon. KATRINA HODGKINSON: I have here a very comprehensive list across the portfolio. Yes, that's absolutely right. We are very determined to reduce regulation in this Government and certainly within my own portfolio responsibilities, particularly within Primary Industries where there is a significant amount of regulation, whenever we are looking at regulation, we certainly look at how we can streamline it and make it more efficient and reduce where possible, so we are certainly making a good effort in that area.

The Hon. ADAM SEARLE: How many?

The Hon. KATRINA HODGKINSON: Sorry?

The Hon. ADAM SEARLE: How many regulations have you made and how many have been repealed?

The Hon. KATRINA HODGKINSON: Hang on; I have just got to go through this list. It's quite comprehensive-

The Hon. ADAM SEARLE: I just asked for a number, Minister.

The Hon. KATRINA HODGKINSON: Many regulations have been identified by the Better Regulation Office as either with the date of assent and also the date of repeat and, as I go through this list, the attorney-general obviously has many-

The Hon. ADAM SEARLE: Minister, just to assist, I just asked for the number. If you don't know, I'm happy for you to take it on notice.

The Hon. KATRINA HODGKINSON: I will just see if I can get it if you just bear with me for a second.

The Hon. ADAM SEARLE: Sure.

The Hon. KATRINA HODGKINSON: You're just after Primary Industries or are you after the whole of Government?

The Hon. ADAM SEARLE: I was asking about your portfolio to start with, but I'm happy for it to be a whole-of-Government response; both perhaps. So how many regulations have you signed off on, how many have you repealed and what is the-

The Hon. KATRINA HODGKINSON: In Primary Industries-

The Hon. ADAM SEARLE: -figures for the whole of Government?

The Hon. KATRINA HODGKINSON: Yes, look, I think that if I was to sit here and go through them all, I have got probably 150 pages here.

The Hon. ADAM SEARLE: I'm not asking you to list them. I'm just after-

The Hon. KATRINA HODGKINSON: I can see the detail here. There is on. There is off. I know a substantial number have come off so-

The Hon. ADAM SEARLE: Just to be very clear, you will take it on notice.

The Hon. KATRINA HODGKINSON: We'll just take that on notice.

The Hon. ADAM SEARLE: So how many regulations have been made by you as Minister within your portfolio?

The Hon. KATRINA HODGKINSON: Yes, and how many have come off subsequently just within Primary Industries.

The Hon. ADAM SEARLE: How many have come off in your portfolio, yes, and then again for whole of Government, how many regulations have been made by Government since 26 March last year-

The Hon. KATRINA HODGKINSON: By Government how many have come off.

The Hon. ADAM SEARLE: -and how many have come off, and also I think your target for the four-year period is 20 per cent reduction so based on the fact that we're about 18 months into the term that should be about 7 or 8 per cent.

The Hon. KATRINA HODGKINSON: Well, you know, things have to be-with respect, things do have to be identified.

The Hon. ADAM SEARLE: Sure.

The Hon. KATRINA HODGKINSON: So it might not have a strict-might not be strictly recorded because-

The Hon. ADAM SEARLE: No; no, I understand that.

The Hon. KATRINA HODGKINSON: So we came in as a fresh government and had to identify the areas of waste and multiple levels of regulation that were left to us by the former Government so-

The Hon. ADAM SEARLE: You're referring to a document there, Minister. Would you care to table that document?

The Hon. KATRINA HODGKINSON: No, thank you; no, these are my working notes so but we'll provide that information if it's put to us.

ANSWER

The Department of Primary Industries currently jointly administers 89 Acts and associated statutory instruments,

From September 2011 to date the Department of Primary Industries has remade 9 regulations but these are exempt from the Government's 'one on, two off' policy as they are not considered significant amendments to regulation.

Since September 2011 the Department of Primary Industries has introduced one new piece of legislation which was the *Water Management (General) Regulation 2011*. This Regulation consolidated 2 existing Regulations (the *Water Management (General) Regulation 2004* and the *Water Management (Water Supply Authorities) Regulation 2004*)

In 2012 The Department of Primary Industries remade five regulations that were due for staged repeal.

In 2012, a total of 13 Acts in the Primary Industries portfolio have been repealed to date. No new legislation that may be counted as an 'on' has been introduced in 2012.