

Department of Natural Resources

Budget Estimates 2005-2006

Supplementary hearing held 9 December 2005

Questions taken on Notice

QUESTION

The Hon. RICK COLLESS: What is the farm gate turnover for the irrigation industry in New South Wales?

The Hon. IAN MACDONALD: I will take that on notice.

ANSWER

The current figures available from the Australian Bureau of Statistics indicate that the value of irrigated production (on farm turnover) in NSW is \$2.98 billion.

QUESTION

CHAIR: What is the cost to the community in these structural changes? [relating to changes in the bureaucracy from the split of DIPNR to DNR]

The Hon. IAN MACDONALD: I would have to take that on notice, but I would not anticipate that it would be very expensive. We did not engage any big end of town consultancy draft on structure or anything like that. I would think that they would be minimal.

ANSWER

I am advised that the 'cost to the community' arising solely from the structural changes relating to the formation of the Department of Natural Resources was \$26,135.00

QUESTION

CHAIR: In your answer about prosecutions did you indicate how many prosecutions the department has brought against landholders for illegally clearing land under the native vegetation conservation Act 1997?

ANSWER

There has been a total of 29 prosecutions brought since the commencement of the NVC Act.

QUESTION

CHAIR: Thank you. In 2003 the Australian Greenhouse Office was commissioned by the department to map native vegetation in New South Wales for the period between 1970 and 2003-04 at a cost of \$1.1 million. Can you let the Committee know about the status of this report?

The Hon. IAN MACDONALD: I will have to take that question on notice and give you a reply.

ANSWER

The Department did not commission the Australian Greenhouse Office (AGO) to 'map native vegetation in NSW', but rather report on changes in extent of native vegetation in NSW. In other words a series of figures rather than maps and no distinction is made among the different types of native vegetation.

The final report which will be subject to review and consideration by the Department's independent Science and Information Board prior to release.

QUESTION

CHAIR: Thank you. Is there a budget for comprehensive annual or biannual reporting of land-clearing rates in New South Wales, and which techniques will be used?

The Hon. IAN MACDONALD: I will take that question on notice.

ANSWER

All proposals for future funding are subject to standard budget processes.

QUESTION

CHAIR: Are you committing to an annual map of the State with spot five satellite imagery? What exactly is the schedule for satellite monitoring to measure native vegetation extent and clearing across the whole State?

The Hon. IAN MACDONALD: I will take that question on notice as well.

ANSWER

An initial purchase of state-wide Spot5 satellite imagery was funded under the PANRIIE capital program, which will be completed in 2006/07. This imagery is already being used to support implementation of the Government's native vegetation management reforms.

QUESTION

Ms SYLVIA HALE: Minister, I have a few questions about clearing in the lower Hunter Valley, particularly around North Rothbury. You may be aware that Hardie Holdings are pushing to establish a city of some 95,000 people occupying an area of about 2,000 hectares. In the last two weeks of November a considerable amount of clearing took place and I understand that that resulted in a great many complaints to your department. Residents have since received a notice saying that a freedom of information application has been made about those complaints. This is a considerable deterrent to people making complaints because they think if their names become known they will be victimised and will suffer the consequences. Will you confirm that the department will not release the names and addresses of people who have made complaints?

The Hon. IAN MACDONALD: I will take that question on notice. I am aware of the issue and I am aware of the discussion that is going on about the future of development in that particular area, and of course of the debate about it. I will take the question on notice and give you a fuller reply.

ANSWER

The Department must comply with its legal obligations under statute or any other requirements of the court.

QUESTION

Ms SYLVIA HALE: Thank you. On 17 November you wrote to Councillor James Ryan from Cessnock council—or someone in your department did—about the clearing that had been undertaken both in relation to the Sweetwater proposal, which is the Hardie Holdings proposal, and another clearing in the area of the State called the Hanwood Estate. In that letter you said that it had been determined that the clearing that was taking place was potentially significant and was currently being investigated. Could you please inform the Committee what stage the investigation is at? Are there any estimates available of the area that has been scrubbed on land owned or controlled by Hardie Holdings?

The Hon. IAN MACDONALD: I will take that question on notice and give you a comprehensive reply.

ANSWER

It would be improper to provide details of any investigations that are still active and the subject of legal, privacy and operational constraints at this time.

QUESTION

Ms SYLVIA HALE: When responding to the question will you indicate whether the department is considering court action or any other remedy in regard to Hardie Holdings, such as rehabilitation?

The Hon. IAN MACDONALD: I will take that on notice.

ANSWER

It would be improper to provide details of any investigations that are still active and the subject of legal, privacy and operational constraints at this time.

QUESTION

Ms SYLVIA HALE: In relation to the Hanwood Estate, I believe a stop-work order was issued but the clearing continued. Can you indicate what action the department will take in this instance?

The Hon. IAN MACDONALD: As above. I do not think in a hearing of an estimates committee on an issue so sensitive I should be talking in a very public way about the details of an investigation. I certainly would never disclose the details of an investigation in any circumstances. So I will take the question on notice.

ANSWER

It is a matter of public record that Justice Cowdroy handed down his decision for Hanwood Pastoral Co Pty Ltd v D-G, Dept of Natural Resources [2005] NSWLEC 664 on 14 December 2005. The “Stop work” order issued by the Department of Natural Resources was declared invalid.

QUESTION

Ms SYLVIA HALE: But you would agree that if there appears to be inactivity on the part of the department that would send the message that it is okay to proceed.

The Hon. IAN MACDONALD: No, I would not concede anything. I will give you a written reply.

ANSWER

No. The Department assesses each situation on its merits, and determines what actions are appropriate in each instance. In this case that matter was resolved by the decision handed down by Justice Cowdroy in the Land and Environment Court.

QUESTION

Ms SYLVIA HALE: As you may know, the Minister for Planning has released a draft Lower Hunter regional strategy and under that strategy the area that Hardie Holdings is clearing is described as an investigation zone—presumably investigation for subsequent development down the track. Will you be approaching your colleague to ask him to remove investigation zones from the draft strategy given that there is adequate land set aside already for development in the Lower Hunter for foreseeable the next 25 years?

The Hon. IAN MACDONALD: The same reply. It is the same situation.

ANSWER

The nomination of investigation zones, and determination of whether adequate land is set aside for development is a matter for my colleague the Minister for Planning.

QUESTION

The Hon. DUNCAN GAY: Has IPART ever knocked you back?

The Hon. IAN MACDONALD: I do not know. I have never been before IPART before.

The Hon. DUNCAN GAY: It is a question that, if he cannot answer, you can take on notice.

The Hon. IAN MACDONALD: Yes. I will take it on notice. I am a generous guy, and it is Christmas.

ANSWER

IPART does not 'knock back' submissions.

IPART firstly checks whether the activities performed by the Department are efficient. Secondly, IPART decides whether the costs should be borne by government or water licensees, and thirdly IPART sets a price path to achieving what it believes to be the right level of cost recovery.

QUESTION

The Hon. RICK COLLESS: If you had listened to me, you would understand the question. The question I asked you was: are you seeking to recover those costs that accrue as a result of changing environmental expectations by the community? The second part of that question now is— you have already answered that, or not answered that, and you are not listening—will you give an undertaking not to recover those costs from the irrigation industry?

The Hon. IAN MACDONALD: I do not understand what you are talking about, in reality, with community expectations.

The Hon. RICK COLLESS: Come on!

The Hon. IAN MACDONALD: I will take the question on notice and I will send you the relevant pages of our submission to IPART. That will be very helpful

ANSWER

IPART is the relevant body to decide which costs should be borne by the NSW Government or water licensees. This is subject to a public and transparent decision-making process.

QUESTION

The Hon. DUNCAN GAY: Thank you for the information on the question I did not ask. Could you or your advisers tell us whether it is fewer than five or more than 10 people who are accredited to use the PVP?

The Hon. IAN MACDONALD: Oh, accredited to use. I am sorry.

The Hon. DUNCAN GAY: Well, it was a simple question. It is the same question I have referred to.

The Hon. IAN MACDONALD: I am sorry, 173.

The Hon. RICK COLLESS: Where are they located?

The Hon. IAN MACDONALD: I will take where they are located on notice.

The Hon. RICK COLLESS: There are only two in the border rivers. Where are the others? There must be a lot somewhere else

The Hon. IAN MACDONALD: I will take that on notice and I will give you a good analysis of it, Richard.

ANSWER

The Department of Natural Resources advises me that of the 173 CMA staff that are trained in the use of the PVP Developer, they are distributed as follows:

CMA	Number
Border Rivers Gwydir	11
Central West	14
Hawkesbury Nepean	11
Hunter Central Rivers	16
Lachlan	14
Lower Murray Darling	6
Murray	21
Murrumbidgee	31
Namoi	10
Northern Rivers	18
Southern Rivers	12
Western	9
Total CMA	173

Further staff will be trained as required.

QUESTION

The Hon. DUNCAN GAY: What will be the cost of providing this information? [GPS coordinates for areas where broad scale clearance will be undertaken]

The Hon. IAN MACDONALD: I do not have an assessment to hand. I will give you a written answer to that question.

ANSWER

Obtaining the coordinates to enter into the register will not have any additional cost, as the information is available from the data collected as part of the PVP process.

QUESTION

The Hon. DUNCAN GAY: What is the biodiversity ratio for offsets that will be used for farmers seeking broad-scale clearing under a PVP?

The Hon. IAN MACDONALD: I will take that question on notice. I will give you a good answer on that, a detailed answer.

ANSWER

PVP calculations are site specific, reflecting the local habitat, threatened species and the management actions chosen by the landholder.

QUESTION

The Hon. DUNCAN GAY: Are you aware that just this week a farmer at Cobar was told that he could clear 500 hectares if he gave an offset of 50,000 hectares—that is, a ratio of 1:100? How does that relate to an approval in the most over cleared part of New South Wales, the Cumberland Plain, where a developer was granted approval to develop 600 hectares in return for an offset of 800 hectares, a ratio of 1:1.3? That was the Lend Lease site at St Marys, the old AFI site?

The Hon. IAN MACDONALD: I would like the details on that case forwarded to me for consideration, the actual details.

The Hon. DUNCAN GAY: If they are as we say, do you find that acceptable?

The Hon. IAN MACDONALD: I will look at the detail once I have received the information. I do find that the offset might be in the realms of the large. If you give me the details, I will specifically look at that case.

ANSWER

As stated above, PVP calculations are site-specific, reflecting the local habitat, threatened species and the management actions chosen by the landholder, thus making direct comparison between areas is impractical.

In addition to which, at the time of writing no further details on the matter raised had been received.

QUESTION

The Hon. DUNCAN GAY: With regard to the \$436 million allocation, is that money that has already been allocated to the CMAs, or is it new money? What percentage of the \$436 million is new money? What percentage is State Government money and what percentage is Federal Government money?

The Hon. IAN MACDONALD: I will take that question on notice. Suffice it to say, New South Wales funds the CMA staff; and the Commonwealth funding under NHT and Commonwealth Agricultural Bureau is really in the realms of project funding. We believe overall that there is a roughly equivalent split between us and the Commonwealth, but I will get you further details on that.

ANSWER

The \$436 million comprises:

- National Action Plan for Salinity and Water Quality - \$266 million (equal contributions from State and Commonwealth Governments)
- Natural Heritage Trust - \$106 million (Commonwealth funds with matching NSW commitments)
- State Sustainability Funding - \$30 million (State funds)
- NSW Land and Water Management Plan Funding - \$33.8 million (State funds)

The NSW Government is also providing \$37 million funding to resource the operations of the CMA, which is not matched by the Australian Government.

QUESTION

Ms SYLVIA HALE: A code is usually voluntary not mandatory. Are you saying that the code of practice will be mandatory with the standards expected of private native forest [PNF]?

The Hon. IAN MACDONALD: I will take that on notice.

ANSWER

In the majority of cases, under the *Native Vegetation Act 2003* private native forestry activities will be provided for and regulated through the preparation of a Property Vegetation Plan (PVP) that will require forest owners to adhere to a Code of Practice.

In the alternative, applications can be made for a Development Consent under the *Environment Planning and Assessment Act 1979*.

QUESTION

CHAIR: On the code of practice, but have they [DEC] been in attendance at field trials?

The Hon. IAN MACDONALD: I will have to get that information for you. I have not received any concerns from the appropriate people that I deal with in relation to DEC matters.

ANSWER

Assistance was sought from the Department of Environment and Conservation in regard to a GIS study undertaken as part of the socio-economic study on the Draft Code of Practice, however we were advised that there were no staff available.

DEC were also invited to attend some case study sites, but DNR were advised that no DEC staff were available.

QUESTION

CHAIR: I am stating a concern Minister. Further, I ask you whether the methodology has been peer reviewed?

The Hon. IAN MACDONALD: We always do things thoroughly.

CHAIR: Does that mean it has been peer reviewed?

The Hon. IAN MACDONALD: I will get you an answer to that.

ANSWER

The Socio-Economic study and the four sub-studies were undertaken by recognised leaders in their field. The studies were well designed and conducted by experts and I am confident that they and their results will be fair and impartial.

QUESTION

CHAIR: Perhaps you could indicate whether that information has been sent from the NRAC committee overseeing the PNF issue?

The Hon. IAN MACDONALD: I do not think it has been finalised.

CHAIR: I would be interested in the process so far. I am sure you will be able to find out information as to the appropriate process?

The Hon. IAN MACDONALD: I will give you an answer to your rather loaded question.

ANSWER

The NRAC Committee on forestry issues was briefed on the socio-economic study and their comments were included in the study design.

QUESTION

The Hon. DUNCAN GAY: I refer you to the National Heritage Trust funding? Do you have any plans to direct National Heritage Trust funding to primary producers via an environmental services scheme to improve the economic efficiency and biodiversity outcomes of managing native vegetation?

The Hon. IAN MACDONALD: I do not have an answer for you on that. Is that what Mr McGauran may have said recently in relation to this issue? I am just wondering what the source of it is. In terms of NHT and capped money, there are incentive fundings in the order of \$120 million for these sorts of activities and that is clearly prescribed under the terms of the agreement with the Commonwealth.

The Hon. DUNCAN GAY: I am happy for you to take it on notice.

ANSWER

The CMAs are working with their catchment communities and landholders to develop and implement appropriate incentive programs building on the success of this scheme and related pilots. These new programs are a component of the CMAs' NAP/NHT Investment Strategies and the recently approved Annual Implementation Programs. Of the \$436 million, \$120 million has been specifically allocated for incentive funding.

In addition to which, the NSW Government has announced \$37 million for a socio economic assistance package to help farmers adjust to the implementation of the *Native Vegetation Act 2003*. The three year Native Vegetation Assistance Package includes \$15 million in sustainable farming grants, \$12 million in exit assistance for farmers, and \$10 million for offset pools.

QUESTION

The Hon. RICK COLLESS: Can you tell us why genuine farmers in coastal areas have been restricted in their rights to use their own timber for and to clear for construction of hay sheds, loading ramps, stables, chook yards, in fact even dog kennels, while owners of small holdings and residential lots are able to do exactly that?

The Hon. IAN MACDONALD: Given the time, I will take that question on notice. We did go into this in negotiation at great length with all of the parties and we arrived at a compromise in some of these issues. I will take it on notice.

ANSWER

For the most part, where timber can be cleared under the *Native Vegetation Act 2003*, there is no restriction on the use of the cleared timber.

The new Construction Timber RAMA allows timber to be cut from another location on a property to construct or maintain rural infrastructure, but only if suitable timber is not available where the infrastructure is located.

To ensure that the timber is actually used to construct or maintain infrastructure, it must be used within 18 months or 12 months of being cut, depending on where in the State the land is. Although there are some limitations on when the Construction Timber RAMA applies, there is no restriction on how the timber is used.

QUESTION

The Hon. RICK COLLESS: I was told it was legal advice. I am just passing it on to you for your information.

The Hon. IAN MACDONALD: I will have a look at that for you.

ANSWER

It is inappropriate for the Minister to provide legal advice. The Hon Member should obtain independent legal advice to satisfy himself on the matter.