

GENERAL PURPOSE STANDING COMMITTEE No. 5

Monday, 1 September 2003

Examination of proposed expenditure for the portfolio areas

**RURAL AFFAIRS, LOCAL GOVERNMENT,
EMERGENCY SERVICES**

The Committee met at 8.00 p.m.

MEMBERS

Mr I. Cohen (Chair)

The Hon. I. W. West
The Hon. K. F. Griffin
The Hon. A. Fazio

The Hon. M. Pavey
The Hon. C. J. S. Lynn
Ms S. P. Hale

PRESENT

The Hon. A. B. Kelly, Minister for Rural Affairs, Minister for Local Government, Minister for Emergency Services, and Minister Assisting the Minister for Natural Resources (Lands)

Department of Local Government

Mr G. Payne, *Director-General*
Ms V. Knox, *Chief of Staff*

New South Wales Rural Fire Service

Mr. P. Koperberg, *Commissioner*

New South Wales Fire Brigades

Mr G. Mullins, *Commissioner*

State Emergency Service

Brigadier P. McNamara, *Director-General*

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CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS

Corrections should be marked on a photocopy of the proof and forwarded by 30 September 2003 to:

**Budget Estimates
General Purpose Standing Committee Secretariat
Parliament House
Macquarie Street
SYDNEY NSW 2000**

CHAIR: I declare this meeting open to the public. This is the public hearing of General Purpose Standing Committee No.5. I want to thank the Minister and the departmental officers for attending this evening.

At this meeting the Committee will examine the proposed expenditure for the portfolio area of Rural Affairs, Local Government and Emergency Services. Before questions commence, some procedural matters need to be dealt with regarding the broadcasting of proceedings. Paragraph 4 of the resolution referring the budget estimates to the Committee requires evidence to be heard in public. The Committee has previously resolved to authorise the media to broadcast sound and video excerpts of its public proceedings. Copies of the guidelines for broadcasting are available from the attendant.

I point out that in accordance with the Legislative Council's guidelines for the broadcast of proceedings, only members of the Committee and witnesses may be filmed or 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 or what interpretation you place on anything that is said before the Committee.

There is no provision for members to refer directly to their own staff while at the table. Witnesses, members and their staff are advised that any message should be delivered through the attendant on duty, or the Committee clerks. For the benefit of members and Hansard, could departmental officials identify themselves by name, position and department or agency before answering any question referred to them. Where a member is seeking information in relation to a particular aspect of a program or a subprogram it will be helpful if the program or subprogram is identified.

I declare the proposed expenditure open for examination. Minister, do you wish to make a brief opening statement?

Mr KELLY: No, not necessarily.

CHAIR: I would like to commence looking at the portfolio of Local Government, and I would offer the Opposition to start proceedings, the Honourable Melinda Pavey.

The Hon. MELINDA PAVEY: Thank you, Chair. Minister, the Department of Local Government has been carrying out investigations of pecuniary interest allegations against the Mayor of Maclean Shire Council, Chris Gulaptis, since April 2001. You may remember I asked you a question without notice in the House about this last session. What are the department's costs in relation to this investigation?

Mr KELLY: It is just in the normal operating costs. That is before the Pecuniary Interest Tribunal, and really it is a procedural matter.

The Hon. MELINDA PAVEY: So you are not able to supply that information?

Mr KELLY: No, it is entirely up to them. They are an independent tribunal.

The Hon. MELINDA PAVEY: In addition the Department of Local Government is a respondent in a related defamation case brought by Mr Gulaptis, and a jury has found that the article in question was defamatory of Mr Gulaptis. What are the department's costs in defending that?

Mr KELLY: No, there was a question something along those lines in the House, which is incorrect, and that is still before the court.

The Hon. MELINDA PAVEY: There is no defamation hearing?

Mr KELLY: It is still before the court.

The Hon. MELINDA PAVEY: So can you detail the costs to the department at this point of the defamation hearing?

Mr KELLY: It is still before the court.

The Hon. MELINDA PAVEY: To this date? I know it is still before the court to this date, but the cost to the department to this point is fairly considerable?

Mr KELLY: We will get back to you on that. It is a section of the Attorney General's department.

The Hon. MELINDA PAVEY: The Director, Mr Garry Payne, you are a respondent in related defamation proceedings raised by Mr Gulaptis. On 24 June 2003 a jury found that the publication of the newspaper article authorised by the Director General was defamatory of Mr Gulaptis. Is the department contributing to the Director General's legal and other costs in relation to the defamation matter? If so, what are these costs?

Mr KELLY: I will ask Mr Payne to answer that.

Mr PAYNE: In fact that is not correct. The case has still not been completed. There were five imputations; four were dismissed. The fifth imputation will go to a trial, and we have a defence for that. That is where it is.

The Hon. MELINDA PAVEY: So your costs are being covered by the Department of Local Government, or the Attorney General?

Mr PAYNE: The Attorney General.

Mr KELLY: Just to follow on from that, I think that is very similar to a question I was asked in the house. The imputation of the question at the time was incorrect.

The Hon. MELINDA PAVEY: There was not any clarification at the time.

Mr KELLY: Four of the five imputations were dismissed.

The Hon. MELINDA PAVEY: You did not get back to the House. I wasn't aware that four of the five imputations were incorrect, but there was one that was correct, which is still before the court, for which the Attorney General is paying your costs, is that right Mr Payne? Can the Minister advise if the Director General has breached any departmental protocol or practice by authorising the publication of an article in a newspaper relating to a current investigation against Mr Gulaptis?

Mr KELLY: I am not aware of whether that does breach protocol at all.

The Hon. MELINDA PAVEY: Could you check it and get back to us?

The Hon. AMANDA FAZIO: Could I just ask a question here, it might be helpful if the Honourable Melinda Pavey gave details of the newspaper article rather than just referring in general terms.

Mr KELLY: This is actually a court case which is still going ahead. It is a bit out of order to ask questions about court cases that are still under way.

CHAIR: Perhaps the Minister would take that on notice, but it is after all a budget estimate committee, and we should keep to the area of relevance to excellence.

The Hon. MELINDA PAVEY: Could you please advise the committee of the title and duties of Mr Terry Flannagan who is employed by you, and what is his salary?

Mr KELLY: I will take that on notice. He is with Rural Affairs.

The Hon. MELINDA PAVEY: Is Mr Flannagan now located in Grafton?

Mr KELLY: Yes.

The Hon. MELINDA PAVEY: Has Mr Flannagan been provided with an office, and if so, what is the cost of the office fit out and rental?

Mr KELLY: I will check on that.

The Hon. MELINDA PAVEY: Does Mr Flannagan have secretarial staff to support his duties in Grafton?

Mr KELLY: Not yet.

The Hon. MELINDA PAVEY: So there may be somebody coming? As Minister for Rural Affairs are there any other ministerial staff employed in any other country areas, similar to Mr Flannagan's position in Grafton?

Mr KELLY: No. I think you are alluding to the Bathurst office. There were two staff there.

The Hon. CHARLIE LYNN: Minister, for each of your portfolio agencies in 2002/2003, how much was spent on media monitoring from Rehane Australia Monitoring Services as outlined in the Premier's Department Circular 2002/2003, and what is the estimated expenditure for 2003/2004?

Mr KELLY: I will take that on notice.

The Hon. CHARLIE LYNN: Minister, for each of your portfolio agencies in 2002/2003, how much was spent on media monitoring other than from Rehane Australia Monitoring Services?

Mr KELLY: I will take that on notice too, but I am not aware of any other.

The Hon. CHARLIE LYNN: How much did your Ministerial office spend on media monitoring from Rehane Australia Monitoring Services, and how much did your Ministerial office spend on media monitoring other than from Rehane Australia Monitoring Services in 2002?

Mr KELLY: I will take both on notice.

The Hon. CHARLIE LYNN: In regard to your public relations media staff, in 2002/2003 for each of your portfolio agencies, how many media or public relations advisers were employed, what is the total cost of this, and what is the forecast for 2003/2004 for the number of media or public relations advisers to be employed, and their total cost?

Mr KELLY: I will take that on notice obviously because I do not know them all, except that I do know Local Government has none. I will give you a complete answer, including Local Government.

The Hon. CHARLIE LYNN: In 2002/2003 how many media or public relations advisers were employed by your Ministerial office, what is the total cost of this, and what is the forecast for 2003/2004 for the number of media or public relations advisers to be employed, and their total cost?

Mr KELLY: Obviously I need a number of media advisers tied up to the number of portfolios I have got, four portfolios plus Leader of the House.

The Hon. CHARLIE LYNN: Could you provide a breakdown for each one for us?

Mr KELLY: Okay.

The Hon. CHARLIE LYNN: In regard to advertising, for each of your portfolios agencies, how much money was spent on advertising in 2002/2003 and can you provide a list of each campaign cost and which firms were involved, and could you please also provide a monthly breakdown of advertising expenditure?

Mr KELLY: Just a point of clarification, is it advertising –?

The Hon. CHARLIE LYNN: The Local Government structure at the moment.

Mr KELLY: The Boundaries Commission enquiry, some of those individual enquiries, and I presume the Commissioner who did the Warringah enquiry would advertise as well, so do you want those included?

The Hon. CHARLIE LYNN: Yes please, and also your other advertising allocations.

Mr KELLY: I don't think there is any allocation except for those things.

The Hon. CHARLIE LYNN: On the issue of legal fees, for each of your portfolio agencies in 2002/2003 how much was spent on legal expenses, what was the breakdown of these expenses, and who provided these legal services?

Mr KELLY: I will have to take that on notice again, but from memory I think the Department of Local Government is \$66,000, something in that order, mostly for the Warringah public enquiry. Actually I can probably give you the Local Government one. I think they are around about \$66,000, and by far the vast majority of that was for the Warringah public enquiry. The hearing costs alone were \$54,000 of that.

The Hon. CHARLIE LYNN: And the other part of that question was who provided the legal services. Perhaps you could take that on notice?

Mr KELLY: Yes.

The Hon. CHARLIE LYNN: Just finally in regard to that, in 2002/2003 how much did you spend on legal expenses, and what was the breakdown for these expenses and who provided these legal services?

Mr KELLY: Me personally? The last legal expenses I spent were on the computer enquiry, and I have not had them refunded, despite the fact –

The Hon. CHARLIE LYNN: No, in your capacity as Minister.

Mr KELLY: No.

The Hon. MELINDA PAVEY: Can you advise on the costs so far of the government's boundary change policies for local government?

Mr KELLY: There has been very little except my media group obviously spending a lot of time answering enquiries. What sort of costs?

The Hon. MELINDA PAVEY: The costs of sending advertising and letters, I suppose?

Mr KELLY: That was easy. There was one letter which went electronically to all the councils, so that was a minimal cost. It was just an electronic letter that went out on one day to all the councils, saying the same thing. Obviously the computer was able to direct it to the individual Mayors and individual councils.

The Hon. MELINDA PAVEY: The Boundaries Commission costs?

Mr KELLY: The Boundaries Commission is part of the Department of Local Government, and it has normal operating costs. It is appointed by the government and has got a chairperson and the departmental representative plus two others. During 2002/2003 it was \$21,873. The departmental representative on the commission is a public employee, and therefore not part of that and not subject to remuneration as the Commissioners are. The department meets the cost of the Commissioner's direct travel and accommodation costs that are associated with specific enquiries.

The other departmental representative and a number of other departmental staff provided support to the Commission within the range of their normal duties, which are not reflected in the Boundaries Commission.

Some of the other costs are \$6,793 for travel to meetings, \$5,805 in relation to advertising, which I suppose partially answers the question before, and as I said, \$21,873 Commissioner's fees. \$67,000 was the department's legal costs.

The Hon. MELINDA PAVEY: What have been the cost to councils in preparing and submitting to you these changes?

Mr KELLY: Obviously I do not know what the costs to the councils are, you would have to ask them. What I have got to say is that I am really supported and encouraged by the way councils have addressed this. Some of the councils, by far the majority of the councils, have taken it on board in the spirit that it was requested for them to. The aim of the whole project was to try to ensure that local government is stronger in future, and that they will be able to perform their services and provide services to their ratepayers more efficiently and more effectively.

There have been a number of models which I have not been through or collated as yet, but I think as late as this afternoon 148 councils had responded in varying ways. Some of the councils are proposing co-operatives, county councils, boundary changes, or just ways they will improve the way they provide services in the future.

So obviously there is a cost to it, but to a large degree it is a cost the councils perhaps should have looked at, and the functions they should have been doing themselves to actually look at doing things better.

The Hon. MELINDA PAVEY: How many staff of the Department of Local Government has been allocated to assist the Boundaries Commission to investigate boundary adjustments?

Mr KELLY: It hasn't been completed. There is only one but until we get them all in and find out what proposals there are – the mail from the country is not as quick as it is from Ashfield, Canterbury or any other city council, so we have to allow a few days for those country councils, who might have only had their special meetings on Friday, to get in. Once they are all on the table within a few days – as I said there are 148 – the department will be able to make a better assessment. Perhaps the Director General might have a better view.

Mr PAYNE: As the Minister said we have one person working on it at the moment. I anticipate when we start to go through the proposals we will be looking at probably only three or four.

The Hon. MELINDA PAVEY: Can you advise if all employees of the Department of Local Government are now located in Nowra?

Mr KELLY: Not all, the majority are obviously but there is an office in Sydney and that was set up to maintain a presence in Sydney. Part of the concern some of the north-western councils might have had with the relocation to Nowra, it was a little further away for them, so that they have the opportunity to come to Sydney rather than to go to Nowra, where there is a video link up, so they can make contact. Also the Boundaries Commission are serviced out of the Sydney office.

The Hon. MELINDA PAVEY: What is the breakdown of staff?

Mr KELLY: Two in the city and forty-something in Nowra. The department used to be roughly about 120, it is about 68 now but not all positions are filled.

The Hon. MELINDA PAVEY: What was the total cost of the transfer of moving office and associated costs?

Mr PAYNE: I cannot answer for all costs because some costs, particularly building and fit out were met by the Department of Public Works and Services at the time. The direct costs for the department were about \$1.1 million comprising \$838,000 for relocation that is removal, contracts, setting up the IT network and making good the premises at Bankstown; \$17,000-\$18,000 for printing and stationary; about \$310,000 for reimbursement of relocation expenses, totalling about \$1.16 million but that does not include fit out or building costs, which are not within our portfolio.

The Hon. MELINDA PAVEY: Minister are there any guidelines available for local councils seeking to enter into public or private partnerships with local government? Has the department drafted any guidelines to help councils in that process?

Mr KELLY: No.

The Hon. MELINDA PAVEY: Are you going to develop any guidelines for councils to help them through this?

Mr KELLY: They have not asked us yet but we might.

The Hon. MELINDA PAVEY: You have not seen any requests from councils asking for any advice, Director General?

Mr PAYNE: No.

The Hon. MELINDA PAVEY: You may develop some? When might that happen?

Mr KELLY: If we are requested or if we see a need for it but as far as I know no-one has asked for it yet.

The Hon. MELINDA PAVEY: You are not aware of any local councils looking to enter into public or private partnerships?

Mr KELLY: There was the Liverpool one but they didn't ask the department for advice.

The Hon. MELINDA PAVEY: Have you instructed the Department of Local Government to prepare for a rate review? If so, when will it commence and what is the purpose of the review?

Mr KELLY: The Local Government and Shires Association had a working party looking at rates and delivered their report to me in the last week or fortnight. It looks fairly sensible on the surface. I asked the department to go away and have a look at it and we would get back to the councils or associations. They were looking at requesting the Government to change the way rate pegging was structured, they were not asking that

rate pegging be abolished but the way we calculated our limit it would be more flexible and more in line with the costs that councils face.

The Hon. MELINDA PAVEY: What resources were expended in implementing strategies for the department's action plan in 2002/2003? What were these strategies and what was the outcome of implementation?

Mr KELLY: We will take that question on notice. That was handled in-house.

Ms SYLVIA HALE: Minister, have any of your overseas trips in the past year been paid in part or in full out of public money? If so did any of your relatives or friends accompany you on such trips?

Mr KELLY: I have not been on any Ministerial trips since becoming Minister, not overseas. I have been on a lot of country ones.

Ms SYLVIA HALE: How many staff do you have?

Mr KELLY: I will take that on notice.

Ms SYLVIA HALE: In the last financial year the consumer price index rose by 2.8%. This means the pegged increase granted to local councils of 3.6 percent equates in real terms to an increase of .8 percent.

Mr KELLY: Do with those times coincide? I will ask the Director General to explain the formula because it is not straight CPI, one is 47 percent and one is 53 percent, one is related to labour costs and the other related to CPI. Perhaps the Director General can expand?

Mr PAYNE: I cannot give you the details of the formula, as I do not have that with me but it includes other aspects than CPI such as labour and the movement in local government of labour.

Ms SYLVIA HALE: If we know the CPI is 2.8 percent presumably the other element is the .8 percent?

Mr KELLY: Part of it is an estimate so it is in advance instead of in arrears. It is not easy to correlate it to the CPI. That is the sort of thing the associations were asking us to look at, some of the changes to that formula.

Ms SYLVIA HALE: Can you list services and charges provided to local government by the State Government or by State Government owned entities, which rose by more than .8 percent last financial year?

Mr KELLY: To do that we would have to ask all the other Ministers on notice.

Ms SYLVIA HALE: Can you list any? Can you take that question on notice?

Mr KELLY: Any of ours? No.

Ms SYLVIA HALE: What has been the annual average increase in the fire brigade's levy since 1994/1995?

Mr KELLY: I can answer that when we get the emergency services people in.

Ms SYLVIA HALE: Can you list the approximate increase in public liability insurance premiums paid by councils over the past two years –

Mr KELLY: You would have to ask them. Public liability depends on their track record and their insurance companies.

Ms SYLVIA HALE: Given this is a major impost on councils –

Mr KELLY: Not by us, by insurance companies.

Ms SYLVIA HALE: Your department does not do anything to track the increase in premiums?

Mr KELLY: They do in their statements but their statements would not be up to the last financial here yet.

Ms SYLVIA HALE: Can you provide on notice any financial records over the past two years?

Mr KELLY: To be able to give you the one that finished at 30 June, the council statements do not conclude until the end of November and we cannot give that to you until probably – allowing for the fact they do not all get them there on time – we probably cannot give that to you until Christmas time, but if you want the previous two years that is probably easier to get. We take that question on notice.

Ms SYLVIA HALE: Information from your department indicates the average increase in premiums has been 35 percent.

Mr KELLY: I would assume that councils would have the same increase in premiums as everybody else; us personally as members of the public have had – in that order. We will get the figures from the department but the figures that you are looking for but we could not provide until December because the councils do not provide them, unless we made a special request to the councils to provide the information.

Ms SYLVIA HALE: The introduction of anti-graffiti legislation has presented an impost on councils insofar as they are required to draw up and enter agreements with owners of private property. Has there been any attempt to reimburse or compensate councils for the additional cost?

Mr KELLY: My memory it was that legislation gave councils the ability to enter into agreements with private property under what used to be section 500 but I do not know what it is now. It was a private job for the councils but only if councils wanted to do that, it was voluntary.

Ms SYLVIA HALE: Would you agree there is public expectation councils are responsible for removing graffiti and that councils will undertake educational programs to enlighten communities about graffiti? In view of that has any attempt been made to compensate councils for these additional costs?

Mr KELLY: No it is up to councils to conduct their normal activities. How they get money to do that is generally by rates.

Ms SYLVIA HALE: If the rates are pegged and they have these additional costs how are they to –

Mr KELLY: As you pointed out the CPI was 2.5 percent and we have given them 3.6 percent. They got .8 percent more than expected.

Ms SYLVIA HALE: Infinitely less than they need. Is the Government anticipating introducing any legislation in the coming financial year that will impose new fees, costs or charges on local government greater than .8 percent?

Mr KELLY: Not in my portfolios. There is a review about how emergency services are funded but I will talk about that later.

Ms SYLVIA HALE: The Companion Animals Act requires councils to prepare plans of management, to establish companion animals committees and set aside dog exercise areas and so forth. What financial assistance has been made available to councils to meet these and other requirements of the Act?

Mr KELLY: There has been significant assistance. I will ask the Director General to give the figures but the money collected is returned to councils and it is quite significant.

Mr PAYNE: \$6.1 million has been returned to councils, basically 80 percent of the registration fees collected; and 20 percent is held for administration, cost of the register and the PetLine.

Mr KELLY: I understand that does not have to be spent on companion animals. We have to return it to the councils but it is up to them whether they allocate it back to companion animals.

Ms SYLVIA HALE: If councils are only receiving 80 percent of fees collected and they have this additional burden, apart from the traditional burden to capture dogs or animals and impound of them –

Mr KELLY: No, impounding fees are separate and have always been there. Councils get that the back as an impounding fee from the person who collects the dog. Councils have always had that cost. This is to do with the Companion Animals Act and they get 80 percent of the money back even though the Government has to keep the register and go through that process and only get 20 percent for that. So the cost of keeping the pound councils have had since 1966, since my first job in local government to register dogs.

Ms SYLVIA HALE: Given the fact it is no longer merely a pound function but an ongoing function that is expected of educating the public, maintaining committees, liaising with the community, as well as microchipping dogs, do you think the amount returned to councils is sufficient to meet those expenses?

Mr KELLY: \$6.1 million is a lot of money. There are 172 councils. The microchipping has been a brilliant invention for some. You will remember the pet labrador called Teardrop who bolted from Richmond and turned up at Nundle, 300 kilometres from Richmond and was collected by a Tamworth City Council Ranger who was operating for Nundle Council on a resource sharing arrangement. That dog was returned to Sydney from over 300 kilometres away.

Ms SYLVIA HALE: Minister, on 3 July you wrote to every council across the state, stating that the accounts of 2001/2002 showed that “expenditure on asset maintenance is not keeping pace with the rate of deterioration, the gap between the estimated cost of essential maintenance of infrastructure and current expenditure is \$205 million. This trend has been evolving for some years and is accelerating”.

How do you expect local governments to address this shortfall when State government fees and charges have increased by as much as 13.3% per year, while revenue from rates increased by only .8%?

Mr KELLY: As a percentage of real returns that was actually increased by 3.6%.

Ms SYLVIA HALE: We are saying that of the 3.6%, most of that was taken up in CPI costs.

Mr KELLY: I think that also referred to 116 councils out of 172 not keeping pace with their expenses. They had more expenses, which included the maintenance of assets, than they had income. That is why we sent the letter out. Our concern is that one of the biggest single income items of councils other than rates is the Federal Assistance Grants, which Gough Whitlam brought in in 1972 or 1973 for 2% of the taxation revenue, and they are allocated as a share of taxation that goes back to councils. It is particularly important to country councils because it represents some 20% to 30% of their income.

It has been reducing in real terms. In 1990, for example, those 21 disability factors that councils have that they get that money for from the Federal Government, the money they got represented 60% of the costs of looking after those disability factors. Country councils have had greater disability factors than city councils

because of the sparseness of the geography, and quite often the socio-economic make up of a lot of the council areas. It was 60% in 1990 and it is now only 44%, so the money that they are getting from the Federal Assistance Grant is reducing in real terms, and that is why we have asked councils to work out ways to make sure that in the future they will be able to survive.

The less money they get from the Federal Assistance Grants, obviously the less money they have got to maintain assets. From previous experience as a general manager, it is easy to balance the bottom line, you just cut out library books, you cut out child travel, you cut out kerbs and gutters. I put the challenge out to the Local Government Ministers Association at their conference that there would not be one in the room who had not done that to try to balance their budget, and no-one disagreed with me.

That is the whole reason for this process that we are going through, that I want to make sure that local government is in a stronger position when I leave it than the way I found it.

Ms SYLVIA HALE: Minister, Sydney Water owns a number of major drainage lines throughout the Sydney Metropolitan area that have been assessed as being under capacity and would cause flooding problems. Sydney Water has adopted the position that its responsibility is only to maintain the existing system to its current capacity, and that councils must meet the cost of any upgrading works or water quality improvement to the system. Given that this is their stated view, what are you doing to ensure that councils have the capacity to improve their drainage?

Mr KELLY: I am unaware of Sydney Water's view on that, so it is really a question that probably should be asked of Frank Sartor. Unless they are referring to new areas, say in the western suburbs where there are s.94 charges, and again that is a part of our planning, so the Minister for Planning, either Craig Knowles or his assistant – so on those issues Sydney councils have no responsibility for what used to be called Metropolitan Water Sewerage and Drainage, which was a separate board.

Ms SYLVIA HALE: In many local council areas there are what were former tips or dump sites which were often used by a number of councils, but it has now fallen to the unlucky lot of the particular council in whose area the tip is located to shoulder the burden for remediation of those sites under the Contaminated Lands Act. What assistance is the Department of Local Government giving to councils so that they can meet those additional costs, which are often unfairly incurred, albeit imposed upon those councils?

Mr KELLY: Do you mean the councils' own garbage tips?

Ms SYLVIA HALE: No. I can give you an example, the Tempe tip, which was used by about seven or eight councils across the city area. It was also used by the Bunnerong electricity station, but in fact the entire cost for remediation of that site has been borne by Marrickville Council, despite it having requested in the past - when it closed the tip, it was in fact instructed by the government to keep it open.

Mr KELLY: I think that is a question for the Environmental Protection Authority.

Ms SYLVIA HALE: Again, that may be their policy, but obviously it impacts very heavily on council finances, many councils across the State. So is the department –

Mr KELLY: It is not the Department of Local Government, it is the Environmental Protection Authority.

Ms SYLVIA HALE: But when the Department of Local Government sets the pegged rate increase, is it mindful of all these additional imposts that have been imposed on council?

Mr KELLY: We give any council in the State the opportunity to apply for special variation, and the department has recommended quite a number of them to me to sign off this year. Obviously some of them are for infrastructure needs, but we actually made it quite clear to the councils that we, and not only us, the Premier

might have also done it, that we would look favourably on any environmental applications for variation for environmental factors.

Ms SYLVIA HALE: But many of those grants that are made above the rates for pegged increase are for special one off purposes. They are not grants that take account of the full range. I assume as Minister you are aware of the significant shifting of costs by both the Federal government and the State government on to local governments. Will you in your enquiry into rates pegging be examining the whole range of that cost shift that is occurring?

Mr KELLY: When we are looking at the review we are going to look at a number of different issues, but particularly the ones that the Local Government Shires Association have asked us to look at, and we will certainly be doing that. The issue of cost shifting is really one for the Federal government, not the State and local government, as you saw with the health situation only two days ago. HIH is another one. That is a Federal government issue and we have got to pick up the tab.

Ms SYLVIA HALE: Certainly in the case of local government it appears that the shifting by the State government in this State onto local councils is occurring at a far greater rate than the shifting of Federal costs on to councils.

Mr KELLY: My understanding is that we have asked the councils over the last two or three years, "if you can show us something as an example of that we will probably look at giving you special rate variations", and not one council has responded to that.

Ms SYLVIA HALE: You have written to councils?

Mr KELLY: I think the previous Minister asked them. It was raised at four or five of their conferences, and they have never once come forward on that.

Ms SYLVIA HALE: Would you be able to make available the details of that offer?

Mr KELLY: It was at their conferences.

Ms SYLVIA HALE: I know, but you were obviously aware of it, and could you provide me with the details.

Mr KELLY: I will find out what conferences it was and provide you with that.

Ms SYLVIA HALE: And you will take on notice those earlier matters about the increase in State government charges, my first question?

Mr KELLY: I thought I answered that.

Ms SYLVIA HALE: No, I think you could not nominate any particular items to list the service charges by the local government, by the State government or entities, which rose by more than 80% last year. I am sure it will be there in Hansard. *(Time expired)*

CHAIR: Minister, just one question before I move to the government questioning, I am just wondering if the department has undertaken any investigation, and any expenditure, into looking into the area of the possibility of payment of full time employment to elected councillors, so to attract councillors who have the time, energy and capacity to treat council as full time employment?

Mr KELLY: No, we haven't done that yet. However, I informed both the Local Government Managers' Association and the Local Government Shires Association that we do intend perhaps having some

more legislation later in the year, and I asked for suggestions, and we expect there might be some suggestions in that regard.

The Councillor's and Mayors fees are set by the Local Government Remuneration Tribunal in a similar way to members of Parliament and the LSA are set, so we have no involvement in that whatsoever. The councils make their own submissions direct to the LSA. There may well be some suggestions come forward to change the legislation to allow the remuneration tribunal to look at other factors. We haven't looked at it ourselves.

CHAIR: Thanks Minister. Now to the government, the Honourable Amanda Fazio.

The Hon. AMANDA FAZIO: I just wanted to ask the minister has his department given any consideration to encouraging councils to establish no-kill pounds?

Mr KELLY: No. Sorry, I had better check that.

Mr PAYNE: It doesn't come directly within our terms of reference but we do encourage it, and the Companion Animals people who work with the department often tour around inspecting pounds. In fact I understand that the no-kill policy is on the increase out there, and there have been some very successful ones. Our role mainly is more encouragement than regulation.

Mr KELLY: Some of the councils get the RSPCA to take dogs if no owner is found, and they try to find a new owner.

The Hon. AMANDA FAZIO: Thank you Minister.

CHAIR: Do the Opposition have any further questions in the time remaining?

The Hon. CHARLIE LYNN: Minister I am interested in one of your comments. You said you would like to leave local government in a better position than when you found it. I think that is an admirable goal but this is not code for saying the previous Minister Harry Woods was not up to the job and this is why he got out prematurely?

Mr KELLY: No I would hope every Minister in the past has improved the situation except that I would hope that having my unique experience of working for local government for 30 years, the majority of my life that I am in a better position than perhaps previous Ministers for Local Government. Also, with the support of the councils themselves, the way they have taken on board our request to look at themselves, the quite fantastic ways councils are looking at reducing their costs, not necessarily always is it just an amalgamation of boundary changes that reduces your costs. Hunter Valley councils, for example, have come up with a combined archive system, which I think 13 councils in the Hunter Valley will use like their own private company, where they will get a dividend from archiving their files, they will all be archived there and it will be let out to private enterprise and the State Government in the Hunter Valley. That is really lateral thinking and just one example of the sorts of things councils are doing. Some of the councils are becoming centres of excellence for the way they do things. Richmond River council has become the State expert in building timber bridges; they are building them as far as Groves End, near Warialda in the Barwon electorate. I announced the three Groves End bridges and at that stage I did not know that Richmond River Council would come over the mountain to win the tender

The Hon. CHARLIE LYNN: In the McArthur Advertiser last week the Member for Camden stated he thought council amalgamations were a good idea but not this time round. He thought something should be perhaps implemented after the next election.

Mr KELLY: He might have been talking about his own area. Every council in this State is different. You cannot compare one council to another. For example with councils in the western division I think it would be ridiculous to talk about amalgamating ones like Bourke and Cobar or Central Darling with Bourke.

The Hon. CHARLIE LYNN: I think he was talking about the timeframe. What is your timeframe for completion?

Mr KELLY: As many as possible before – with the proposals put up a lot will go through by the end of the year. The timeframe will depend on having it done in such a time that the Electoral Commissioner can get the rolls ready for the election. I think the date was about the end of January.

The Hon. CHARLIE LYNN: It will not happen New South Wales-wide by a certain date; it will be a rolling program?

Mr KELLY: It will be a rolling program. We are trying not to do what they did in Victoria. We can sit on our hands and do nothing and not get anywhere. In Victoria someone sat down, went through a process and drew lines on maps in a central area. I am sure if I did that I would get it wrong because I am a local in my area but I am not local all over the State. There are some innovative suggestions coming forward. That is why we have asked the councils to come up with them and our process then is to go back to the community. I am not going to pick and choose one proposal over another. I will send every proposal to the Boundaries Commission. It will be up to them to go through their public process to advertise and come back with a report.

The Hon. MELINDA PAVEY: It was acknowledged the Department of the Attorney General is paying the costs of Mr Payne's legal expenses related to the defamation case related to Meriton Laing and Councillor Chris Gulaptis. Do you acknowledge there is potential for a conflict of interest in that Mr Payne has a pecuniary interest in the matter but is being defended with public moneys?

Mr KELLY: The case is before the PIT.

The Hon. MELINDA PAVEY: I know that but Mr Payne has a pecuniary interest in the matter in that he is facing a defamation case for comments made about Councillor Gulaptis yet the Department of the Attorney General is funding him.

Mr KELLY: The Attorney General has not got any pecuniary interest.

The Hon. MELINDA PAVEY: He is funding it.

Mr KELLY: The Department of Local Government is not the answer is that the Department of the Attorney General is funding it.

The Hon. MELINDA PAVEY: Do you think there is a pecuniary interest?

Mr KELLY: If it is not the Department of Local Government, then it is not.

The Hon. MELINDA PAVEY: The Minister advised the House on 3 July the Director General had a pecuniary interest in the matter relating to Mr Gulaptis.

Mr KELLY: I am not aware that I did that.

The Hon. MELINDA PAVEY: Do you acknowledge there is an interest in that the matter?

Mr KELLY: No I am not aware that what you said on 3 July occurred.

The Hon. MELINDA PAVEY: Do you acknowledge there is a pecuniary interest in the matter?

Mr KELLY: No.

The Hon. MELINDA PAVEY: There is no interest of Mr Payne?

Mr KELLY: Mr Payne is defending a case but if the Attorney General is running it –

The Hon. MELINDA PAVEY: It is still public moneys?

Mr KELLY: It is nothing that comes under his control; it is the Department of Local government under his control not the Attorney General.

The Hon. MELINDA PAVEY: Public money is being spent to defend him.

Mr KELLY: He is not controlling it.

The Hon. MELINDA PAVEY: When will the case be wrapped up or the investigation?

Mr KELLY: I have no idea; it has nothing to do with the Department of Local Government. It is the Pecuniary Interest Tribunal, a separate tribunal and it is up to them up; we cannot push them we do not get involved.

The Hon. MELINDA PAVEY: How many employees does that Department have?

Mr KELLY: We have no idea. We do not run it – I am told about half a person.

The Hon. MELINDA PAVEY: How many investigations do they carry out at any one time?

Mr PAYNE: It is wrong to say the Pecuniary Interest Tribunals carry out investigations they do not. This has been a problem with the case you have been mentioning, there has been a cloud that has never understood the distinction between the department's role and the role of the tribunal. The department presents a case, after that the department is out of it. It is up to the tribunals, as a statutory body, to proceed to hearing or not. That is where the case is at the moment. Preliminary hearings have been undertaken and they will go to a fuller hearing later.

The Hon. MELINDA PAVEY: Is it normal for you to make public media comment before a hearing is concluded?

Mr KELLY: I do not think these questions are relevant here; they are in relation to a court case. If it is a court case that is underway I think you really –

Ms SYLVIA HALE: Minister are you aware of a book published this year, "Reforming Australian Local Government" by the University of New South Wales Press, which is an analysis of what is happening in local government across the nation, in particular discussing the questions of whether bigger is better in terms of efficiencies in local government? The conclusion of one of the chapters is that there is no evidence to sustain that proposition that it is more a case of wishful thinking rather than reality?

Mr KELLY: Can I partially answer that? I am not aware of the book unless it is one I did see from one of the universities that said after a certain point you can say that but up to a certain population you can say bigger is better. For example, there was until only two years ago a council called Windorah Council. When I was the General Manager people would say, "Where will you go next as a successful General Manager? Will you go to one of the big Sydney ones?" I would say, "No I would prefer to go to Windorah Council. I would have to probably lose \$30,000 in my salary but they only have 129 ratepayers and I could spend one day with each of those ratepayers and have the rest of the year off." Obvious a council with 129 ratepayers could not survive there has to be some economies of scale if they amalgamate. That particular council went broke; they had \$800,000 in debt. The administrator brought in sold the General Manager's car and sealed the first road that had been sealed in six years.

There is another council in the State that has a total rate income of about \$595,000-\$600,000. I do not know what the general manager is paid but generally it is about \$100,000. If I were a ratepayer paying a six or a seventh of every dollar in rates that went to the general manager's salary I would have thought also some economies of scale could be achieved. You cannot say there is no economies of scale that bigger is better in some cases. Once you get to a certain figure economies of scale are not so relevant. I think it was somewhere between 30,000 and 70,000 people in the university study that I saw, not that I am suggesting councils with less than 30,000 people should be amalgamated because I think every council is different.

Ms SYLVIA HALE: Given the great disparity in sizes of councils, yet the maximum number being 15, where you have a council such as Blacktown of more than a quarter a million people –

Mr KELLY: No, more, one in 70 Australians live in Blacktown.

Ms SYLVIA HALE: Do you think the size of that council is so great it effectively denies accountability and representation to residents and that in this whole tenor of council amalgamations and boundary changes in fact it would be reasonable to look at it in the context that councils can share the ROCS resources, infrastructure resources and whatever and in the interest of local democracy it would be better to look at possibly having smaller councils?

Mr KELLY: I am not disagreeing are with what you say about ROCS because that is the proposal coming forward. There is one at the top of the State that is half a ROC, the Regional Organisation of Councils, known as ROCS. In the northern part of the State there are 13 councils in a ROC – about half a ROC, six decided to join together to form a cooperative to undertake certain functions. It is not a little ROC, it is half a ROC, and it is not a pebble. I do not disagree with what you say. There are a lot of different models coming forward. I am encouraged by the way councils have taken this on the board to try and get economies of scale not necessarily through amalgamations or boundary changes. With Blacktown Council, some people would say Brisbane City with one million people is a good size but one in 70 Australians live in Blacktown, they believe they get effective representation by dividing it into wards. Each ward is about the size of the City of Dubbo with three or four councillors representing them. Each council is different.

Ms SYLVIA HALE: Has the Department undertaken studies into the appropriate ratio to the numbers of residents and councillors?

Mr KELLY: I do not think they have but from my experience it is different in every council. Some people might suggest that a council in the west of the State that might have a 3,000 or 4,000 people should only have one or two councillors but the problem there is a matter of geography. I would suggest that country a councils, who might have tens of thousands of square kilometres of area would need more per head representation than perhaps Hunters Hill, which is only 13 square kilometres. Lots of country properties are bigger than that.

Ms SYLVIA HALE: Minister, you would agree there has been a enormous amount of heart burn and angst generated particularly in rural areas by the prospect of amalgamations, border changes, whatever and a lot of that has resulted from the department's failure to give any guidance as to what it was looking at, therefore people have not known which issues to respond to, particularly when there is the fear of the loss of employment opportunity after the three-year moratorium? Do you think the Department or you might have better handled the issue?

Mr KELLY: This is a question I have been constantly answering because people did not listen or preferred not to hear what we were saying. Since we sent the letter out to over 100 councils and to those that have come and met me we have said constantly, "This is not just about boundary changes or amalgamations, it is about councils lifting their game and doing better for their ratepayers, providing services more effectively, more efficiently and more equitably. Whether it is a council that is the size of Blacktown, Sutherland or wherever we still expect them to give us a submission back – and they have – to show how they are going to improve the situation for their ratepayers. If it is a question of angst of the councils being concerned about how to respond,

whether they can improve the services to their ratepayers quite frankly that is what the councils, general managers and staff should be doing every day of their life, trying to workout better ways of providing services for their ratepayers. That is why I expect, and I would be surprised if there was one council in the State that refused to find a better way of providing services for their ratepayers. That is why I expect them all to respond

Ms SYLVIA HALE: But you say that would be very difficult to establish in the time in the construct of cost shift on to local government by the state?

CHAIR: Would you like to answer that question Minister?

Mr KELLY: I didn't say that. I answered that.

The Hon. MELINDA PAVEY: Minister, earlier you said, and Mr Garry Payne, that there would be four staff seconded from the Department of Local Government across to the Boundaries Commission.

Mr KELLY: No, I don't think we mentioned any staff. I think what we said was until we see what is best, there is one staff member but what we intend doing is waiting and trying to find out. As we have said, what we have asked the council to do is come up with ways to provide better services for their ratepayers. I don't expect to have 172 proposals for boundary change.

The Hon. MELINDA PAVEY: There would be probably a hundred though.

Mr KELLY: I don't know, and I wouldn't like to guess at it, but once we get those we will then make an assessment as to what resources the Boundaries Commission will need, and provide them. So in a couple of week's time we will probably be in a better position to work that out. I don't think we said before that there would be four.

The Hon. MELINDA PAVEY: So you will see how many come in and will determine the numbers of staff that go to the Boundaries Commission, just to clarify, so that you can get the process finished?

Mr KELLY: So we can get the process finished before about the end of January so there is time enough for the Electoral Commissioner to be able to provide the rules for the new boundaries. Some of them are quite straightforward, some are not. There are some, I think the Yarralumla area, where there are nine or ten proposals for the same area. Our council has put two or three in on their own. But other areas are straightforward, two councils have decided that "yes, we want to amalgamate, so let's get on with it". So there will be different amounts of work needed in different areas, and resources.

The Hon. MELINDA PAVEY: So all local government actions will take place.

Mr KELLY: I can't guarantee that, but we will try to get as many through as we can. I personally hold the view that if you have all local government elections – local government elections are different to State elections in that by-elections traditionally show less people voted. If you had three quarters of the elections on one day, and the others dribbling out over a later period, you are not going to get the same turn out of voters on those other election days. So the more you can have on the one day, on 24 March next year, the bigger turn out you will have, and I personally believe in as many voters getting into the electoral booth as possibly can.

CHAIR: I think that concludes the time for local government. I would like to move now to commence questioning on emergency services, Minister. What is the relevance of the area currently targeted for hazard reduction in New South Wales, and its relationship to risk and threat posed from bushfire across the State?

Mr KELLY: You would be aware of the legislation streamlining process that the government went through last year, the legislative reform. Part of that ongoing reform of bushfire prevention and management by the State government introduced the reform for the improved planning, and development of bushfire prone areas were streamlined, particularly hazard reduction. This follows the findings of the Interdepartmental Committee on

State Agencies which investigated the process of applying for assessment for hazard reduction. The committee found the system of assessment to be complex and unnecessarily onerous for private landholders wanting to conduct genuine hazard reduction on their properties. As Deputy Chair of the Joint Select Interdepartmental Committee, in the 2001 bushfires, I supported these findings and recommended a streamlined process of assessment.

The reforms introduced a design to simplify the process of assessing environmental impacts, and asked for improved proposed hazard reduction works and usage. It peaked on 1 July, following the introduction of the Bushfires Online Assessment Code. I think from memory it replaced 22 or 24 different pieces of legislation with one approval process. Perhaps I will ask Commissioner Phil Koperberg to expand.

Mr KOPERBERG: As the Minister has said, two things have occurred. One is that there has been a significant streamlining of the process required to be followed by private landholders and individuals who want to carry out hazard reduction on their own land, in as much as the Rural Fire Service now provides a one stop shop to enable proponents to both lodge an application to deal with the variety of legislative permissions that are required to ensure that the operation is both environmentally sound and is carried out in a safe manner, and secondly to get the permit to actually burn during the bushfire season.

The Rural Fire Service will turn around such an application in a period of seven days or less, and the proponent, providing there are no strategic protection zones or asset protection zones, need do no more than lodge the application. All the work is done by the Rural Fire Service.

As to relevance, clearly as we have said many times, hazard reduction is not about quantity, it is about quality. There is no point in burning hundreds of thousands of hectares which are nowhere in proximity to the very assets that one is trying to protect. So we are focussing very much on ensuring that whatever burning is done by public work managers and by private landholders, it has in fact a strategic relevance to the assets that we are trying to protect.

Given the fact that New South Wales is eighty million hectares in size, we cannot clearly hazard reduce New South Wales. Therefore we need to be more focussed on areas of high fuel loads which are in close proximity to assets, whether they be rural assets or urban assets.

Given the fact that in any given season, that is between the onset of Autumn right through to about mid-Spring, there are probably only twenty or thirty days ideally suited for a prescribed burning to take place, we clearly have to be focussed on prescribed land, particularly in close proximity to assets. That is where the majority of damage occurs, and it is those fuels which most render properties at risk.

So whilst there are some advocates of large scale broad acre burning, it has very little relevance in terms of trying to protect property because a fire can start within half a kilometre of a property and on a day of sufficiently bad weather, high temperatures, low humidities and strong winds, as we have seen many times, fire can gain momentum in even half a kilometre so to present a major threat to those assets.

CHAIR: Thank you, Mr Koperberg. I am wondering what the Rural Fire Services attitude to hazard reduction is in rainforest area/

Mr KELLY: Again I will get the Commissioner to answer that, but I think the same as anywhere else, there is a protection of the asset and it has got to go through the normal planning process.

Mr KOPERBERG: Almost by definition rainforest precludes fires. The rainforest develops in environments which conventionally have high rainfalls and high humidities, and it is only during exceptional circumstances, during exceptional climatological circumstances, that rainforest will burn. We saw that during this almost unprecedented drought where rainforest not only in Australia but indeed in South America and throughout Asia burnt for the first time in hundreds if not thousands of years.

Given that, and given our inability to forecast droughts of that severity, hazard reduction in rainforest is not a consideration, for two reasons. One is that the environmental damage caused by that would be significant, and secondly, invariably those rainforests will not permit burning except in the most exceptional of circumstances, and when they arise it is too late of course to do hazard reduction.

Mr KELLY: Depending on the rainfall the plan might be trying to protect them, so a strategic burn might be some way to try to protect the rainforest.

Mr KOPERBERG: It is also a fact, Mr Chairman, that rarely do you find a rainforest in close proximity to the assets that one would normally be expected to protect.

CHAIR: Thanks for that. My question relates to the massive safety problems presented by overdevelopment in bushland areas where fire risk is high. In the past two fire seasons well over two hundred homes have been destroyed by bushfire. Moreover, volunteer bushfire fighters constantly put their lives on the line to save unprepared homes built in areas of known high fire risk. Could the Minister please inform the committee of what action the government is taking to manage the problem of overdevelopment in fire prone areas, with reference to the Rural Fires and Environmental Assessment Amendment Act 2002?

Mr KELLY: There are a number of issues, and again I will get the Commissioner to expand on them in a moment, but the mapping process that that legislation has asked local government to go through to in future deter councils from allowing development in dangerous areas has seen some 154 councils prepare maps. I think the Rural Fire Service has prepared 137 of those.

As part of that process development applications in those areas have now got to be approved by the Rural Fire Service. The Commissioner might have some exact statistics on the development applications that he has approved.

Mr KOPERBERG: It is common that one of the first cries heard after a major fire in which property is destroyed is why people were allowed to develop there in the first place. Just over 12 months ago the Government took action to ensure that there was greater consideration of risk when development was taking place, both on an integrated basis that is large-scale development such as new housing estates, health care facilities, aged-care facilities, educational facilities and so forth and it changed the law to ensure that consideration was given to the potential threat from bushfires when these developments were being placed. Also, of course, there are literally thousands of applications each year to have existing houses modified in some way, construction of the decks and other buildings on the block as well as in-fill development. In-fill development is where there is an established level of development on a street or in a suburb and undeveloped, vacant land is a developed as a result of individual applications

So far the department has recorded at 5,348 development applications. Of those 3,957 were for normal in-fill development that is vacant blocks of land in the main whereas 1,391 were for integrated development, which are in keeping with the various types of facilities I mentioned. Under the current legislation the Rural Fire Service is required to effectively approve integrated development or section 100B development and check that before councils give approval for section 79 building applications all the considerations in dealing with bushfires have been addressed. I am pleased to say that of the 5,348 applications we have recorded as having been received there are only seven that have not been dealt with within the prescribed time frame and that is invariably because we try and negotiate a satisfactory outcome with the proponent. We are not in the business of attempting to sterilise unnecessary lands which are developable and we will go to almost any lengths to negotiate with a proponent of a development to ensure the proposal is either amended or varied to lessen the risk and so future development – in fact all development after last August 12 months will need to be scrutinised by the Rural Fire Service before it can go ahead.

In the matter of bush fire prone maps the legislation also requires, as the Minister said, the 154 council that support bush fire prone areas to map them and 137 councils did not have the resources to do that and the department had to do it for them. So far of the 154, 68 have been signed and approved and 86 are still being

worked on. Clearly we are attempting to prioritise those and assist those councils with the highest bush fire risks before we do those with a lesser risk.

Mr KELLY: With a number of those you have prepared draft maps and sent them back to councils for approval is that the case?

Mr KOPERBERG: There are no circumstances in which at least a draft map has not been approved; 68 have been approved and there are 86 draft maps with councils for consideration.

CHAIR: How does the department intend to respond to the concerted efforts of certain local governments and development associations, including Planning Industry of Australia, to have the Rural Fires Act 1997 to introduce the requirement for fire protection to be considered for development approval in fire prone areas?

Mr KELLY: I will ask the Commissioner to answer that.

Mr KOPERBERG: The premise for determining whether or not an application should be determined is based on a publication called Guidelines for Bush Fire Protection, a comprehensive document scientifically based, which takes into account a range of standards not the least of which being national standards on building construction and distance from potential threat ranging on one hand from the possibility of ember attack, which can occur as you know from fire quite some distance from the structure, right to the point where there could be direct flame impact. It has been claimed that the document, which has been around for some years, is unnecessarily complex. We have been attempting to take some of the mystery out of it by conducting workshops State-wide and inviting to those workshops any interested parties including architects, developers, local government staff, engineers, people with an interest in building and so forth.

We have also agreed if at the end of the process of extensive consultation it can be shown that the document can in some way be simplified, we are quite happy to set up a group to which we will invite all those with concerns about it to work through some of the issues; but what we are reluctant to do is to reinvent the wheel, so to speak, when it has not turned a full cycle – and it has not. So far we are focusing on making sure people understand the issues, which are critically important in terms of future development. As I said, we have a number of people who are prepared to go out and meet developers and proponents before the application is even lodged so they do understand what the needs and the requirements are. Much of what is said about the possibility of this legislation being able to sterilise large blocks of land or large tracts of land capable of sustaining development is simply incorrect. Our job is to ensure that does not happen while at the same time affording these developments a level of relevant safety.

CHAIR: Fires entering national parks from private property often result in immense damage to plants and animals as well as soil and water. A much larger number of fires enter public land from private land than the other way around. How do with the RFS and NPWS plan to work together with private property landholders to address the management of fire on private property?

Mr KELLY: The suggestion you make is correct from my memory of the inquiry we held in 2002 that basically double the amount of fires came into national parks from outside land than went the other way. The changes that have been made, announced recently by the Premier with the new way of fighting fires means that the Rural Fire Service and the national parks work together in fighting fires. Perhaps the Commissioner might want to add to that?

Mr KOPERBERG: Throughout New South Wales there are some 125 Bush Fire Management Committees, and they comprise all of those parties with an interest in bush fire management affairs including local landholders, local government, members of Volunteer Rural Fire Brigades and other emergency services and so forth. Amongst their tasks is one to ensure that hazard reduction is done in such a way as to minimise the possibility of spread from one land ownership to another. It is in fact true that far more fires enter Crown lands as a result of fire originating on public lands than is the converse. All fires are now subject to intensive investigation

and where it is found that as a result of some act of negligence a fire escapes from private land onto public lands, as indeed was the case over of this most recent weekend when 47 fires occurred reasonably unseasonably and the majority of those entered public lands as a result of private hazard reduction during really unsuitable weather for that type of activity. We are attempting to work closely with private landholders to ensure they understand they have an equal obligation to prevent the spread of fires from their land onto public land, as do public land managers to prevent the spread of fire from public land onto private land.

That is a long that, arduous and tedious process but it is about consultation, education and, in extreme circumstances, it may well lead to prosecutions. It will not be the first time that a private land holder has been prosecuted for conducting activity in a way that might be said to be negligent without due regard to their neighbours.

CHAIR: Are there clear guidelines in terms of conditions and situations that create clear indications of negligence and also the vexed issue that we see in the media from time to time of on going arson? Is there any formula or strategy that is seen to be of assistance in what is a vexed area of great concern to the community? Is there an allocation of funding towards that?

Mr KELLY: The issue of arson is one that got a fair airing in the media in the last bush fire period. Peer group pressure from everybody in New South Wales turned against arsonists in a big way because of the damage they did. I think we are better off than some of the overseas areas where in the recent bushfires, it was suggested, arsonists lit three-quarters of the fires raging in Portugal. There are a lot of fires lit by arsonists and we prosecute anyone we catch but it is not that easy.

CHAIR: Would you have a rough percentage of what you suspect is arson in New South Wales in terms of bush fires last season?

Mr KOPERBERG: Coronial inquiries invariably determine the cause and origin of some of the more severe fires but there are thousands of fires every year in New South Wales and not all, in fact only a fraction of one percent go on to become the subject of a Coronial inquiry. The fire investigation skills on the part of, particularly the New South Wales Fire Brigades, police and the Rural Fire Service, are of such magnitude that cause and origin can be reasonably well determined in the majority of cases. Based on recent statistics, the incidents of arson has been as high as 60 or 70 percent of all fires occurring, which is alarming but is in keeping with what is happening internationally. As our skills to determine cause and origin improved so do the chances of police apprehending and prosecuting people responsible for arson but it will remain forever difficult. Invariably an arsonist has the advantage of having no-one to witness his or her crime in the vicinity where it occurs. The skill of arsonists is such that sophisticated incendiary devices, often with some crude mechanism to ensure a timing process takes place is utilised so a fire can start as a result of an accelerant or an incendiary mechanism being placed in the bush an hour or more after the perpetrator has left the area, which makes detection of the perpetrator very, very difficult. In addition to arson there is the problem of fires escaping from well-intentioned hazard reduction operations. In that regard we are attempting to be very prescriptive in terms of the conditions applied to a permit during the statutory bushfire season to minimise the chances of escape if the prescriptions are followed.

Again it is a process of community education. All the laws in the world are not going to change these habits unless there is an educational process to accompany those laws. We are spending – I do not know the exact figure – an appropriate proportion of our budget in the having a better informed community, making people aware of the risks and making proponents of hazard reduction aware that there are very stringent and clear laws, which require them to do certain things to safeguard their neighbours. So both in the permit issuing process, which is heavily prescribed and within the Rural Fires Act and other legislation, there are very clear indications of what is permissible and what is not.

Mr KELLY: Part of that education of course was the campaign last fire season, which still did not convince everybody but obviously convinced a lot, not to throw cigarettes out of car windows, and the Premier

coming along a saying that as far as he was concerned that was arson, it was not just litter, throwing a cigarette out of a car window in country areas during those fires. It still didn't stop everybody, but that was part of the education process. The government obviously is fair dinkum about prosecuting arsonists, to the extent that even a member of cabinet, Richard Face, caught one himself last year.

The Hon. AMANDA FAZIO: I have a question to the Minister, or perhaps someone from the State Emergency Service. In the same way that we try to encourage people to minimise fire hazards around their properties and their homes by planting appropriate trees and making sure that they take clearance measures and those sorts of things, has any consideration been given to doing something similar in order to reduce storm damage? As we know, Sydney is quite prone to having violent wind storms, and even as a result of the one the other weekend large number of eucalypts in built up areas, particularly in the inner suburbs and the north shore, dropped branches. Some of those didn't do any harm, but some of them did considerable property damage, and also resulted in the loss of one life.

In view of that, and in view of the fact that eucalypts in particular are prone to drop branches instead of just shedding leaves in violent wind storms, has the SES thought about encouraging home owners to plant more appropriate trees near to their dwellings?

Mr KELLY: The SES obviously have an education program, but before I ask Phil McNamara, the new head of the SES, to answer that, I would point out that the windstorm wasn't just in Sydney, it is just that there were hazards in Sydney. Trees were blown down throughout the country. In fact there was a farm shed blown across the Bells Line of Road, which was actually blown across trees and power lines and other assets.

The Hon. AMANDA FAZIO: I must just state that in framing the question the way that I did, the reason I concentrated on built up areas is that it has often been said to me that people who live on properties have got more sense than to plant gum trees within close proximity to their house, both because of the hazard of them dropping branches and also because of the bushfire hazard that they entail. So that was why I was concentrating more on built up areas.

The Hon. MELINDA PAVEY: It is a given that country people are more sensible.

The Hon. AMANDA FAZIO: In terms of tree planting near their homes.

CHAIR: Are you able to answer that Minister?

Mr KELLY: Brigadier Phil McNamara from the SES may be able to elucidate on what education programs there are.

Mr McNAMARA: Mr Chairman, if I could just say yes, we certainly do aim to educate the public on actions to take when storm warnings are current in terms of what to do with their vehicles, preferable if we know that hail is coming to park them under cover, where possible do not park them under trees, and talk about making sure the gutters are kept clean and that loose articles are put away from the garden.

We at the moment do not have a policy of trying to tell householders what type of trees to plant. Some councils certainly take some action in that area, and some councils work very hard on tree preservation and tree management in their areas, but the SES is not doing that at the moment.

We certainly have at the moment an education week planned. We are calling it Storm Safe Week – we are probably just a little bit late – but we are launching that on 22 September. Last week's storm did not run quite to the timetable that we had set ourselves. During that week we shall be reminding the public of what they can do to ensure that they keep their house as storm safe as possible.

Mr KELLY: I have to congratulate the Emergency Service for the work they did last weekend. Over fifteen hundred volunteers, members of the SES, the Rural Fire Service and the New South Wales Fire Brigades,

worked tirelessly during that wind and rain to protect lives and property and to get the situation back to normal as quickly as possible. In the main a lot of those were volunteers, and they did an excellent job.

CHAIR: Thanks Minister, and I think you would have general agreement around the committee here, certainly.

The Hon. CHARLIE LYNN: My question is to Commissioner Koperberg. Commissioner, on a recent Current Affair program during the recent fires in Sydney you were filmed in an emergency fire fighting role without wearing the correct protective equipment. Was this a real personal act of instinctive heroism on your part, or was it a media stunt?

Mr KOPERBERG: I am not actually inclined towards acts of instinctive heroism, and it certainly was not and I am offended by the suggestion that it was a publicity stunt. I was in the good company of now Commissioner Greg Mullins and we were in the process of visiting our troops, which is part of our job. We came across an area which was unprotected, where fire was about to damage some property, and we did what we had to do on that occasion, regardless of any media being present or otherwise.

We certainly did not know that, and you ought to be aware that it is the duty of all members of the public to suppress fire whenever they come across it, and it happens frequently that people driving along the highways and byways encounter fire on the roadside, and where they are able to do so they attempt to suppress it, and where they are unable to do so they alert the emergency services. This was in no way any different.

The Hon. CHARLIE LYNN: Should you perhaps wear protective gear then when you are visiting troops close to the front?

Mr KOPERBERG: It would make it very difficult to work my laptop with all that gear on, I can tell you. No, we weren't planning to fight fires. That would be like suggesting that every householder who assisted in protecting their own property during the course of that and every other fire season as a result of the education that we attempt to give them, to help the emergency services in protecting their property, would all be attired in the prescribed safety equipment.

CHAIR: May I remind the Honourable Member that it is an estimates committee, if you could direct economic questions.

Mr KELLY: What I would say in relation to that is that this government has directed an enormous amount of funding towards the Rural Fire Fighting Fund, over \$125 million this year, which is an increase of 146% over what the coalition government provided, and to a large degree that has gone on protective clothing. One thing that has never been cut back in all the allocation requests from councils is protective clothing. The government is determined to make sure that protective clothing, whether it be for the Rural Fire Service, New South Wales Fire Brigades or the SES, is provided.

The Hon. CHARLIE LYNN: Commissioner, I understand that your Chief of Staff, Wendy George, was formerly employed by the Premier. Was she employed by you in your capacity as Commissioner or was she imposed on you by the Premier?

Mr KOPERBERG: Unless I am wrong the question is to be directed to the Minister, and if the Minister requires advice from me I am required to give it.

CHAIR: I think that is a fair call Commissioner, and I would suggest to the Minister there is no need to answer that question. I don't see it as relevant.

Mr KELLY: She is not a Chief of Staff, she is administrative.

CHAIR: Can I again ask the member if you would apply yourself to questions relevant to the estimates committee?

Mr KOPERBERG: Just to clear up all this, Mr Chairman, Wendy George was not imposed upon the Rural Fire Service by anyone. We had a minor restructure. Given the vast amount of work that was required as a result of the new legislation which this committee has already heard evidence of, I restructured and made a provision for a Chief of Staff. I approached Wendy George when she was an employee of News Limited, not the Premier's department or any other Minister, and Wendy George took a considerable cut in salary to join my organisation, and is an invaluable asset to that organisation.

CHAIR: Thank you Commissioner, I think the vast majority of members of Parliament would fully appreciate the work of your organisation.

The Hon. CHARLIE LYNN: Can I ask what expertise Wendy George brings to the Rural Fire Service? Is it fire fighting expertise or is it media expertise?

Mr KELLY: Media expertise; she is a media adviser.

The Hon. CHARLIE LYNN: But Minister, don't you have John Winter, your current media adviser, who I understanding doesn't have standing?

Mr KELLY: No, she is not media adviser, she is Chief of Staff.

The Hon. CHARLIE LYNN: So is she superior to John Winter or subordinate to John Winter?

Mr KELLY: I will ask.

The Hon. AMANDA FAZIO: Point of order. Mr Chair, I believe that to define the question, while you may be able to argue that a question is in order that relates to the employment of an individual within an organisation, but to then start publicly arguing the relative merits of that member of staff versus another member of the staff of the organisation seems to me to be far too far a stretch in terms of saying that it has got anything to do with the expenditure within that organisation, and in that way is related to a budget estimates hearing. I ask you to rule the question out of order.

CHAIR: I do rule the question out of order, Mr Lynn. Also I think that you have been far too subjective, and I think it is reasonable that I as you again to address yourself to the economic and other ramifications of the Rural Fire Service and other emergency organisations.

The Hon. CHARLIE LYNN: Thank you, Mr Chair. Minister, could you advise what is the salary package then for the Chief of Staff, Wendy George?

Mr KELLY: I think that is along the same lines.

CHAIR: I think that is a question that might be seen to be relevant in terms of the estimates committee, Minister.

Mr KELLY: I take it on notice then. I obviously do not have those figures.

The Hon. CHARLIE LYNN: Is Miss Wendy George here? Is she able to provide that information?

Mr KELLY: No. She is not able to provide that information.

Mr KOPERBERG: We will take the question on notice.

CHAIR: I accept that.

The Hon. CHARLIE LYNN: Can I just go back, because it is estimates and we are talking about the amount of money that is expended on emergency fire fighting as opposed to the media, and I see them as two different roles.

CHAIR: Mr Lynn, could I just suggest that every major governmental department, especially with the astute job that the Opposition does in New South Wales, has a component of needing to have public relations, and I do not really think that these are appropriate questions to be asking.

The Hon. MELINDA PAVEY: The appropriateness, I think, Chair –

CHAIR: If we keep it to the economic and financial issues involved, but I really do feel that the Honourable Amanda Fazio has a point in directing questions that will assist the committee to assess the financial workings of the Minister's department.

Mr KELLY: The Government has spent \$208 million purchasing 2,300 new bushfire fighting tankers. The majority of the money the Government is spending is in giving new equipment, training and protective clothing to rural fire fighters.

The Hon. CHARLIE LYNN: I appreciate that but the thrust of my question was that I believe you have a very good media liaison officer in Mr John Winter and why do you need more media staff when you have such a capable person?

Mr KELLY: The Commissioner will be able to add additional information to that.

Mr KOPERBERG: Could I make clear to the Committee Ms George is not in media or public relations, she is my Chief of Staff. Every department has to have staff to execute its functions under legislation or government charter. The RFS is not only about putting out fires, which is done exclusively by the volunteers. We have an organisation of 65,000 people; we have a permanent staff of just over 500, which is the lowest ratio of permanent staff to volunteers in the world. You need staff to run that organisation. You have a budget to administer, community education to attend to and, as discussed before this Committee a whole range of activities relating to planning, hazard reduction, training and so the list goes on. The department has many dozens of functions apart from putting out fires. Surely no-one believes that all of those functions can be carried out by volunteer fire fighters. We are here to ensure that there is an environment in which our volunteers can effectively work. They have been doing so for in excess of 100 years. In many cases we have waiting lists of people to join brigades and I suggest that is because we run a good organisation. In order to run a good organisation you need good people and the department is very fortunate in having exceptionally dedicated and committed staff. I am proud to say M George is one of those staff.

The Hon. MELINDA PAVEY: The Minister believed Ms George was involved in media relations.

Mr KELLY: I was incorrect and corrected myself when I said that.

The Hon. MELINDA PAVEY: Ms George clearly came with very good media skills having been the Premier's Press Secretary and working with News Ltd.

Mr KELLY: I do not think Ms George was the Premier's Press Secretary.

The Hon. MELINDA PAVEY: It is apparent from the Commissioner's advice her role is one of management. The Opposition is trying to come to terms with someone with such strong media experience essentially in what is a management role?

Mr KELLY: People can change their jobs. As I told you I started out as a dog registrar, my first job was registering dogs now I am the Minister for Local Government. It does not mean I have got to register dogs for the rest of my life.

The Hon. MELINDA PAVEY: Was their wider advertising for the job? Mr Koperberg said he sought out Ms George for the Chief of Staff management position. Were you looking at other people with more experience in the managerial area?

Mr KOPERBERG: The Committee will be pleased to know I was an expert in being a bricklayer's labourer, which I was for 18 months and switched my vocation to eventually become the Commissioner. Ms George undoubtedly has skills in media relations and public relations but it was not those skills that prompted me to approach her it was her broader managerial skill. Most recently employed by News Ltd she was not in the media area, she was a corporate adviser and consequently eminently suitable to fulfil the role of Chief of Staff.

The Hon. MELINDA PAVEY: You came across her at News Limited or in the Premier's Department?

Mr KOPERBERG: I have known Ms George for many, many years, as most people in government have. She has fulfilled a number of role is in government, working for Mr Debus and the Premier of New South Wales and has demonstrated a broad range of skills, which were particularly suitable for my needs and the department's needs at the time. Her principal function as Chief of Staff is to ensure proper coordination across the various divisions of the department, to ensure cohesion in policy formulations and so forth and she does the things that a Chief of Staff does.

Ms SYLVIA HALE: I asked a question earlier about the annual average increase in the Fire Brigade's levy since 1994/1995. Could you provide me with that and an indication of the increase last year?

Mr KELLY: Is that of the New South Wales Fire Brigades or see Rural Fire Service?

Ms SYLVIA HALE: The New South Wales Fire Brigades.

Mr KELLY: I have not got it since 1994. In the last five years it was 6.25 percent.

Ms SYLVIA HALE: Do you know what it was last year?

Mr KELLY: Last year was 13 percent.

Ms SYLVIA HALE: Does that take into account when you were busy pegging rates?

Mr KELLY: It certainly was if any of the councils requested it. I am not sure if it was one of the ones the Shires Association asked us to look at, they asked us to look at, instead of CPI, a mixture of their costs and I cannot recall whether that was in it or not.

Ms SYLVIA HALE: Given that considerable increase from 6.2 to 13.3 –

Mr KELLY: We have had a program of trying to get better representation at fire stations and new equipment. To some degree that reflects the huge expenditure the Government has contributed towards fire appliances, as they like to call them – they will always be fire engines to me. Also additional full-time fire fighters. I know in Orange, for example, there is nine additional fire fighters full time instead of retained fire fighters so that has to be reflected in the costs. Commissioner Mullins did you want to add anything?

Mr MULLINS: That is correct. Last year one of the things reflected in the increase was the public sector pay rises, which had to flow through. As the Minister said we have the been on a program for a number of years renewing fire engines – not appliances – in country areas in particular. The average age of the fleet was over 25 years and maintenance costs were escalating. By replacing those fire engines we were reducing

maintenance costs overall. If you look at the roles of the New South Wales Fire Brigades over last decade or since 1994/1995 we do not just fight fires, we look after hazardous materials, spillages, we look after rescues in many areas, we have a counter terrorism role, there is a lot of costs associated with personal protective equipment, which has been upgraded a great deal over the years, communications systems State-wide, computer aided dispatch systems, chemical data bases and we have had to train 6,500 fire fighters State-wide in all these different areas. There has been an escalation but we are pleased that this year it is 1.09 percent, so less than the CPI; yes there was a big jump but we think we have got over of the hump, if you like.

Mr KELLY: Councils are allowed to apply for exemptions to the rate pegging based on their contributions.

Ms SYLVIA HALE: I would like to ask some questions of the Minister in his capacity as the Minister for Lands?

Mr KELLY: I am the Minister Assisting and the Minister is going to respond on whatever night he is here.

CHAIR: Perhaps one more question on emergency services and then there will be some time to ask questions on rural affairs?

The Hon. MELINDA PAVEY: There is a program to send Rule Fire Service Volunteers to the US with high personal debts to the volunteers and expenses to the department on shipping a fire truck to the US for the program.

Mr KELLY: I will ask the Commissioner, but one thing I will say is that the Americans have asked Australia to provide fire fighters, 51 went the other day, a number of those from New South Wales, some Rule Fire Service, some New South Wales Fire Brigade, they did that because Australia has the reputation of being the best trained fire fighters in the world. They are going across in a management role to a large degree particularly in relation to aerial fire fighting in Montana. Obviously not only will they assist the Americans but also they will be better able to help us when fires occur here later. The Commissioner might be better able to assist.

The Hon. CHARLIE LYNN: Did you say aerial fire fighting?

Mr KELLY: A lot of those are to do with aerial fire fighting. The Commissioner might have specific details. You asked about personal hardship?

The Hon. MELINDA PAVEY: There is a suggestion from the Opposition some fire fighting personnel have gone over to the US at what has ended up at a huge expense and the New South Wales Rural Fire Service sent over a truck on a boat to the US. Is there any truth to that?

Mr KOPERBERG: No volunteer fire fighters have gone to the United States of America. A truck has gone.

The Hon. MELINDA PAVEY: On a boat from New South Wales to America?

Mr KOPERBERG: Yes. The Committee will be pleased to know the department profited from this process inasmuch as the shipping costs, hire costs and leasing costs were met by an American company, a private sector company engaged in fighting bush fires in the US, Pacific Wildfire. They also expressed an interest in employing a number of New South Wales' volunteer fire fighters not in their capacity as RFS volunteers but as private individuals. We were asked to broker that but those volunteers have not gone. The only reason they have not gone is because the American government has failed to issue visas for those people in a timely fashion notwithstanding the fact that they undertook the necessary training and selection criteria, which was exhaustive, the fact they have not gone is due to the fact the American government have not issued visas. We understand this has a lot to do with security issues and so forth but those fire fighters have not gone to the US as yet. The truck

has. In fact we have had an expression of interest in purchasing the truck, which might be the first of a number of such purchases. The Committee will be pleased to know we are selling our design trucks not only internationally but also to Victoria and to the armed services and this is to the economic benefit of the department.

The Hon. MELINDA PAVEY: There was no cost to the New South Wales Rural Fire Service for the cost of transport of the truck?

Mr KOPERBERG: No, the company I mentioned, Pacific Wildfire, paid all of the costs and in fact we built in a handling and administrative charge.

The Hon. MELINDA PAVEY: There is a potential of sales?

Mr KOPERBERG: Yes.

Mr KELLY: Which would be advantageous to New South Wales private enterprise.

CHAIR: Has the Federal Government agreed to fund a national pool of fire fighting craft such as Elvis?

Mr KELLY: They have agreed but the Commissioner is on the Committee involved in that so I will ask him to give specific details of the agreement. They have not reached agreement as much as we would have liked.

Mr KOPERBERG: At the behest of the Federal Government a company has been established to ensure an effective level of coordination of aerial fire fighting resources across the country. I am privileged to share that company, which comprises CEO's of all fire services throughout Australasia. Minister Tuckey indicated in the order of \$5.5 million will be available from the Federal Government provided there is effective cohesion and coordination. So far we have not seen the money. We have made representation through the Australasian Fire Authority's Council to ensure when the tender process is complete and given it is now one September and the bushfire season starts statutorily in 30 days we ought to be in a position to have completed that tender process and selected the aircraft and that is well under way. \$5.5 million nowhere meets the cost to the States of a dozen or so very large aircraft including a number of the Ericsson sky crane type of aircraft, not to mention a greater number of medium size helicopters and a range of other aerial fire fighting platforms.

It will be a requirement that each of the States contribute significantly more than \$5.5 million collectively to ensure that this strategy is implemented. You might recall it was the Federal Government that insisted that before it made any monies available to assist of the States in a nationally co-ordinated approach there had to be a level of commitment on the part of the States to this process. New South Wales has committed to meeting more than its fair share of cost towards a national strategy to the extent of perhaps expenditure as high as \$5.5 million.

The Hon. MELINDA PAVEY: On the point of aircraft and fire fighting, the other States, Victoria, South Australia and Western Australia, have around twenty fixed-wing aircraft at their disposal for fight fighting duties. How many fixed-wing aircraft are on contract in New South Wales to be at the ready?

Mr KELLY: I will ask the Commissioner again, but my recollection is that we have got 51 that are either on contract or at call. Contract on call, in other words. They are on retainer to be ready and I think that is a mixture of helicopters of various sizes and fixed-wing aircraft.

Mr KOPERBERG: The Minister is quite correct inasmuch as there are, depending on the particular season, up to five contracted aircraft. That will change according to the capacity. If we have for arguments sake, circumstances which dictate three Eriksson Aircrane type of aircraft then the number would be less, because their capacity of the individual aircraft is greater. But in addition to that we invite, on an annual basis, suppliers of a range of aircraft ranging from light helicopters through to fixed-wing, invariably crop dusters such as Dromedars and Cessna Ag-Wagons and so forth, to express an interest in being as we say "on call" for activity.

We have demonstrated that access to aircraft is relatively easy inasmuch as we have had seasons where a hundred plus aircraft have been deployed, albeit that only half a dozen or so have been on that contract basis. So we are trying to be economical about this, and depending on how the fire season begins to emerge we adjust our aircraft needs accordingly. Of course during the last season we had up to three Eriksson Aircrafts working in New South Wales. The season before that we had 1.5, inasmuch as the other half was shared with Victoria, and we had up to 110 additional aircraft working.

So in the interests of economy we find it better to have access to a wide variety of aircraft in large numbers rather than limit ourselves to half a dozen aircraft which are then contracted.

The Hon. MELINDA PAVEY: Just on this related issue, you are probably aware of the criticisms from the House of Representatives Select Committee on the recent Australian bushfires, and one of the submissions made said that there were eleven available fixed-wing fire-bombing aircraft which sat on the ground on 8 January for nine days, eleven aircraft which may have contained the fires before they became uncontrolled and entered urban Canberra on 18 January.

I just give the Minister and the Commissioner the opportunity to respond to the claims that there were eleven aircraft available within the areas of the fire, they were fixed-wing aircraft with a capacity of two and a half thousand litres each, to help dampen the fires before they got within the speed and the potential that they got going. I just thought I would give you the opportunity of responding to this claim.

Mr KELLY: Before I ask the Commissioner to respond to this specific issue, I gather you mean it was a submission. You said that the enquiry had said; it is not the enquiry, it is a submission to the enquiry.

The Hon. MELINDA PAVEY: A submission to the enquiry.

The Hon. AMANDA FAZIO: Order, it is ten o'clock.

CHAIR: Yes, I just thought I would give the Minister and/or the Commissioner the chance to answer this one question. We will finish up with that.

Mr KOPERBERG: Mr Chairman, I dare say there could have been more than eleven aircraft sitting on the ground, because in order for us to utilise the aircraft safely they have to comply with very stringent requirements, not the least being to be fitted or capable of being fitted with our communication system. It is patently obvious to the committee, I am sure, that a lot of aircraft flying around in thick smoke presents a very dangerous environment, and effective communication is a prerequisite in terms of safety, it is a paramount consideration.

A lot of potential aircraft suppliers refuse in fact to modify their aircraft according to our safety standards. We are fortunate inasmuch as we have not had one single major aircraft incident in New South Wales, which makes us almost unique. Overseas many people are killed on an annual basis in aircraft mishaps. We attribute that to our very stringent requirements on aircraft safety issues, working closely with civil aviation authorities. Where a person has an aircraft readily available but is unable to meet the stringent requirements of the department, yes they may well be sitting on the ground, and that is where they ought to sit.

It is also true, Mr Chairman, that after every fire event someone emerges owning some piece of equipment saying if only they had been called they could have prevented the catastrophe.

CHAIR: Thank you for that, Commissioner. I thank both the Minister and the Commissioners and the heads of department for your participation in this estimates committee. Any other questions that are to be tendered should be questions on notice, and the committee has resolved thirty-five days for the initial hearing, starting from when the questions are sent by the clerk to the Minister. I am hoping Minister that you will accept questions on notice.

Mr KELLY: Have you set a date when the questions on notice have got to be in by? Normally you set the date when members of the committee can give questions.

CHAIR: There will be questions on notice for tonight's proceedings, and the others will be put on the notice paper in the House. You will then have the normal thirty-five days to reply. Also Minister I would like to determine your, and your departmental officer's, availability if further hearings are required.

Mr KELLY: I will see what suits their programs. These guys have got some fairly important work to do for the State and they have commitments in their diaries.

CHAIR: If the necessity does arise we will certainly be mindful of that and work around that. I am very mindful of the importance of this time of the year as well. I would like to thank you, Minister and the department, for attending tonight's hearing. I call this estimates committee to a close.

The committee proceeded to deliberate.