

GENERAL PURPOSE STANDING COMMITTEE No. 3

Friday 8 September 2006

Examination of proposed expenditure for the portfolio areas

LANDS, EMERGENCY SERVICES, RURAL AFFAIRS

The Committee met at 2.00 p.m.

MEMBERS

The Hon. A. R. Fazio (Chair)

The Hon. R. H. Colless
The Hon. Dr A. Chesterfield-Evans
Mr I. Cohen

The Hon. D. J. Gay
The Hon. C. M. Robertson
The Hon. H. S. Tsang

PRESENT

The Hon. A. B. Kelly, *Minister for Emergency Services, Minister for Lands, and Minister for Rural Affairs*

Department of Lands

Mr W. Watkins, *Director General*

Mr R. Costello, *Director, Finance and Corporate Support*

NSW Fire Brigades

Mr D. Bailey, *Director, Finance and Administration*

Commissioner G. Mullins, *Chief Executive Officer*

State Emergency Service

Brigadier P. McNamara, *Director General*

Mr J. Heath, *Director, Logistics*

Rural Fire Service

Mr P. Hennessy, *Director of Finance*

Commissioner P. Koperberg, *Chief Executive Officer*

State Emergency Management Committee

Mr J. Anderson, *Chairperson*

CHAIR: I declare this hearing open to the public and welcome Minister Kelly and accompanying officials to the hearing. At this hearing the Committee will examine proposed expenditure for the portfolio of Lands and Rural Affairs. In the second part we will deal with Emergency Services. Before we commence I will make some recommendations about procedural matters. Today's hearing will proceed without amplification. The microphones that you see are for Hansard records. That is due to Public Service Association work bans on room setup. I ask members and witnesses to speak in a clear voice, one at a time, and for the audience to keep background noise to a minimum.

In accordance with the Legislative Council guidelines for the broadcast of proceedings only Committee members 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 the media must take responsibility for what it publishes or what interpretation is placed on anything that is said before the Committee. The guidelines for the broadcast of proceedings are available on the table by the door. Any messages from attendees in the public gallery should be delivered through the Chamber and support staff or the Committee clerks.

Minister, you and the officers accompanying you are reminded that you are free to pass notes and refer directly to your advisers while at the table. I ask that Hansard be given access to material placed on the public record during hearings. This is the usual practice in the House and it is intended to ensure the accuracy of the transcript. All mobile phones must be turned off. The Committee has agreed to the following format for the hearing: Lands and Rural Affairs for the first two hours, a 10-minute break, and the remaining two hours Emergency Services. Minister, will that pose any difficulties?

The Hon. TONY KELLY: No.

CHAIR: The Committee has resolved to request that answers to questions on notice be provided within 21 calendar days of the date on which they are sent to the Minister's office. Minister, do you anticipate that this will pose any difficulties?

The Hon. TONY KELLY: As long as I do not get 101 pages, which is what I got the other day.

CHAIR: All witnesses from departments, statutory bodies or corporations will be sworn prior to giving evidence. Minister, you do not need to be sworn as you have already sworn an oath to your office as a member of Parliament.

WARWICK WATKINS, Director-General, Department of Lands, Surveyor General and Registrar General for New South Wales, and

ROBERT COSTELLO, Director, Finance and Corporate Support, Department of Lands, sworn and examined:

CHAIR: I declare the proposed expenditure for the portfolios of Lands, Rural Affairs and Emergency Services open for examination. Minister, do you wish to make a brief opening statement?

The Hon. TONY KELLY: Yes thank you, Madam Chair. The Crown lands division of the Department of Lands is responsible for the sustainable management of more than 12.7 million hectares of State land, which is approximately 50 per cent of New South Wales. The Crown lands division is the custodian of the Crown land estate and manages Crown land held under leases, licences and for sale. Land is retained in public ownership to meet the diverse needs of the community for public recreation, housing, economic development and conservation.

The division also manages State parks and last year saw the creation of the tenth state park on the sensitive Belmont wetlands south of Newcastle. The job of the Crown lands division is to optimise environmental, economic and social outcomes for the benefit of the people of New South Wales. A number of reform programs are under way in the management of Crown lands and recent amendments to the Crown Lands Act are enabling more flexibility and a range of contemporary solutions for Crown reserve management, greater commercial flexibility and strengthened ability to protect environmental values.

The land and property information [LPI] division is a self-funded valuation, titling, spatial information and surveying service that aims to provide comprehensive, accurate and independent information about land ownership in New South Wales. The LPI, the leading and definitive source of land information, spatial data, property ownership, underpins a vibrant and robust New South Wales property market. In other words, nothing happens in this State in the area of bank mortgages bank lending or transferring of land without the Department of Lands being involved and keeping track of it.

A key feature of the 2005-06 year was the substantial increase in the range of LPI products and services available online, an outcome of a strategic drive towards a digital business environment. During the year the range of LPI products and services available online increased substantially with the addition of many products previously only accessible to customers visiting the Lands head office in Sydney. Customers can now go to the Lands web site for copies of documents relating to primary applications, Crown plans, cancelled titles, planned development contracts and management statements, permanent survey marks, State survey marks and trig stations. They can also undertake searches on the status of unregistered plans and dealings, and the details of deeds.

The Soil Conservation Service, or Soil Con as it is most commonly known, is a well-established bush icon, well respected as a leader in soil conservation earthworks and consultancy, with projects ranging from maintaining dam foreshores to flood mitigation. While demand for soil conservation earthworks was affected by the ongoing drought conditions, the division's consultancy business is thriving.

As a business, Soil Con delivers the highest quality product to clients—a fact recognised by its commendation in the Premier's Public Sector Awards for the Tingha sewerage scheme, which earlier earned two industry environmental awards. An important role for Soil Con is maintaining State government assets on behalf of various government agencies. This includes flood mitigation works in the upper Hunter, maintaining the Great North Walk, a 250-kilometre—

The Hon. DUNCAN GAY: Point of order: The Committee gave the Minister an opportunity to make a brief statement. His statement is interesting but it is extremely long. Perhaps the Minister would like to table the document from which he is reading.

CHAIR: The Committee has tended to allow ministers to make brief statements. The Minister started making his statement at 2.05 p.m. and it is now 2.09 p.m., so he has had four minutes. I think the Minister will wrap up shortly. As I indicated earlier, the rotation starts with Opposition members. If any time is being taken up because of the length of the Minister's statement it will come out of Government members' rotation of questions and will not impact on Opposition members' question time. The Minister may proceed.

The Hon. TONY KELLY: Thank you, Madam Chair. I am surprised that the Deputy Leader of the Opposition would pull me up in the middle of my comments about Soil Con—which I thought was an icon for rural people—rural affairs and Tingha. I have only a couple of pages to go so I am surprised that the Deputy Leader of the Opposition would pull me up in the middle of my comments about an important rural issue. I am at least pleased that a former soil conservation officer did not pull me up.

The Hon. RICK COLLESS: Hear, Hear!

The Hon. TONY KELLY: As I was saying before I was interrupted, an important role for Soil Con is maintaining State Government assets on behalf of various government agencies. This includes flood mitigation works in the Upper Hunter, maintaining the Great North Walk—a 250-kilometre walking track from Sydney to Newcastle—and operational management of the dam foreshores at Glenbawn, Glennies Creek, Lostock, Split Rock, Chaffey, Keepit and Copeton dams. These foreshores, covering 50,000 hectares, are managed to ensure their continued long-term stability and environmental protection. Soil Con staff are also engaged in pest and weed control, asset maintenance, flood control and agistment management on behalf of State Water.

As Minister for Rural Affairs, I am proud of the ongoing work of the Office of Rural Affairs and the Regional Communities Consultative Council. The Office of Rural Affairs has, as it has done since its inception under former Premier Bob Carr, been very active in pursuing the interests of the many communities that make up rural and regional New South Wales. In the past 12 months or so it has assisted in one way or another 51 rural communities across the State, as well as a large number of individuals seeking assistance. From Walgett to Gwabegar, Kyogle to Coonamble, and Coffs Harbour to Deniliquin, the Office of Rural Affairs has been helping small communities, particularly those with issues that often slip easily through the cracks.

The Office of Rural Affairs also provides the secretariat work for the Regional Communities Consultative Council, which comprises 15 members drawn from various interest groups. The Regional Communities Consultative Committee continues to liaise with rural communities in getting to the heart of issues that are important to rural families and businesses. That concludes my initial statement. I hope that it has been useful and will provide the impetus for some questions.

CHAIR: Thank you. We will now have Opposition questions.

The Hon. RICK COLLESS: Minister, I will begin with the issue of enclosed roads. Will you advise the Committee how many applications have been made to convert enclosed road permits to freehold since the change in government policy in 2003?

The Hon. TONY KELLY: Yes. It might be helpful if I speak also about perpetual leases.

The Hon. RICK COLLESS: We have other questions about perpetual leases.

The Hon. TONY KELLY: Okay. Some 33,841 roads are leased and so far we have received 6,242 applications, which represents 18 per cent of the total. Some 1,402 have been closed so far. Of those, 654 have been converted for a value of \$9.69 million. There is obviously a fair lead time from the time of application to the time of conversion. They have to be advertised. We want to proceed in an effective manner in order to give neighbours, councils and the community generally the chance to lodge an objection or to comment in case there are environmental factors or the council wants to use the road for some access in future. We have to go through a fairly long process, first, to call for applications to see whether the road can be closed and then to go through the process of closing and transferring it. My guess is that it would normally take about 18 months to close the roads.

However, we have probably been concentrating a little more on the perpetual leases to try to get them through first because there are far fewer of them and they have a smaller time frame. My recollection of what we have done with those is that, if there is any delay, we decided that anybody who has paid the \$350—remember there is a negotiated fee of \$350 for three years—will not receive another bill.

Mr WATKINS: It goes through to September next year. That is the end of the first three-year period. That is when an applicant whose application we have not processed will be required to pay another \$350 but that amount of money will be deducted from the price at the end.

The Hon. TONY KELLY: The unused portion of that will come off the purchase price at the end.

Mr WATKINS: I think the important issue here is that we take the importance of the environmental values very seriously because in some cases they cross the last remnants of vegetation, particularly the large cropping areas. We are also looking at the way that these integrate with the Crown reserve system, in particular, and the travelling stock reserve system, which are all Crown lands. In many cases they form a very important linkage between conservation lands, irrespective of tenure—whether it is national park, Crown reserves or individual private landholders.

The Hon. TONY KELLY: We are looking where we can to get additional casual staff to put those applications through. But that is a particular issue that we cannot rush. As I said, it is about 20 per cent of applications. I would remind people, as I do constantly, that if they are interested they should make their application now, even though it may take some time to go through, because the valuation on the land is set at the time they make the application—unless they think the rural property is going to decrease in value, which it may in some cases.

The Hon. DUNCAN GAY: Five years of drought has not helped.

The Hon. TONY KELLY: If they think the valuation is going to increase they should apply now, because that freezes the value at the time they apply.

The Hon. RICK COLLESS: Of the 1,402 that have been closed and the 654 that have been converted, what is the total area involved?

The Hon. TONY KELLY: I do not have that figure. I will take the question on notice.

The Hon. RICK COLLESS: Is it a significant area of land? A lot of them are only small.

The Hon. TONY KELLY: A lot of them are very small but some are big.

Mr WATKINS: As you know we aggregated all the permits under the same ownership. The largest aggregation is with one of the large agricultural companies and that covers 2,400 hectares approximately. But the majority of the aggregation would be somewhere in that 10-to-50-hectare range.

The Hon. RICK COLLESS: How many have been rejected?

Mr WATKINS: I do not have that figure here. We do not see a reject outright as being a rejection per se. What we are doing here is to try to work with individual landowners and where, in fact, a road cannot be closed for a range of legitimate access reasons, we would deal with the individual landowner and surrounding owners, including council, to see if instead of a road permit being the appropriate path, whether we will apply an easement over that area.

That lessens the financial impost on the landholder and in many cases, as you would realise, even though these paper roads as they are referred to traverse every parcel of land in the State, and that was their original intent, they were not surveyed at the time of creation and with the development of the State being as it has been, many of these paper roads are not in the best locations. Therefore individual landowners and their neighbours have taken to traversing other areas and this provides an

opportunity to legitimise legally the road access. In those cases the best way to do that is not by road permit but by an easement.

The Hon. RICK COLLESS: What are the most significant reasons and also the most common reason for rejecting some of these conversions?

The Hon. TONY KELLY: Unlike the lands department of old where one person might have objected because it was their method of access, often now we are able to give an easement over that land. We are still able to transfer it, but give an easement, so that is not a rejection. We are actually approving some that we may not have done in the past. I am not sure what is the most common reason for rejection.

Mr WATKINS: The most common reason for objection and clearly the most outstanding reason in numbers would be because of access. In some cases, particularly through subdivision, these areas provide the only legal access. I know you would appreciate that even though the road may not be formed the fact that it is on the title, it is on the land, that still is deemed to be the access pertaining to that parcel. It is very important.

That is why it takes much longer in some cases because of feuding neighbours, difficulties with subdivision or local government deciding priority areas for subdivision. It is not a simple matter and the department does not take it lightly to close a road. You are taking away a property right if you do that without legitimately having consultation.

The Hon. RICK COLLESS: You mentioned some were rejected on the grounds of their conservation value?

Mr WATKINS: No. The record will show that I said we take conservation values very seriously and they are taken into account. There is no direct relationship between rejection and conservation value.

The Hon. TONY KELLY: We take the attitude now that in this day and age ownership or tenure of the land does not necessarily mean that the land is better protected from an environmental point of view. The native vegetation laws and others, whether it is national parks, Crown land or private freehold land, the same protections can be there.

The Hon. RICK COLLESS: Have any been rejected on the grounds of their conservation value?

Mr WATKINS: No, I am not aware of any being rejected and on face value I would be concerned if they were because the covenanting system which the Minister and the Government brought in during the past 18 months is by most standards, across Australia and throughout the developing world, world-class in its comprehensiveness and approach to public land management.

The Hon. RICK COLLESS: Is the policy of encouraging conversions working?

The Hon. TONY KELLY: Yes, I think it is an excellent policy.

The Hon. RICK COLLESS: There have been 6,000 applications out of 33,000 parcels of land so there is still a long way to go?

The Hon. TONY KELLY: Still a long way to go. There a couple of good reasons for that. The first is the drought and it is probably the worst possible time to have come up with our policy from that point of view because a lot of farmers, if they have got some discretionary expenditure that this would be, they put that aside and only expend their money on the most important things. But as I said at the outset, I still encourage them to make the application, allowing for the fact that it might take a long time to come to fruition. I think that is the primary reason—a lot of people cannot necessarily afford it but everywhere we are continuing to get inquiries quite often about them. I think it will pick up a bit, particularly, if we get some rain and people might start to avail themselves of it more.

The Hon. RICK COLLESS: How many parcels of land that have not got an application on them are charged at that minimum rent of \$350 for three years, which ends in September 2007,?

The Hon. TONY KELLY: Most of them were on the minimum.

Mr WATKINS: It was a structure of \$350 for three years. EPs are on that for an extended three-year period now. That is providing some incentive for landholders because of the drought circumstances and the significance of the issue of property rights, and the need to properly value that in light of all circumstances.

The Hon. TONY KELLY: I cannot remember the figures exactly but I think it was in the order of about 80 per cent of the 35,000-odd. The majority were at \$350. We have now extended that for another three years.

The Hon. RICK COLLESS: How many would be charged at a higher rate?

The Hon. TONY KELLY: I will get the figures for you.

The Hon. RICK COLLESS: Is it on an area basis after that?

Mr COSTELLO: Yes, it is on a hectare basis. I am not sure of the split up.

The Hon. TONY KELLY: I will take that question on notice.

The Hon. DUNCAN GAY: It was recently reported that a parcel of Crown land in North Sydney adjacent to Luna Park was leased to developers at well below market rent. Why was that parcel of land offered at such a discount in breach of your often-stated objective for Crown land rentals?

Mr WATKINS: That parcel of land was not under our jurisdiction. It is in the portfolio of Sandra Nori, the Minister for Tourism and Sport and Recreation, so it is not covered by our area of administration.

The Hon. DUNCAN GAY: Can I get Sandra to look after my Crown roads at home?

The Hon. TONY KELLY: There are a specific number that come under Sporting and Recreation, facilities including Olympic Park and various sporting stadiums.

Mr WATKINS: The Cricket Ground, Centennial Park, Parramatta Park—a range of large infrastructure projects, particularly sporting fields, were given to Ministers with the delegated powers to handle the Crown land rentals.

The Hon. TONY KELLY: Most of them metropolitan.

The Hon. DUNCAN GAY: The Sydney Cricket Ground trust is surely different to land near Luna Park that was leased to developers for a special purpose?

The Hon. TONY KELLY: I was just saying under whose portfolio it falls.

The Hon. DUNCAN GAY: Are you aware of the role of the Western Lands commissioner? The most recent is Geoff Wise, an absolutely revered man in the Western Division in the mould of Dick Condon. What is the status of Geoff Wise at the moment? This question comes under your portfolio and also that of Macdonald, the evil. He is one of the best public servants in this State and I understand Western Lands comes under your jurisdiction.

The Hon. TONY KELLY: Unfortunately, it does not. It is entirely within Minister Macdonald's jurisdiction. I do endorse, though, your comments on how well Mr Wise was thought of in the Western Division.

The Hon. DUNCAN GAY: As a matter of interest—and, Minister, I do not expect you to answer this question if you do not want to—can you tell us what is the current situation with Mr Wise?

The Hon. TONY KELLY: As I said, it is not my portfolio. All I can say is that as far as I am aware there were applications for that position this week, and he was an applicant. I have got that from people outside the organisation, and I know no more than that.

The Hon. DUNCAN GAY: I can tell you, as I am sure you are aware, that farmers all through the Western Division and people in the communities and from all sides of politics find him a fair and decent man. He is revered and respected in that area.

The Hon. RICK COLLESS: Hear, hear!

The Hon. DUNCAN GAY: Who is your director general for rural affairs?

The Hon. TONY KELLY: There is no director general for rural affairs. To a large degree, that comes under Warwick Watkins as well. They service that area.

The Hon. DUNCAN GAY: Can you point me to a line item in the budget for rural affairs?

Mr WATKINS: The line item for rural affairs is included in the Soil Conservation line item budget, because of the grouping and the size of the budget. So it is totally in that area.

The Hon. DUNCAN GAY: Minister, you have an office in Dubbo. Who pays for that office?

The Hon. TONY KELLY: It is actually not my office; it is the ALP's office.

The Hon. DUNCAN GAY: Minister, you have a large sign outside that office.

The Hon. TONY KELLY: It is an old sign. It was there when it used to be my office. When I was the duty MLC I used to have an office in Dubbo, but it is funded by the ALP.

The Hon. DUNCAN GAY: Does it have your portfolios on it?

The Hon. TONY KELLY: No.

The Hon. DUNCAN GAY: What does it say?

The Hon. TONY KELLY: The sign would say "Tony Kelly MLC, Country Labor for Western New South Wales" or something like that. It is a sign that is now about eight or nine years old.

The Hon. DUNCAN GAY: Minister, when you were elected, were you elected on a Country Labor ticket?

The Hon. TONY KELLY: When I was elected first in 1987?

The Hon. DUNCAN GAY: No. When you were elected at the last election.

The Hon. TONY KELLY: I was elected as a Country Labor member. Every member of our party who resides outside the Sydney metropolitan area—or it might be Newcastle, Sydney and Wollongong—is automatically, under the rules of our party, pursuant to a conference motion passed about four years ago, a member of Country Labor.

The Hon. DUNCAN GAY: Minister, would it come as a shock to you, or did you already know, that the ticket on which you were elected was an Australian Labor Party ticket, not a Country Labor ticket?

The Hon. TONY KELLY: We are part of the Labor Party. It was not a shock to me, no. As I said, I was a member of Country Labor.

The Hon. DUNCAN GAY: The sign that you have got in Dubbo is a misleading sign.

The Hon. TONY KELLY: I am a member of the Country Labor Party, and if that sign says "Country Labor member for the western region" then it is entirely correct.

The Hon. DUNCAN GAY: But, Minister, you would be breaching the Electoral Act, and the ramifications of that, as a Minister of the Crown—

The Hon. TONY KELLY: I would not be breaching the Electoral Act.

The Hon. DUNCAN GAY: You were elected as an Australian Labor Party member, not as a Country Labor member.

The Hon. TONY KELLY: I am a member of the Country Labor Party.

The Hon. DUNCAN GAY: The sign that you have out there is misleading.

The Hon. TONY KELLY: It is not misleading.

The Hon. DUNCAN GAY: It is putting you in jeopardy of holding your position?

The Hon. TONY KELLY: It is not misleading. I know that there were moves to try to get rid of it three or four years ago, but it is an AWU building and my belief is that it is quite accurate.

The Hon. RICK COLLESS: Minister, could I go back to your comments about the Western Lands Commission. I got this statement off the Western Lands Commission web site this morning: "Since its inception, the Western Lands Commission has been under the general administration of the Department of Lands." Is that still the case?

The Hon. TONY KELLY: No, not at all. It might have been when it first started, but not now.

Mr WATKINS: Minister, if I might give some detail here. Crown lands in New South Wales are divided by statute into three divisions: the Eastern, the Central and the Western Division. The Eastern and Central divisions are covered by the Crown Lands Act of 1989 and formerly the Crown Lands Consolidation Act of 1901. The western lands, which are pastoral lease lands, are in fact included directly under the Western Lands Act, and it is the Western Lands Act and its provisions that cover the activities, responsibilities and jurisdictions of the Commissioner for Western Lands.

There are some areas of Crown lands, under the Crown Lands Act per se, that are in the Western Division, as a division geographically. But the activities of the Western Lands Commissioner are singularly pertaining to activities under the Western Lands Act. I am not here to speak about the authenticity of the web site, not having seen it, but I just happen to have the Crown Lands Act here, and I have given you a précis of the paragraphs of it. So that is the relationship between the two pieces of legislation.

CHAIR: We will now have ten minutes of questions for Mr Ian Cohen, because the Hon. Dr Arthur Chesterfield-Evans has indicated that he will return. But, if he does not come back, Mr Ian Cohen can have that member's ten minutes as well.

The Hon. TONY KELLY: As long as you talk about cigarettes!

Mr IAN COHEN: Minister, has the Department of Lands costed the implementation, monitoring and enforcement of covenants proposed to protect the conservation of Crown leases following conversion to freehold?

The Hon. TONY KELLY: No. There is no cost. Those covenants are on Crown land all the time. The director general could comment further about that. Covenants as an environmental responsibility of the Department of Lands are valid for 50 per cent of the land in New South Wales.

Mr WATKINS: I think the member might be referring to covenants relating to perpetual lease conversions. In that regard I think it is important to note that the Department of Lands has within it as a department Land and Property Information, which has responsibility for all aerial photography for New South Wales and the spatial information. Historically, it would be one of the leaders, at least in the Southern Hemisphere, in regard to mapping and compliance on these particular aspects.

So, in that regard, the department is very well placed, not just from a statutory point of view, to apply the covenants—which we do with a great deal of seriousness. It is also in a very strong position with the work we are doing through Land and Property Information, and indeed the innovative work we are doing as a member of the Co-operative Research Centre for Spatial Information.

Only yesterday I reviewed world-leading work on remote sensing that we are doing with the Chinese Institute and also with the university in Bathurst, developing algorithms to enable interpretation of aerial photos, enabling us to do quite accurate and detailed analysis and compliance of those areas. So I would say that our focus has not been on working out what it will cost; our focus has been, firstly, working on the appropriateness of the covenant and, secondly, ensuring we have the technology and the capacity to undertake that activity.

Mr IAN COHEN: How does the Department of Lands intend to protect high conservation value converted leases from having their values degraded by logging by Forests NSW?

Mr WATKINS: Minister, if I might follow on from what I have just said.

The Hon. TONY KELLY: Yes.

Mr WATKINS: Without repeating what I said on some of those matters, I should say I think we have the ideal platform to do this from a technology point of view. But if I may for the moment, in this regard, put on my hat of Registrar General. It is important to note that the covenants that are applied are legally the most stringent that can be applied. If you follow through the covenanting process under the regulations and Acts by which we apply those, you will see that we have a very strong compliance structure. Through a combination of surveillance using the technologies that I have spoken about and, I emphasise with a great deal of seriousness, working in partnership with the land owner who acquires the freehold title, irrespective of whether the nature of the conservation values are high or low, we accord equal value and importance to that.

The Hon. TONY KELLY: I should also point out that in late 2005 the Government allocated an additional \$13 million to purchase higher reservation value perpetual leases for the National Park Estate. Some of those that are adjacent to national parks and have those high reservation values, there is \$13 million there to purchase them, rather than sell them.

Mr IAN COHEN: For the National Park Estate?

The Hon. TONY KELLY: For the National Park Estate.

Mr IAN COHEN: I understand that the Department of Lands reversed a decision to transfer Crown land to Werakata National Park near Cessnock in December 2005.

The Hon. TONY KELLY: Was that one of these perpetual leases?

Mr IAN COHEN: I do not know. Perhaps you could explain it to me. I understand it was in December 2005. Could you inform the Committee if any negotiation is happening between the Department of Lands and large private landowners that might prevent the 2002 Cabinet minute recommending the transfer of this land to the National Park Estate from being fulfilled?

The Hon. TONY KELLY: The Werakata?

Mr IAN COHEN: Yes.

The Hon. TONY KELLY: I am not aware of the Werakata.

Mr WATKINS: I am not aware of a specific site, but obviously, as the member would know, the activities of the current National Parks was a division within the Department of Lands back in the 1960s.

Mr IAN COHEN: I would not know that. It is history for me.

The Hon. TONY KELLY: As was pointed out earlier, Western Lands was also part of the Department of Lands.

Mr WATKINS: There is a very strong working relationship from that date right through to today.

Mr IAN COHEN: It depends on how you see "very strong". I understand that the Department of Lands is refusing to hand back land in the national park, but if I could continue perhaps we will come to that. "Strong" might be a word that is appropriate, but not in terms of the closeness of the relationship. Given that Lands has never had a land management role in New South Wales, does it believe that it can manage public land for conservation as competently as a dedicated conservation agency, such as DEC?

The Hon. TONY KELLY: I have to correct your statement. It is totally incorrect to say that Lands has never had a conservation role in land management in New South Wales. The original Crown Lands Act was one of the original Acts, even if you go back to the most recent one in 1989. I know a little bit about this because my first job when I left school was working in head office of the Department of Lands, when it had Western Lands and National Parks. It was all part of the one Department of Lands.

The Hon. DUNCAN GAY: A good model for the future.

The Hon. TONY KELLY: I acknowledge that interjection. The Crown Lands Act 1989 says:

For the purpose of this Act, the principles of Crown land management are—

- (a) that environmental protection principles be observed in relation to the management and administration of Crown land;
- (b) that the natural resources of Crown land (including water, soil, flora, fauna and scenic quality) be considered the possible;
- (c) that public use and enjoyment of appropriate Crown land be encouraged;
- (d) that, where appropriate, multiple use of Crown land be encouraged;
- (e) that, where appropriate, Crown land should be used and managed in such a way that both the land and its resources are sustained in perpetuity; and
- (f) that Crown land can be occupied, it used, sold, leased, licensed or otherwise dealt with in the best interest of the State consistent with the above principles.

The main principle of the Act is that Crown land management incorporate environmental protection.

Mr IAN COHEN: State Forests used to have a wonderful regime of protection, but that is historical.

The Hon. TONY KELLY: That is our current Act.

Mr WATKINS: It is important to place on record that we have a hands-on land management role but, by and large, we endeavour to work through a very comprehensive range of community and other trusts, and try to engage the community rather than do it all ourselves. It is not our desire for our

related departments—National Parks, the Department of Conservation and Forestry—to have our own firefighting service. That does not mean that our commitment towards the protection of these areas from a fire is any less important. Indeed, we allocate money for that and we allocate money for feral animal control.

Mr IAN COHEN: I appreciate that. Could I get down to a microcosm as an example? In my home area of Byron Bay, which is coastal, we have Arakwal National Park on one side, Broken Head Nature Reserve, which is a very high scientific classification, and in the middle we have a relatively small parcel, I could get you the hectare size, of Crown land that is in an appalling condition. The council cannot get agreement from Crown land to actively manage it. Between the local council, National Parks, DEC and the department managing Crown lands there is an unwillingness and there has been no management of land for some 20 years. I wonder if this is repeated up and down the coast. It is the Crown land that is infested with weed and in very poor condition.

The Hon. TONY KELLY: Who is the reserve trustee of the land? Is it the council?

Mr IAN COHEN: That is Crown land, I understand.

The Hon. TONY KELLY: But as the director general explained, we have a lot of reserve trusts—3,000.

Mr IAN COHEN: This particular area of land is under the control of Crown land. It is not under the control of council or National Parks. My concern is that—

The Hon. TONY KELLY: We really cannot make a comment on it unless you tell us what block of land it is.

Mr IAN COHEN: I said it is between the Arakwal National Park and the coast.

The Hon. TONY KELLY: We will take that on notice and get you an answer on the specific block of land, if that is enough description.

Mr WATKINS: Yes, we will find it.

Mr IAN COHEN: I appreciate that. I would also like to know what Crown land intends doing with that land that it is allowing to degrade. Is it going to sell it off to development? Further, how many other pieces of land on the coast are being allowed to go to weed with the intention of selling them off for development in the future? Perhaps you would like to take that on notice. If Lands is now to fulfil existing arrangements to transfer land to DEC, has the department prepared a costed plan for threatened species assessments, fire and weed management, and other matters critical to the conservation and management roles?

Mr WATKINS: I am unsure what you are referring to specifically. If it is some of the areas that were under the North East Forest Agreement, the original parcels of land were transferred. A range of other parcels was opened for negotiations, and some of those negotiations continue. I signed off only in the last two weeks on a range of parcels of land to be transferred from the Crown estate across to the Department of Environment and Conservation. It is an ongoing program where we are liaising across the State. There will always be different community views about the way lands are held under what tenure.

Earlier the Minister referred to, and quoted sections from, the Act. The department does not result from the fact that it has a statutory responsibility to be a land manager and, therefore, to fulfil its requirements. We take those very seriously, and there is a range of reserve structures. Indeed, some of the oldest reserves in the State are Crown land reserves, and they continue. They live in harmony with a range of other reserved and protected lands through a range of different Acts. In that regard we look at trying to contribute to a representative reserve system across the State and ensure that Crown land is adding value to that system.

Mr IAN COHEN: On the Tomaree peninsula, the Department of Lands has objected to the transfer of high conservation value vacant Crown land to National Parks on the grounds that it has

potential for urban development. On what grounds is this decision made, and does the department consider that such a decision is consistent with Lands' stated desire to become a conservation management agency?

Mr WATKINS: The actual Tomaree peninsula is a parcel of dedicated Crown land, which has what we normally refer to as a hospital site on it. That area is not up for transfer. That is currently a dedicated parcel of land under the control of another jurisdiction. There is a range of parcels of Crown land that were not included in the original declaration of the Tomaree National Park. The member might be referring to the current discussions in regard to the Stockton Bight area. Final negotiations are still continuing on that. In that regard, there are vast tracts in excess of 2,000 to 4,000 hectares being transferred across from the Crown estate to a combination of the Worimi people and also National Parks.

I am unsure which area you are referring to specifically. I am trying to cover that area generally. There are also other parcels of land that the Department of Environment and Conservation have expressed a strong interest in. A number of those are under current Aboriginal land claim, and some of those are also under the reserve trusteeship of the Port Stephens Council. Many of those also form part of the newly created Port Stephens Regional Reserve. So again I think the Port Stephens area is a very good example of different tenures contributing to an integrated conservation outcome.

Mr IAN COHEN: Minister, I have brought this up with you before. Are you aware that the conservation values at Diggers Camp, which is just on the coast east of Grafton, have been found by ecologist Daniel Culpitt to be second only to the Daintree? I know that I have brought this matter up with you before. Are you aware that the area has been used by a certain contingency of campers over the Christmas holiday period, that the efforts of Dunecare workers in this area for seven years have been damaged by campus at Christmas, and that untidy camp grounds and ad hoc tracks through Aboriginal midden sites as well as the destruction of vegetation, knowingly restored by Dunecare workers, have been issues of great concern to the local people? Why, when the councillors of the local council voted to stop camping at Diggers Camp, did you override the decision?

The Hon. TONY KELLY: The Crown reserve at Diggers Headland is managed by the Clarence Valley Council. Primitive camping has been a feature of this reserve for nearly 100 years. The 1999 adopted plan of management supports camping on this reserve. While local residents are opposed to the continuation of camping and Diggers Headland, I received a number of representations suggesting that camping should be allowed to continue. In the circumstances, councillors decided to review the 1999 plan of management. This will give all parties the opportunity to comment on how best this reserve should be used in the future, but in the meantime I understand that camping will be allowed to continue until such time as the activity is no longer supported, and that conclusion is reflected in a new plan.

Mr IAN COHEN: Are you aware, Minister, that about 10 minutes walk away from that unofficial campsite, there is a properly constituted, registered, well-run, properly serviced national park camping area?

The Hon. TONY KELLY: But, as I said, it has been used for 100 years as a primitive camping site. It is entitled to be used as a camping site in the 1999 plan of management, and until the new plan of management alters that, they will continue to be allowed to use it.

CHAIR: We will now go to some questions from the Hon. Dr Arthur Chesterfield-Evans.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Minister, you are responsible for waterways. Is that correct?

The Hon. TONY KELLY: Not necessarily all of them—some of them. Ask me a question and I will see if we are.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Are you responsible for water access only properties?

The Hon. TONY KELLY: Yes. Well, some of them.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: The ones on inland waterways? Are they the ones that you are talking about?

The Hon. TONY KELLY: Not Sydney Harbour.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: The ones on Sydney Harbour?

The Hon. TONY KELLY: Not on Sydney Harbour.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: And Pittwater?

The Hon. TONY KELLY: Pittwater. We are on Pittwater, but not on Sydney Harbour.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: And you are for the Hawkesbury, of course.

Mr WATKINS: Yes.

The Hon. TONY KELLY: Yes.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Minister if the water access only property owners have access only from the water, is that not just like a driveway access? They are going across Crown land only between the low water mark and the high water mark. Is that correct? The only time they cross Crown land is—

The Hon. TONY KELLY: Well, it is. The water is actually on Crown land as well, but yes, it is.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: If they had the jetty such that there was no land that was not covered at the high water mark—

The Hon. TONY KELLY: Okay, so effectively—

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Effectively they would not have to pay any—

The Hon. TONY KELLY: No. I have already answered that.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: —a levy as the occupants of Crown land.

The Hon. TONY KELLY: I have already answered that because I said that land under the water is also Crown land, so they would have to put piers down into the Crown land underneath it.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: So the deeper the water, the less Crown land they would occupy.

The Hon. TONY KELLY: No, it is the same area.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: No, but if the boat had a certain draught—

The Hon. TONY KELLY: Mate, no. It is a good thing that you are a doctor, not an accountant. If that is the area of the jetty, it does not matter if there is one foot or 100 feet of water underneath it. That is still the area of Crown land that they are occupying underneath.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: If the depth of the water slopes very gradually, though, the area of the jetty will be longer because it has to go a further distance to get to water that is sufficient to accommodate the draught of the boat pulling up at the jetty. Is that so?

The Hon. TONY KELLY: But that is still utilising Crown land.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Yes, but if the tax is proportional to the length or the size of the jetty, that would be a proportion of the length of the jetty, would it not?

The Hon. TONY KELLY: What the tax is proportional to is—a couple of years ago we got IPART to review the domestic waterfront tendencies. They concluded that New South Wales taxpayers deserve to be adequately compensated for the private use of publicly owned Crown land. So we do not actually charge them any rent for the area that might be in front of their house between their house and the water, but that has no jetty on. It is only just the area that they actually occupy. IPART paid particular attention to the concerns and issues raised by those water access only residents. I think there are about 850 in the State, or is it 1,200?

In recognising these special circumstances, IPART recommended that they receive a \$250 rebate on the rental calculated under the recommended formula. My memory of it was that the recommended formula included a proportion of the area of land that was used in proportion to the valuation of the land that they occupied with their house, and then they reduced that by 50 per cent to start with because it was near the water, allowing for the fact that they water access only, and then they received a \$250 rebate on that. They considerably reduced it down. In fact, my recollection of it was that a number of these people initially got a reduction in the licence fees that they were charged. Any of those who came to see me mainly complained that it might go up at some time in the future when the valuation increased rather than what they were actually paying this year or in the next couple of years.

That rebate builds onto the automatic concession that is already given to them, as I said, under the formula, which is 50 per cent of their land values. Generally, their land value, of course, is a lot less than somebody who might have had—I think the suggestion was at the time—water access only. In other words you could not drive a car to it. The valuation of that particular block of land would be half or a third of a block of land that had both. In other words, the valuation of the land was slow to start with. Therefore they would not be paying high council rates to start with, and council rates then normally cover the bit that you were alluding to, the footpath. The licence fee that they charge us is based on a valuation reduced by 50 per cent, and then there is a \$250 rebate. IPART considered that they gave them a reasonable deal.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Some of them had a huge increase in their rates.

The Hon. TONY KELLY: No, no.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Or will.

The Hon. TONY KELLY: Will.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: They will have a massive rise in their rates.

The Hon. TONY KELLY: That is, if their land valuation goes up. The suggestion was that they might go up, yes. Perhaps I should spell out a bit more that the essential components of that formula include a precinct statutory land value which is an average of all the values of the adjoining freehold land in a defined precinct area with a rate of return of 3.05 per cent. So instead of what you would normally get a rate of return on, that you might expect from a bank, say, 5 or 7 per cent, the rate of return that they recommended was 3.05 per cent. Then they discounted that, because it was water access only, by 50 per cent, so it was half that, and then they reduced that again by \$250, so it was considered reasonable at the time. That only goes up of course if the valuation of the land underneath the house goes up dramatically, and that is their concern.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Clearly, if they have to go a long way in a boat, which, although it seems idyllic on fine weekends, is not very comfortable way to travel on dark winter nights, it is very expensive to go from a wharf to another wharf along a long stretch of the

Hawkesbury, and the rates are still going up very dramatically. While IPART's formula might seem very good from the point of view of an accountant in a high-rise office block, Minister, it does make a huge rise in rates at the cutting edge, for example, at Barr Point. Will you concede that?

The Hon. TONY KELLY: People say that about me; that it is difficult. Tonight I drive for five hours to get home and I complain about that. I pay rates and everything else on my property. They say to me, "That is your lifestyle choice". I say the same to those people: that is their lifestyle choice.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: If you made a lifestyle choice, knowing that your rates were going to rise dramatically, that is different from buying something and then finding the rates rise dramatically.

The Hon. TONY KELLY: The reason their rates are rising is because the valuations rise. Their council rates will rise the same. They must know that the valuation will increase, because the component is very small. Some of the ones I saw were a dollar a day, in the order of \$300 a year. The wharves on some of them were \$20,000 wharves.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: But some of them are whatever they can scratch together. Certainly the Government has put nothing into those wharves, so in a sense they are getting nothing, except the concept that the Government has to get a 3.8 per cent, I think you said, return on land that it owns or manages.

The Hon. TONY KELLY: That is a common mistake.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Is that a figure that has come out of the air or some accounting program?

The Hon. TONY KELLY: It is a common mistake. The Government are the people of New South Wales and the people of New South Wales expect to get a reasonable return for all our assets. Whether that happens to be a block of land in Pitt Street in Sydney, or a road next to me on the farm in the country, or whether it is a perpetual lease, or a lease in the Western Lands Division, or whether it happens to be Crown land under a beautiful waterfront property.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Two points Minister: first, the land is the people's of New South Wales that you flog off as if it is yours; and, second, the people of New South Wales expect good and equitable government. If there is an anomaly created by some formula dreamed up by IPART or anyone else they would expect that formula to be applied equitably to those who may be disadvantaged living in areas such as Barr Point, which is not an affluent area. It is a long way by boat from the Hawkesbury.

The Hon. TONY KELLY: IPART is the Independent Pricing and Regulatory Tribunal, it is an independent body that went through and made an assessment and a recommendation.

Mr WATKINS: I might add that the land to which the Hon. Dr Arthur Chesterfield-Evans referred is reserved from lease or sale. It cannot be flogged off. Indeed all the beds on the waterways, beaches and three nautical miles to sea are Crown land; they are all reserved. Indeed, there is a longstanding reservation over many decades that the area to which he referred is reserved from sale.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: I am relieved that that bit of land in New South Wales is safe from being flogged off, Mr Watkins, it must be a bit unusual. If one tries to look at the list of land that the Government has to flog off in New South Wales. It is impossible to get that list. But if one were able to see it, one could get a list of schools, for example, which has pages and pages with all crossed out except one school. I am not sure how much land is being flogged off in New South Wales. I know there is an asset disposal or asset realisation program, euphemistically so-called, which is flogging off the family silver. I am pleased to know that the area around Barr Point is not in that, nor the area—

Mr WATKINS: If I may, I will add one thing. Of course, there would be no freehold titles in New South Wales if there were no Crown land to start with. There would be no land for community buildings, schools, hospitals or roads.

The Hon. TONY KELLY: Nor would there be land that you currently live on. Every block of land in New South Wales was originally Crown land.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: It is currently community used land, that, like schools, are being flogged off. That was a comment, not a question.

CHAIR: We will now go to Government questions.

The Hon. CHRISTINE ROBERTSON: What is the Government doing to encourage economic development on Crown lands in country and coastal New South Wales?

The Hon. TONY KELLY: The Crown Lands division of the Department of Lands is responsible for the sustainable management of more than 12.7 million hectares of Crown land. As I said earlier, that is about half the total area of New South Wales. Crown land is retained in public ownership to meet the diverse needs of the community for housing, business development, agriculture, public recreation and conservation. A number of reform programs are under way in the management of Crown lands and amendments to the Crown Land Act 1989 are now in effect. They enable a range of contemporary solutions for Crown reserve management, commercial flexibility and strengthened ability to protect environmental values.

Population growth has increased the demands on the existing marine facilities on the coast of New South Wales where Crown Lands manages 27 minor ports. The division works closely with councils, businesses and community interests on developments. In April 2006 funds totalling \$680,000 were allocated between Batemans Bay and Ulladulla harbours for various upgrades to berthing facilities. Planning is now under way to substantially redevelop both harbours.

The 126-berth marina at Batemans Bay is reaching the end of its economic and physical life and needs to be replaced and upgraded to modern standards. The capacity of that marina has not changed since 1982. A series of feasibility studies identified a demand for more marina facilities at Batemans Bay and supporting commercial land-based infrastructure over the next 20 years. The upgrade planned for Batemans Bay marina will provide over 260 extra moorings—I think that is total.

Mr WATKINS: It could be up to 320, depending on the final design.

The Hon. TONY KELLY: In total, not extra. The upgrade will provide a prime site for marine businesses, shops and recreation. A short list of three developers is currently preparing detailed proposals for Batemans Bay and an environmental impact statement is also scheduled for completion by the end of 2006. The preliminary environmental assessment is on the Department of Planning web site for anyone interested to read more about it. The Batemans Bay Marine Redevelopment Project is a key initiative that will generate jobs and economic growth for the South Coast of New South Wales.

Lands has consulted with Ulladulla Harbour users and a design concept for future redevelopment is now nearing completion by local consultants, Patterson, Britton and Partners. In addition, the Government has granted \$30,000 to Shoalhaven City Council for an urban planning study. The study will consider growth over the next 20 years and will be integrated with the Ulladulla Harbour redevelopment to create a master plan for the town. The future of those South Coast ports is bright indeed. The Iemma Government will do its part to ensure that they continue to serve the needs of their communities.

Moving inland to Wagga Wagga, Crown Lands is in the process of preparing an expression of interest to gauge interest and ideas on the commercial potential of an eight-hectare site on the Pound Flat Travelling Stock Route. Wagga Wagga City Council has identified the site as being of strategic importance to the economic development of the city. With industrial and commercial lands within Wagga Wagga city limits in short supply, the site has great potential to meet the needs for bulky goods development that would provide growth in that important regional centre.

Back to the coast, the Department of Lands will soon open a Crown Lands Division office at Port Stephens marina to work with the community on planning for the future. That office will be the focal point for Lands' consultations with local industry, marina operators and the broader community, on how the marina can be improved for business and the community. Last week I was at Port Stephens to look at the site of that new office and to announce an allocation of \$2.2 million in loans for local caravan parks operated by council on Crown land.

In the last financial year the Iemma Government made available more than \$3.1 million for caravan parks on Crown land all over the State; most in rural and regional New South Wales. There are more than 900 caravan parks and residential parks across New South Wales. Almost a third, 270, are on Crown land. Many sites are located on coastal or scenic river sites. We can do even better. I have asked the Department of Lands to identify potential new sites for caravan parks and camping sites on Crown land. There are many Crown land sites up and down the State, especially in coastal areas, that have ideal potential for caravanning and camping facilities.

The Government is committed to ensuring that families continue to enjoy traditional camping and caravanning but it also needs to meet the growing needs for tourism and other recreational facilities. The New South Wales Caravan and Camping Industry Association is right behind this initiative and believes it will be an important boost to that industry and provide more jobs and enjoyment for an increasing number of people across the State. Honourable members would be aware that most of the areas I have mentioned, in particular the coastal areas, depend on tourism traffic for jobs for their young people.

Continuing our journey northwards, Coffs Harbour and Tweed Heads also have development and infrastructure plans involving Crown lands in harbourside areas. The Department of Lands has provided \$130,000 towards planning the redevelopment of the harbourside precinct at Coffs Harbour and has signed a memorandum of understanding with Coffs Harbour City Council. The Tweed Heads Town Centre master plan covers the whole of the Tweed Heads Town Centre and includes the foreshore of the Jack Evans boat harbour and Flagstaff Hill, which is Crown land.

The proposed developments on the Crown lands at Tweed are intended to enhance public amenity and provide a quality destination for residents and tourists. Just to the south of Tweed Heads is lot 490, which some honourable members might have heard about. That pristine parcel of Crown land is reserved for tourism and community recreation on the beachfront at South Kingscliff. About 10 hectares of this site is being developed as an ecotourism resort. The development envelope is within close proximity to other resorts and residential developments. It is within 15 minutes of the Gold Coast airport, an hour from Brisbane, and 45 minutes from Byron Bay. In short, it is a great location to showcase the natural beauty of the far North Coast.

From memory, I think more than 60 per cent of that site is being reserved. Only 40 per cent will be used for the ecotourism facilities. Planning to this point has been extremely detailed and was done in consultation with a local steering committee that included mainly local residents. In the meantime the Department of Lands sought expressions of interest to design, build and operate that ecotourism resort on lot 490. There was strong interest and four proponents have been invited to submit detailed proposals by early October. Once detailed proposals have been evaluated the preferred proponent will be granted an appropriate lease of the site.

Some of the initiatives I have talked about are encompassed in the Government's regional Crown reserves strategy on aggregating Crown land into larger units for planning and management purposes. Regional Crown reserves mean that land can be assessed and managed in a holistic way, in consultation with the community, rather than on individual lots across a particular region. This approach supports regional communities and the social needs of local communities and makes the Government more able to respond to community needs and direct resources where they are most needed.

The Hon. CHRISTINE ROBERTSON: Thank you, Minister.

The Hon. HENRY TSANG: Can the Minister provide any advice on potential job losses in rural and regional New South Wales if the Leader of the Opposition's 29,000 staff cuts were implemented?

The Hon. DUNCAN GAY: Point of order. I ask the honourable member to provide a document that states where there will be 29,000 staff sackings. Will he also produce a line item to show where that is reflected in any of the budget papers?

The Hon. HENRY TSANG: To the point of order: Madam Chair, this question has been asked of all Ministers.

The Hon. DUNCAN GAY: No it has not.

The Hon. CHRISTINE ROBERTSON: Yes it has.

The Hon. HENRY TSANG: This question is important because the Leader of the Opposition stated in his press release and in many speeches he has made that on day one he would implement staff cuts to facilitate his large budget blow out.

CHAIR: Order! In ruling on the point of order there has been a fair degree of latitude in not requiring members to make references to line items. In fact, I was surprised earlier that a point of order was not taken in relation to providing a line item for the question about signage in Dubbo. There has been a fair degree of latitude in that regard. Referring to the veracity of the question relating to proposed job cuts, perhaps the question could be rephrased in a more general way and then asked of the Minister.

The Hon. DUNCAN GAY: Further to the point of order—

CHAIR: Order! I have just ruled on the point of order.

The Hon. HENRY TSANG: I am quite happy to rephrase my question. Minister, if the Government were asked to cut 29,000 jobs how would that affect your proposal?

The Hon. TONY KELLY: If the Government cut 29,000 jobs, as proposed by the Leader of the Opposition—

The Hon. DUNCAN GAY: Point of order: I ask the Minister to provide us with a document in which the Leader of the Opposition said he would sack 29,000 people. The Leader of the Opposition said he would not replace staff and that there would be natural attrition, but nowhere has he said that he would sack 29,000 people. The Minister should be directed to stop misleading the Committee.

The Hon. TONY KELLY: I am happy to explain that, Madam Chair.

CHAIR: Order! I will rule on the point of order first. The issue raised in the point of order taken by the Hon. Duncan Gay probably is not accurately a point of order. That issue is more appropriately a matter of public debate on either side of the House. I would ask that—

The Hon. DUNCAN GAY: Madam Chair, I seek clarification.

CHAIR: Order! I have not finished my ruling. Given that level of public debate and the fact that I asked the Hon. Henry Tsang to rephrase his question, the Minister may prefer to answer in non-specific terms on the impact of any proposed reductions in public service staff.

The Hon. DUNCAN GAY: I seek a point of clarification.

CHAIR: There is no such thing, but I am feeling generous today, so please feel free to proceed.

The Hon. DUNCAN GAY: In budget estimates committees we examine line items and issues to do with the budget of the Government in power. After the end of March, when the Coalition is in government, the honourable member will have plenty of time to ask us questions about any

matter to do with the Opposition. Currently, the Labor Party is in government and questions pertaining to the Opposition have no place in budget estimates committees.

The Hon. CHRISTINE ROBERTSON: To the point of order: This point of order relates to a question that has already been accepted and we are now listening to the Minister's answer. I believe that the Hon. Duncan Gay is arguing the question. A ruling has been made, so his point of order is not in order.

CHAIR: Order! I advise that the issue raised by the Hon. Duncan Gay may well have been relevant to the original question asked by the Hon. Henry Tsang. He has subsequently rephrased the question, and the question to which the minister is responding at the moment did not refer to the Opposition at all. So I agree. The question is in order and the Minister may continue his answer.

Mr IAN COHEN: It is a good thing that I will never be in government. This is an utter waste of time. We will call you back.

The Hon. DUNCAN GAY: You are just wasting time. We were going somewhere and you are now wasting time.

CHAIR: Order! The Minister has the call to answer the question. He may do so.

The Hon. TONY KELLY: I agree to some extent with the Hon. Duncan Gay. The former Leader of the Opposition proposed that 29,000 jobs be cut. The current Leader of the Opposition said he would do it by attrition. He said that, as 14,500 people retire each year, he would not replace them. So over two years he would get those 29,000 job cuts. The problem for the Department of Lands is that as people retire, whether they are in Dubbo, Orange, or wherever they may be, they will not be replaced. That would present us with a problem.

The Hon. DUNCAN GAY: It would not be problem if you understood what was said. It is a problem when you go down this stupid track. Either get back on track or we will call you back another day. The Minister knows better than this.

CHAIR: Order! The Hon. Duncan Gay! The Minister is answering a question. It is not the place of the Hon. Duncan Gay, in Government members' time for questions, to have an argument with the Minister. If he is not happy with the Minister's answer that is fine, but he is not permitted to argue with the Minister. The Minister will proceed.

The Hon. DUNCAN GAY: Play your silly games if you want to.

The Hon. RICK COLLESS: Play your games and we will call you back. That is the bottom line.

CHAIR: Order!

The Hon. TONY KELLY: As I said, that would present a problem for the Department of Lands. If people were not replaced it would cause us serious problems.

The Hon. DUNCAN GAY: If that were the case it would, but that is not the case.

CHAIR: Order!

The Hon. CHRISTINE ROBERTSON: Can the Minister provide us with an update on the New South Wales Government's support for the State' biofuel industry?

The Hon. TONY KELLY: Over the last 12 months the Government got right behind the biofuel industry in New South Wales. Last year the State Government announced that, for the first time, the New South Wales Government fleet fuel contract would mandate ethanol-blended fuel, biodiesel and other alternative fuels. The new fuel contract is now operating. Manildra and United Petroleum, both of whom sell E-10, are included as a supplier for the Government fleet. The beauty of this initiative is that it allows local councils to use the contract for their fuel needs. So not only the

Government has to use E-10. As local councils right across the State use the Government fleet fuel contract it is up to them whether or not they do this.

I am aware that a number of country councils are now opting to use the Government fleet fuel contract, which utilises E-10 in its fuels. I believe that councils as diverse as Dubbo and Leichhardt have already taken up that option. The fuel contract initiative alone aims to save millions on vehicle lease and fuel costs, as well as slash greenhouse and carcinogenic vehicle emissions. We all know that alternative renewable fuel is the way of the future. Biofuels are renewable and can be produced locally. They are good for the environment and public health and will be a tremendous boost for rural and regional investment and jobs. Jobs alone are a reason to get behind supporting our biofuel industry. Hundreds of direct and thousands of indirect jobs will be created by a mature, sustainable biofuel industry.

Another benefit is that the regional development benefits would be spread broadly. This will help farmers and thereby deliver economic benefits to small and medium towns, as well as the major centres. It will help farmers by putting a floor price into a lot of their products, whether it is sugar on the North Coast, wheat in the west of the State—it does that already—and sorghum and other products in other parts of the State. There are already three plants in Gunnedah, Manildra and Narrandera that produce wheat for flour and the waste product produces ethanol in this State. I am aware of similar proposals for towns such as Junee, Gunnedah, Coleambally and Trangie. The one in Gunnedah is particularly well advanced.

Biofuels are a win for the bush and the city. I am aware also of a large plant that is half constructed that will be completed by June next year. It is just out of New South Wales near Albury but it will use tallow from abattoirs across the State, perhaps as far north as Dubbo. Tackling pollution is a big job for growing international cities like Sydney. Ethanol is an oxygenator, which helps the battle to reduce smog and other forms of vehicle pollutants. That is why ethanol is used compulsorily in major US cities, particularly in summer, to reduce emission-related smog and haze. Put simply, it helps everyone breathe a little easier.

We have achieved a lot by abolishing lead in petrol but that has not alleviated the haze of particulates that we see around Sydney. The use of ethanol would reduce some of those particulates. Put simply, it will help everyone breathe a little easier. Tests have proven that ethanol in fuel leads to reduced tailpipe exhaust emissions of carbon monoxide, hydrocarbons, butadiene, benzene, toluene and xylenes. Biofuels enjoy the strong support of diverse organisations such as the NRMA, AMA, New South Wales Farmers and the Local Government and Shires Associations.

The Iemma Government is committed to doing whatever it can to foster the alternative fuel industry in New South Wales. As I said, last year the Government committed to ensuring that 25,000 government vehicles would start to use biofuels. This year the Premier committed the Government to mandating ethanol use over the next several years. We have established a task force to sit down with stakeholders and report back to the Government with a detailed plan to implement the selling of greater volumes of biofuel in New South Wales. The task force, to be headed by the Director General of the Premier's Department, Dr Col Gellatly, will comprise experts and stakeholder representatives. I look forward to the task force's report and to working with the Premier to see more quantities of biofuel being sold in New South Wales as soon as possible.

Labor's commitment at the State level contrasts with that of the Federal Government, which is beholden to the status quo and unwilling to make a positive decision in favour of a domestic alternative fuel industry. Apart from an unenforceable and tokenistic 350 million litres nationwide target, the Federal Government is unwilling to do much more. Instead it passes changes to fuel tax that act as a disincentive to the biodiesel industry. It is simply economic rationalism gone mad. The likes of Howard, Costello—sorry, Bob, I do not mean you—

Mr COSTELLO: That is okay, Minister.

The Hon. TONY KELLY: The likes of Howard, Costello and Minchin are obsessed with market forces and are unwilling to do anything positive that will lead to a domestic industry with home-grown product. Biofuel is not only a win for the environment but will help to ease the pain for families and business who are being hit for six by skyrocketing petrol prices. In 2000 our deficit on

fuel imports was \$488 million. In other words, the cost of importing fuel over and above what we exported was \$488 million. Last year it was \$10 billion. So it has gone up 20 times in that period. Yet the Federal Government continues to pay lip service to biofuels. It is happy to sit there and collect the fuel excise but it is doing nothing to tackle the problems. It sits and watches our balance of payments in free fall.

Some 60 per cent of the recent increase in our trade deficit was attributable to fuel costs. Yet when it comes to trying to kick-start the economy and support industries such as biofuel, it is doing nothing. A national mandate for biofuel is really the smoothest path. Yet the Prime Minister has rejected it outright. Again the Federal Government is happy to see domestic industries wither on the vine. It was the Wran Government that led the nation originally by mandating lead-free fuel 20-odd years ago. Similarly, the Lemma Government is moving forward on biofuels, and hopefully the rest of the country will follow suit. I call on the State and Federal Coalition members to join us in putting pressure on the Federal Government to wake up to itself and get behind the biofuel industry to try to protect New South Wales jobs.

The Hon. DUNCAN GAY: Minister, I was pleased to hear your comments about biofuels. With the exception of your comments about Peter Costello and John Howard, can you tell us how that policy differs from the Opposition's policy that was released some months ago?

The Hon. TONY KELLY: The State Opposition?

The Hon. DUNCAN GAY: Yes.

The Hon. TONY KELLY: Our policy came first, of course.

The Hon. RICK COLLESS: No, it did not.

The Hon. TONY KELLY: Yes, it did. I am quite happy to debate that because an erroneous press release was issued that said that the Coalition came up with that policy first. In my previous answer I did not allude to the fact that last year's State ALP annual conference in June asked the State Government to implement the use of biofuels in the State fleet, which they did. At this year's State conference in June, prior to The Nationals and the Liberal Party coming up with their policy—

The Hon. DUNCAN GAY: Rubbish!

The Hon. TONY KELLY: It is a fact. Some 865 delegates of the Labor Party unanimously, to the person, agreed to ask the State Government to commit to mandating biofuels in this State on a phased-in basis, and that is exactly what the State Government has now done. As far as I am aware, the other difference is that the Leader of the Opposition, Mr Debnam, has not committed to any mandate. He says that he is going to look at it and see what he can do. But he has not actually committed to mandating it.

The Hon. DUNCAN GAY: The information that was just supplied to you in that note is wrong.

The Hon. TONY KELLY: It is true.

CHAIR: It is time for questions, not arguments.

The Hon. RICK COLLESS: Let us return to matters to do with Lands. I have a series of questions about perpetual leases that are similar to those I asked on enclosed roads. How many applications have been made to convert land held as perpetual leases to freehold? I would appreciate it if you would give us the information you gave us before in terms of the number of applications, the number of conversions and so on.

The Hon. TONY KELLY: Yes. This policy was first announced by Michael Egan in the 2004 budget. The total number of perpetual leases is 10,720. The number of applications received so far is 55 per cent of that total, which is 5,790. Some 2,185 have been converted so far, which is 20 per cent of the total. The value is \$10.005 million. To explain why that figure seems much lower than the

proportionate figure that we talked about earlier for roads—with 654 making up almost \$10 million—you might recall that when the then Treasurer Michael Egan announced that policy of selling the perpetual leases to the farmers unless they had some strict environmental reasons not to do so we went to PricewaterhouseCoopers to get an independent valuation of them.

The common mistake many people make is that these are perpetual leases. "Perpetual" does not mean what it means in Canberra, where they are 99-year leases. They are not 20- or five-year leases; they are perpetual. They will exist for a million years and another million after that, and you can keep going. They are forever and ever. In other words, the amount of equity that the people of New South Wales or the Government have is practically zero—it is not very much. We went to try to get some sort of assessment on that. Bear in mind that a lot of people had locked in in previous legislation and agreements a fixed amount that they could buy them for.

They were not rents but practically an administration fee, in a lot of cases about \$140. The land might have been worth \$1 million and they paid \$1 million. They bought them at the market freehold price and could well have borrowed \$900,000 to buy them. The obvious answer from the independent valuation by PricewaterhouseCoopers was that the Government's equity, or the equity of the people of New South Wales, was practically zero. In fact, PricewaterhouseCoopers said it was between 2 and 4 per cent so the Government offered the average of 3 per cent to the people but with the stipulation that unless with Minister's consent they could not be subdivided.

You might recall that when the Coalition was in Government it allowed about 8,000 of the 11,000 to be sold and put what it called a moratorium on the remaining 3,000. The moratorium was put on some because of their environmental values but in those days there was no such thing as threatened species legislation or our legislation that protects environmental values on freehold land. So there may have been valuable reason to lock them away. This Government decided that because of that newer legislation it would not rule them out altogether but it would look at them to see if they could be sold.

The Government's view is that if somebody has a 1,000-acre perpetual lease with five acres in the corner that might have some strict environmental values on it, it would not refuse to sell the whole lot. Part of it could be sold or the whole lot sold but with strict covenants on the five acres in the corner. Why it is \$10 million for the 2,000 that have been converted is because the return is only 3 per cent of their total value.

The Hon. RICK COLLESS: What area was involved in those 2,000?

The Hon. TONY KELLY: I will take that question on notice. Do you want area on the applications as well as those converted?

The Hon. RICK COLLESS: Yes, I am interested in the areas of the ones that have been applied for and also those that have been converted.

The Hon. TONY KELLY: There is another group. The decision was that before the department sold a number of them it would consult with the Department of Environment and Conservation [DEC]. Obviously consultation is now going on with a number in between the 2,185 and the 5,790.

The Hon. RICK COLLESS: How many have been rejected?

The Hon. TONY KELLY: I am not sure.

Mr WATKINS: Two have been rejected.

The Hon. RICK COLLESS: Why?

The Hon. TONY KELLY: I will find out the reasons. And a few are in limbo.

The Hon. RICK COLLESS: There has been criticism that some of the conversions have taken far too long to implement. What sort of timeframe did it take?

The Hon. TONY KELLY: I will ask the director general. Part of the reason is because of going through that consultation process with DEC. I know there was discussion about a number of them.

Mr WATKINS: If we look at the range of perpetual leases of the 11,000, I am using broad figures, some 2,000 were the statutory moratorium ones which were subject to consultation. Following the announcement by the Government concern was expressed across the environmental movement, in particular, about it. There have been ongoing discussions over the tools, computer and other based tools, used by the department to identify the conservation values that has led to some quite advanced work being done. We have moved on to progress those parcels of land in perpetual leases that are clearly cleared paddocks or have little or no conservation value. We have been working with broad stakeholder groups in documenting and demonstrating, as the Minister outlined, that a robust system is in place to protect those values.

The Hon. RICK COLLESS: Have they been held up because of a lack of staff?

The Hon. TONY KELLY: From memory we got 13 extra staff, and eight were put in a special unit set up in Dubbo. I think the hold up is more to do with consultation with DEC for the perpetual leases. Staffing might be more of a consideration in relation to the EPs.

The Hon. RICK COLLESS: What has been done about freeholding some of the perpetual leases that exist in the Western Division?

Mr WATKINS: They are not included per se. They are covered under the Westerns Lands Act. We are talking here about perpetual leases under the Crown Lands Act.

The Hon. RICK COLLESS: Are there no perpetual leases in the Western Division?

Mr WATKINS: There is a range of different leases but by and large the vast majority of the leases we are focussing on here, the 11,000, are in the Central and Eastern Division.

The Hon. RICK COLLESS: Do you have responsibility for those perpetual leases that are in the Western Division?

The Hon. TONY KELLY: Do we have a handful?

Mr WATKINS: There is a scattered handful. Without labouring the point about the relationship between the Western Lands Act and the Crown Lands Act again, the Western lands are Crown lands with an Act called the pastoral lease Act or the Western Lands legislation coming in over the top. So there are pockets, particularly in some urban areas and other scattered areas, whereby provisions under the Crown Lands Act still apply. But the Western Division as a division has historically and continues to be managed as a division underneath the Commissioner for Western Lands.

The Hon. RICK COLLESS: Would it make it a lot easier generally to administer all these Lands issues if Western Lands were under your control and administration?

Mr WATKINS: I think the key answer is that departments are arranged progressively and differently from one government to another and director generals like myself administer whatever we are given.

The Hon. RICK COLLESS: Perhaps the Minister might like to comment on that question.

The Hon. TONY KELLY: I agree with the director general.

The Hon. DUNCAN GAY: I refer to the question of the Opposition not having a policy on mandating ethanol. I may have misled the Committee because it does have a policy to mandate it over a period of time. In fact, the State Government replicated our policy. The Federal Government does not have a policy on mandating it and perhaps that is where you made your mistake, Minister.

CHAIR: Is there a question?

The Hon. TONY KELLY: No, I think it was rhetorical.

The Hon. RICK COLLESS: I refer to the issue of soil conservation in New South Wales which is close to my heart. Is the soil conservation service formally a part of the Department of Lands?

The Hon. TONY KELLY: Yes. The Department of Lands has responsibility, as was pointed out in an earlier answer, for the budget, the staff and the plant, or tractors as some people call them. The Act is currently administered by Minister Macdonald.

The Hon. RICK COLLESS: My concern is that you are responsible for an organisation that operates under the Soil Conservation Act yet you are not the Minister responsible for administering the Soil Conservation Act?

The Hon. TONY KELLY: It probably would appear to be better to have it all under the one Minister, but—

The Hon. RICK COLLESS: Would you agree it would be more logical for the Soil Conservation Act to be included within your portfolio?

The Hon. TONY KELLY: Yes. But, regarding the day-to-day business, we actually operate the Soil Conservation Act effectively. But it probably would be appropriate to have it under the one Minister.

The Hon. RICK COLLESS: Then why is the current structure in place?

The Hon. TONY KELLY: Some of these administrative arrangements take some time to change, and that one has not changed.

The Hon. RICK COLLESS: While we are on the issue of soil conservation, can you explain why there has been a 22.5 per cent decrease in staff numbers in Soilcon since 2003?

Mr WATKINS: If I could pick up the question with respect to the functions that we have taken on board. The member would realise that the budget papers have a line item and a whole section on soil conservation. The Soil Conservation Service operates commercially and as such reflects the market base and the difficulties that the rural community in particular have been experiencing. Whilst we have been able to retain approximately 1,000 hours per tractor unit, and are currently running between 40 and 45 tractor units, it has been a very difficult time for our customer base.

Indeed, we have pulled back from tractors on the coastal strip and have been concentrating on earthmoving equipment where soil conservation needs historically have been the greatest, that is, where the erosion indexes are higher, where rainfall impacts require broadscale soil conservation works on sloping lands. That, combined with conservation techniques, has enabled the service to maintain its very highly respected relationship with its customer base. But, financially, there is a strained relationship, which we trust will be overcome when once it rains and the revenues return.

However, I hasten to add that in the other area of activity, consultancy, our activity has grown tremendously. The member, when looking at the budget papers, would have picked up that we carried into this current financial year forward orders in excess of \$5 million. That is because of the excellent work that these people have been doing across a broad range of rural and particularly peri-urban areas, and in the environmentally sensitive areas of river restoration. So, unfortunately, the numbers reflect the commercial reality and the financial circumstances of rural New South Wales.

The Hon. TONY KELLY: If I could make one comment about the Soil Conservation Service. It is probably not in response to what you are about to ask me, but I think it is worth saying. About five years ago I saw a survey that the Soil Conservation Service ranked as the best supported

government department in New South Wales. In country New South Wales the recognition factor was something like 94 per cent. It was ranked the highest respected service in New South Wales.

The Hon. RICK COLLESS: I am well aware of that recognition.

The Hon. DUNCAN GAY: You will get no argument from the Coalition on that.

The Hon. RICK COLLESS: I would like to ask you a question about the 141 estimated full-time equivalents identified in the budget papers. Can you give the Committee a breakdown of the classifications of those staff—how many tractor drivers, field service people, and professionals in particular?

Mr WATKINS: Rather than mislead the member, I would be quite happy to supply those details later. Suffice to say that the backbone of our service has always been coalface people who deliver the works on the ground. The intensive nature of many of those works has led to a high level of independence of these officers, which meant that the level of supervision has been reduced, first, because of the technical skills and competency of these people but, second, because of the unnecessary nature of carrying these overheads.

At the moment, the bulk of our staff are involved as tractor drivers, field hands and field staff, and we carry a small but extremely competent group of what might be called, in the old language, professional soil conservationists. We have recently recruited, or are in the process of recruiting, an additional four soil conservationists because we are very conscious of the age of some of them—we have some baby boomers which, dare I say, some of us in this room could relate to, who came in at that time.

We are very heartened by the numbers of applications that we are receiving when we go out to the marketplace. Not only is the brand equity of the Soil Conservation Service still running true and long in the rural and urban sectors, but these people are attracted to this style of work because of the meaning outcomes from the work that they undertake and the legacy they leave for this and future generations. So it truly is focusing on the intergenerational equity aspects of areas in which the service has historically been involved.

The Hon. RICK COLLESS: Will the four new people that you are putting on be appointed as basically trainee soil conservationists to undertake that professional training role?

Mr WATKINS: Yes. They are either in the position of trainee soil conservationists or, to use the old language, trainee field service managers, which is that pseudo role between a person holding a tertiary degree and somebody holding a TAFE qualification. One of those that we have been looking for and recruiting is at Orange, and others are at Newcastle. In the past twelve months or so we have shored up our services in Armidale and Tamworth, and we are looking at additional resources on the South Coast.

The Hon. RICK COLLESS: What professional qualifications will they have?

Mr WATKINS: If we are looking at the soil conservationists, to use the old terminology, they would have tertiary qualifications.

The Hon. RICK COLLESS: Will there be two or four of those?

Mr WATKINS: We are currently trying to recruit two of those. Again, the emphasises should be on recognition of the great need and capacity that, notwithstanding the harsh conditions that we have had and the fact that this is a commercially run operation, we have been able to increase the staff numbers in this area.

Mr IAN COHEN: Minister, can you provide an explanation to the Committee to justify the sacking of Byron Shire Council as trust manager of Crown reserve caravan parks?

The Hon. TONY KELLY: Crown land caravan parks are important public assets that need to be well managed on behalf of the people of New South Wales. As Minister for Lands, I have a

responsibility to ensure that these parks are properly managed. As such the Department of Lands undertook a management review of caravan parks managed by Byron Shire Council. Separately from the review, the department received complaints about council's management practices and interference by individual councillors in reserve trust decisions.

An independent auditor, engaged by the department, found that both the department and the managing trust could be legally liable because licence conditions relating to the operation of a caravan park had not been complied with, nor had the provisions of the Occupational Health and Safety Act been properly satisfied. As the member would be aware, caravan parks are licensed by the councils and those licences contain certain conditions, and those were not being complied with. In this case the council, though the licensing authority, was also operating the caravan park on behalf of the Department of Lands. Council, as the operator and not as the licensing authority, was given the opportunity to address these concerns. However, the strategy it proposed was neither appropriate nor adequate.

I recently removed Byron Shire Council as the manager of these four Crown caravan parks and installed an administrator with expertise and experience in caravan park management. I did not take this decision lightly. I am pleased to inform the Committee that my decision has been reasonably well received by the local community. The *Northern Star* led with the headlines "Residents relieved" and "Park Dwellers look to a more secure future after State Takeover". Many residents spoke to the local papers expressing relief that finally a decision had been made to move forward. One resident, when rating the decision from 1 to 10, gave it 11!

The peak group, the Caravan Park and Camping Association, also came out and welcomed the decision, congratulating the Government on its leadership and working towards better outcomes on behalf of residents and tourists alike. Let me make it clear that the decision will not affect the rights of the residents. In the short term, the administrator will address compliance and safety issues at the parks, with the longer-term management of the parks to be decided in due course. That is not to say that the council may not get them back in the future.

I am also advised that the department has merged with council this week and provided it with a report from Deloitte, which outlines the financial situation of the caravan parks. The department has agreed to convene a meeting later this month to further discuss funding requirements of the Crown reserve system within Byron shire.

Mr IAN COHEN: Is this not standard practice for the Government to advise council of complaints to allow for clarification, if there are complaints? You say that there are complaints against council, but you do not say from whom or what quarters. You must be aware that there is a concerted campaign against council by certain quarters, namely developers, in the Byron community. I am particularly interested to know why the Government did not advise council of the complaints and give council the opportunity to verify or oppose the veracity of those complaints.

The Hon. TONY KELLY: My advice is that council was given the opportunity to address these concerns.

Mr IAN COHEN: Could you detail to the Committee where and when? In a letter from the mayor, which was sent to you, she challenges that council was afforded the standard practice of government to advise council of complaints and give council the opportunity to respond.

The Hon. TONY KELLY: My advice is that council was given advice, but I will take that on notice and I will give you the details.

Mr IAN COHEN: Perhaps if you give me the details of who the advice was given to and why councillors were not informed by you, except by press release in the local media.

Mr WATKINS: There had been numerous discussions between officers of council—I cannot speak for the councillors, but certainly officers of council—and the department right from the outset of the initiation of the audit right through the timeframe. Without wishing to comment on the council itself, I place on record that there had been significant activities between the council as an entity at an officer level and the department over this matter for many months.

The Hon. TONY KELLY: Graham Harding was up there prior to the press release, and he talked of staff.

Mr WATKINS: Yes, he was.

Mr IAN COHEN: Who was that?

Mr WATKINS: Graham Harding is the director of the Crown lands division. He personally conveyed the decision of the Minister to council prior to any press release.

Mr IAN COHEN: Is normal practice to cover the matter just with staff and not include elected councillors?

The Hon. TONY KELLY: Yes. Exceedingly rarely do you write to the mayor, you write to the general manager.

Mr IAN COHEN: Did you expect the general manager to inform council of this matter?

The Hon. TONY KELLY: That is an internal matter. It is the same as if you wrote to Parliament, you usually write to John Evans not necessarily to the Presiding Officers.

The Hon. DUNCAN GAY: Write to your Whip first.

The Hon. TONY KELLY: Generally you write to the general manager of a council rather than the mayor. If the Premier were to write, obviously he would write to the mayor because of some protocol issues, but generally it is the general manager. After all, he is the one who sends out the rate notices.

Mr IAN COHEN: I am concerned that you re-appointed a Mr Tilton to manage the caravan park.

The Hon. TONY KELLY: He was the administrator, was he not?

Mr WATKINS: He is a consultant we re-appointed. As the member or the Minister outlined, there are four caravan parks, all of which are in different stages of development and in need of different approaches. The prime focus of the department now is to meet the conditions that are required for licensing. As the member would be aware, the kiosk on the foreshore at Byron was closed down.

Our primary aim is to meet the needs of the community and have that opened up. I am advised that we will put it to the market in the next six weeks or so. I have made that a very high priority for our staff. My general manager was with Byron council earlier this week talking about that and other matters. The way in which these parks will be managed for the immediate to medium term will vary, depending on their state of readiness. We are concerned about the integrity of the parks, and meeting the legal and other requirements. There is not a one size fits all in this. The ongoing management is something we will deal with on a case-by-case basis.

Mr IAN COHEN: Are you aware of complaints against Tilton's management of the parks in the period prior to his re-appointment, when he was very much at odds with local community groups over his design of these parts?

Mr WATKINS: I have read that in the local press and clippings that have been forwarded to me subsequently.

Mr IAN COHEN: What criteria do you use to re-appoint someone, such as Tilton, who was extreme and substandard in his management of parks that I had an interest in?

The Hon. DUNCAN GAY: You said the former general manager up there was bad, and he is a cracker.

Mr IAN COHEN: I am very concerned that he was re-appointed. Under what criteria do you choose to re-appoint someone with such a poor track record?

Mr WATKINS: There is a level of both subjectiveness and objectiveness to a comment such as that, and I respect those words.

Mr IAN COHEN: I appreciate that, but it is a comment that is not shared by many in the community who have taken an active role in the management of the caravan parks.

Mr WATKINS: That is something I will certainly take on board, as the head of the department. But I come back to the point that, as we move forward, the current management arrangement is not the management arrangement that we will necessarily run with. We needed to put in place an immediate outcome, and the outcome and the approach taken was deemed to be the most appropriate. I will take on the member's concerns and look at that as part of the issues moving forward.

Mr IAN COHEN: Perhaps you could also investigate concerns like a complete re-arrangement of Broken Bay Caravan Park, which would have led to the potential for more sexual attacks and the potential for breaking into cars, and which necessitated the destruction of vegetation, which is not the case under the current arrangement or consideration of the caravan park. They were the efforts of Mr Tilton. Will you accept responsibility and liability for the poor performance of the Department of Lands, DLWC and DIPNR in the management of Crown land reserves in Brunswick Heads over the past decade?

The Hon. TONY KELLY: DLWC and DIPNR in the last decade? No.

Mr IAN COHEN: Will the newly installed management team be inclusive of all stakeholders and provide a triple bottom line best interest outcome acceptable to all stakeholders?

Mr WATKINS: In the Brunswick Heads area, which is what the member is referring to, the caravan parks in Brunswick Heads indeed form part of the four that were previously managed by councillors as a corporate entity. They form the ones that are of that four that came back. Therefore we are committed to ensuring that we enhance the values that we share with the member. Indeed, they will have plans of management undertaken on them. Plans of management under the Crown Lands Act are very transparent documents. They go out for public consultation prior to the Minister adopting them. I can assure the hearing that the Department of Lands takes this matter very seriously, and would do everything in its power to meet the object of the Act and the principles of Crown land management, which truly are triple bottom line.

Mr IAN COHEN: Will you comment on whether you have refused to hand over Crown land in the Kempsey shire to the national parks and wildlife division?

The Hon. TONY KELLY: I presume you are talking about Goolawah?

Mr IAN COHEN: Goolawah, yes, is one of those.

The Hon. TONY KELLY: Embedded within the Crown Lands Act is the responsibility, as I read out earlier, to protect the environment. The extreme greens fail to understand that the environment can be protected under a number of tenures, ranging from freehold through to National Park Estate.

Mr IAN COHEN: Who are the extreme greens?

The Hon. TONY KELLY: I am not counting you as extreme.

Mr IAN COHEN: But who are they? It is important, because we use the word "extreme" in many contexts in society, which is extremely denigrating to a lot of people.

The Hon. TONY KELLY: There are some extreme Greens out there who believe that the only way that you can protect land in this State is to have it all in national parks, and that is just not factual. The laws that are now in place in this State are all encompassing, regardless of the tenure. The tenure is really irrelevant these days whether it is national parks, Crown land, railway land or whether it is private land that might be land that any of us in this room own. It is all governed by these laws and it is protected. Embedded in the Crown Lands Act in particular, are as I read out earlier, is a particular responsibility. It has as a first responsibility the protection of the environment.

During negotiations between the former National Parks and Wildlife Service and the former Department of Land and Water Conservation on the NERFA process, protocols were established to deal with cases where the transfer of reserved lands under the control of a reserve trust were proposed. The agreed procedure was that the National Parks and Wildlife Service, which is now the Department of Environment and Conservation, would secure the agreement of the reserve trust prior to any transfer. From recollection, that was about five years ago.

The Kempsey Shire Council is the corporation appointed to manage the affairs of the trust that was established in respect of reserve 63879. After considering its position responsibilities at Goolawah and Grassy Head, the council has now formally indicated that it wishes to retain management responsibility for the reserve. So in terms of agreed protocols five years ago with the Department of Environment and Conservation, I take the view that the land should remain as Crown land. In other words, the original agreement was conditional. That condition was never ever exercised.

The Department of Lands, in partnership with the Kempsey Shire Council, now seeks to maximise the potential of a number of recreational and camping areas on Crown reserves that are managed by the council. It should be noted that the department has a far greater interest in the management of these types of reserves than was previously the case under the Department of Land and Water Conservation. In the spirit of this, I recently provided funding to move these issues forward, and \$100,000 has been made available to prepare plans of management for that particular reserve. This will provide a strategic approach for the future use, protection and rehabilitation of the reserve. It will ensure the protection of environmental values while at the same time meeting other community needs.

CHAIR: Thank you. We have now finished with questions for Lands. I remind honourable members that if they have any further questions for the Lands portfolio, they have two days to put them on notice.

Mr IAN COHEN: Was that last question segment 20 minutes?

CHAIR: In fact, because there were no Government members here to ask questions, the Government has had only 20 minutes and the crossbench has had 45 minutes of questions. We will now break for 10 minutes.

[Short adjournment]

CHAIR: Welcome to this segment of this afternoon's hearing when the Committee will examine the portfolio area of Emergency Services. This year all witnesses, apart from the Minister, need to be sworn in.

DAVID WILLIAM BAILEY, Director—Finance and Administration, New South Wales Fire Brigades, and

GREGORY PHILIP MULLINS, Commissioner, New South Wales Fire Brigades, and

PETER HENNESSY, Director of Finance, New South Wales Rural Fire Service, and

PHILLIP CHRISTIAN KOPERBURG, Commissioner, New South Wales Rural Fire Service, and

JOHN BURTON ANDERSON, Chair, State Emergency Management Committee, and

PHILIP JOHN McNAMARA, Director General, New South Wales State Emergency Service, and

JOHN WILLIAM HEATH, Director—Logistics, New South Wales State Emergency Service, sworn and examined:

CHAIR: Minister, would you like to make a brief opening statement on Emergency Services?

The Hon. TONY KELLY: Yes, thank you, Madam Chair. Before we get to the Committee's questions, I thought I would take the opportunity to outline some major advances that we have made in the Emergency Services portfolio, particularly in relation to the record funding allocated to the services over the past 12 years. I have no doubt that when Committee members are reminded of these achievements, they will find many of their planned questions superfluous. The 2006-07 budget was yet another record budget for New South Wales emergency services. In fact, it is the twelfth consecutive record budget. In total, emergency services have been allocated \$765 million in this year's budget—vital funding that will ensure the State's families, businesses and visitors have even greater protection in times of natural disasters and other major emergencies.

In recognition of the emergency services' heavy workloads and increasing investment in training, infrastructure and equipment, this year's budget shows an increase of \$65 million, or 9.3 per cent, over last year. This takes total funding invested in emergency services by this Government over 12 years to \$6.1 billion or \$6,100 million, ensuring that they can carry on their work safely and effectively. That is a proud record. It is clear proof that we have met the commitment that we gave to redress the years of neglect that emergency services suffered under the previous Coalition government.

The people of this State know that they can always rely on their emergency services, which include the New South Wales Fire Brigades, the Rural Fire Service [RFS] and the State Emergency Service [SES], to protect and help them during emergencies. This budget, let me repeat, is a record \$765 million and reinforces the community's confidence by ensuring that emergency services have the first-rate equipment, resources and accommodation that they need. One of the key commitments that this Government made to emergency services personnel was to upgrade their vehicle fleets. This year's budget continues that work, with almost \$53 million allocated this year for bush fire tankers, fire engines, SES response vehicles and other additions to the fleet.

The 2005-06 New South Wales Fire Brigades' budget is a record \$523 million, taking total funding for the brigades over 12 years to more than \$4.5 billion. This year's budget includes \$18 million in funding for 50 new fire engines, hazmat vans and other vehicles to be deployed to stations including Kiama, Hay, Umina, Coledale, Mount Victoria, Macquarie Fields, Mount Druitt and Seven Hills; \$6.2 million for new gas monitors and enhancing other firefighter safety and counter-terrorism equipment; and \$1.86 million to establish and support our community fire units, in which, I believe, approximately 5,000 people are involved currently.

Twelve Fire Brigade stations around the State will be renovated as part of a \$7.1 million program to improve day-to-day working conditions for our fire crews. They include Moama, Menai, Budgewoi, Matraville, St Marys, Turvey Park and Blackheath. We are working to provide upgraded facilities, such as washrooms, training areas, mess rooms as well as female change and locker rooms. Honourable members will be aware that the prevailing drought conditions mean that the official start to the bushfire danger period has been brought forward from 1 October for 32 local government areas around the State. Landowners and managers have been working with our fire services to conduct as much hazard reduction as is possible, weather permitting, throughout the winter. Despite the dry conditions, there has been enough rain in many areas of the State to frustrate any planned hazard reduction burns, although it is important to remember that this work can be done also by manual clearing, grazing and slashing, and we remain committed to this work.

The continuing commitment of our volunteer firefighters has been recognised in this year's Rural Fire Fighting Fund, which has been set at an unprecedented \$168 million, a 20 per cent increase on last year. This includes \$34.1 million for more than 260 bushfire tankers and \$51.7 million in brigades equipment, maintenance and operating costs. I am sure the Rural Fire Service [RFS] volunteers will welcome a major investment of \$10 million for new and upgraded brigade stations around the State. This will significantly improve the day-to-day training and operating conditions for thousands of our volunteers. Another \$3.4 million will be spent on personal protective equipment for the volunteers, such as overalls, helmets, boots, gloves and goggles. Again, the total funding for the Rural Fire Service by this Government is almost \$1.3 billion, over the 12-year period of government.

The budget of the SES is—yes, you are right—another record, at \$41.6 million, making a total of \$314 million over 12 years. That includes \$2.4 million for upgraded communications and paging systems for SES volunteers; \$1.8 million to provide rescue equipment, including new hydraulic cutters for road crash rescue units; and \$800,000 to assist with the cost of purchasing emergency response vehicles for SES units around the State such as Maitland, Bombala, Braidwood, Sutherland, Kogarah, Penrith and Raymond Terrace. I point out that last year the SES received a 16 per cent increase in its budget. Again, this year's increase is built on that.

It is obvious that this year's budget is fitting and proper recognition of the vital role the State's emergency services play in our community. It is, if you like, a reflection of the community's view of our State Emergency Service by the Government allocating such a significant budget towards its work. It will help make our suburbs and towns safer, both in cities and regional areas. Better funding for the emergency services means better protection for everyone in the community. I am sure members would agree that this is a fine record indeed.

CHAIR: We will go to Opposition questions.

The Hon. DUNCAN GAY: Last Sunday I was at home—having a rare day at home—and the phone rang. It was a fundraising group for the Rural Fire Service Association. I told them that I was not interested, because I certainly had it in my mind when that group tried to say they defame me in press releases it put out when I was the shadow Minister. However, many people in the community would not see the difference, when canvassed for a donation, between the Rural Fire Service Association and the Rural Fire Service. I spoke to some of my local captains and other people and they told me they had had trouble raising funds locally because people have given money to that colder canvassing over the phone thinking they would help on their local unit. Minister, do you share my concerns? If you do, what can you do about this?

The Hon. TONY KELLY: The Rural Fire Service Association is an association of the volunteers and they fundraise for their own purposes. They were some complaints a couple of years ago that I was aware of. When I investigated they made it quite clear that they did identify themselves as the Rural Fire Service Association. Of the money that they raise, and the commissioner might be able to add to this, as far as I know, particularly in the past two years, they have given out \$800,000 in grants, about half of that each year for two years. The grants were to various brigades around the State.

The majority of that money ended up going to the brigades in any case. It has a grants system and calls for applications from the brigades and then allocates that money. I am aware of quite a

number of the gates that now have a share of that money which was in the order of \$800,000. The commissioner may be able to elucidate.

Mr KOPERBERG: It is true that every year the Rural Fire Service Association [RFSA] solicits requests from Brigades throughout New South Wales to make submissions for funding for ancillary improvements to stations or what have you. Every brigade in New South Wales is entitled to put forward a bid. As the Minister has already said, some \$800,000 has been expended by the RFSA in the past couple of years in meeting those grounds.

They also have a scholarship scheme where successful applicants are given a scholarship for tertiary learning and so on. They have established a benevolent fund which enables income for injured firefighters or firefighters whose families are in financial trouble for some legitimate reason, to have their income augmented. It is true that people who are cold canvassed are often confused with the RFSA and the RFS. However, the RFSA is an incorporated body and its association is registered as a charity. We have regular dialogue with the RFSA to ensure a couple of things: first, to have them clearly enunciate the fact that they are not Rural Fire Service, but that they are the association—

The Hon. DUNCAN GAY: That did not happen in any time in my phone call. I identified the difference only because I was aware of the nuance, because I was the former shadow Minister in that area. I ask you and the Minister would not be better to allow the Rural Fire Service to do that, so that the total amount collected is able to go back to the brigades and the personnel? What percentage of money that is collected in this way stays with the RFSA?

Mr KOPERBERG: To answer the first part of your question, I do not think it is the department's role to be out cold canvassing for funds. Given the size of the budget provided to the service by this Government, which more than adequately meets the day-to-day needs—

The Hon. DUNCAN GAY: In that case the RFSA does not need to cold canvass to put money back to brigades.

Mr KOPERBERG: It does. Like any egg industry body, the Fire authorities throughout Australia have a peak body as well representing them. It is known as the Australasian Fire Authorities Council. That council raises money through various means to support its members in their particular endeavours. The Rural Fire Service Association is no different from the South Australian Volunteer Firefighters Association for the Volunteer Association within the CFA in Victoria or any other State or Territory in Australia. They raise money in their own right to augment the activities of their members and their brigades. They are a representative body. They represent individuals and brigades collectively in a whole range of areas. It is a coincidence, if you wish, that the name has some similarity. But, contrary to some observation—

The Hon. DUNCAN GAY: It is more than a coincidence. It becomes a problem if they do not alert that it is a different identity.

Mr KOPERBERG: It is an issue we raise with them on a regular basis.

The Hon. DUNCAN GAY: Would you do it again?

Mr KOPERBERG: We are aware that the cold canvassing is done by engaged contractors, call centres if you like. We meet regularly with the executive of the RFSA and seek an assurance from them on a regular basis that the type of canvassing that is done does not suggest to the potential donor that it is to raise money for urgently needed equipment and, secondly, to distinguish between the Rural Fire Service and the Rural Fire Service Association, and not to engage in tactics which would in any way intimidate a potential donor. The executive, I have to say, has been responsive to this. I have been privy on a number of occasions to them making contact with their contractors or the canvassing company and stressing the points that you make, Mr Gay, very strongly. Nevertheless your point is taken and we will continue to pursue the RFSA to ensure those distinctions are made.

The Hon. DUNCAN GAY: You may recall that I made the same point last year. It was just very bad timing on their behalf that they canvassed me last weekend.

Mr KOPERBERG: I will advise them, when this hearing is over, to not canvass you in the future.

The Hon. TONY KELLY: At least, not before the estimates hearings.

Mr KOPERBERG: You could leave your donation with me, Mr Gay, before we finish.

The Hon. DUNCAN GAY: No. Minister, there has been concerns on asbestos at Holsworthy Army Base in the area used for training by your emergency services. What testing has been undertaken of staff? How many tests have gone out? Have family members also been offered tests?

The Hon. TONY KELLY: Let me go into the history of that. I have previously assured the Committee that the first priority of the Government and NSW Fire Brigades since the discovery of asbestos on the training facility at Holsworthy has been the health and wellbeing of firefighters and others who worked on or visited that site. A detailed health and welfare program was quickly introduced, including a 1800 information line for those people who had been on the site. NSW Fire Brigades and the Australian Defence Force [ADF], which owns the site, have commissioned a range of independent scientific testing of asbestos levels of the Holsworthy training site. A report prepared for the ADF concludes:

Exposures for personnel involved with the types of activities at the USAR site ... are immeasurably small and cannot be distinguished from background concentrations of airborne asbestos as found in suburban environments.

As a measure of ultimate caution, I understand further testing is being carried out during the remediation works; in other words, whilst they are removing material from the site they are currently testing it as well. NSW Fire Brigades worked closely with NSW Health and other health and emergency service agencies to prepare a detailed health management plan. NSW Health advised:

We are of the view that there is unlikely to have been any health implications for individuals off-site. In terms of persons involved with activities on the site it could generally be concluded that any health risk would be low.

For those who used protective equipment or did not spend frequent and/or prolonged periods involved in dust generating activities the risk is likely to be negligible.

NSW Health further advised that it might be appropriate for individuals who had been on the site to consult doctors to further define their likely level of exposure, to discuss the nature of the risk involved, and to determine whether any further health management was needed. NSW Fire Brigades also consulted UnionsNSW and the Fire Brigade Employees Union. I am advised that an agreement was reached early last month—on 4 August—on a four-point plan for ongoing asbestos screening for all past and present NSW Fire Brigades firefighters. I understand that screening will be universal, voluntary, at the cost of the employer, and available on an ongoing basis.

The New South Wales Dust Diseases Board, which will be the preferred body for this screening, will determine the appropriateness and need for any ongoing screening and the assessment of individuals. I have been advised that each agency whose staff visited the site is making its own health screening and management arrangements for its personnel, at no cost to employees. As I said, throughout this matter the Government's first priority has been the health and wellbeing of those who have been on the site. That will not change.

The Hon. DUNCAN GAY: Commissioner Koperberg, I guess the key part of the fire season is the period from January through to March or April because of the strong winds and the heat. There has been some conjecture that you are considering standing for State politics. Can you rule out that you are considering standing for and contesting the next State election?

The Hon. TONY KELLY: Madam Chair, that is not an appropriate question.

The Hon. CHRISTINE ROBERTSON: Point of order: This question does not relate to the Minister's portfolio or to the budget estimates process. Quite often questions are asked that extend past particular budget issues and into the Minister's portfolio, but this has nothing whatsoever to do with the Minister's portfolio. I do not care whether or not he stands for election.

The Hon. TONY KELLY: The first part of the question of the honourable member's question was wrong, as that period is not necessarily the worst part of the fire season. The second part of the honourable member's question is out of order. Something that might have been in order had he bothered to ask it is: For how long does the commissioner's contract go? I can tell honourable members that it is for five years. The Government recently renewed it.

CHAIR: Order! This matter would appear to be outside the scope of budget estimates. I therefore rule that the question is out of order. The Hon. Duncan Gay may continue.

The Hon. DUNCAN GAY: Commissioner, what has been the operating cost in the past financial year of the RFS air wing?

Mr KOPERBERG: The wing consists of two wings.

[Interruption]

CHAIR: Order! Hansard will not be able to understand if everyone talks at once. Only one person must speak at a time.

Mr KOPERBERG: The wing consists of two wings—one attached to either side of our only aeroplane. That aeroplane, which is leased, is used principally for scanning and observation. It contains one of only four multi-spectral scanners that are available in the world, which is capable of scanning the entire spectrum of light and is an invaluable asset in gaining intelligence on fires and transmitting it through various means back to fire managers. It is also periodically used for transporting personnel when no commercial alternatives are available.

All the other aircraft within the range of aircraft available to the Rural Fire Service are contracted specifically for the fire season. They comprise helicopters in a couple of categories—medium and heavy—and quite a large selection of fixed-wing aircraft, predominantly agricultural-type aircraft such as crop dusters, both on a contractual basis nationally through the Federal scheme and, in some cases, a separate contract for New South Wales and other States. Those aircraft are used exclusively for water bombing and related tasks. I will have to take on notice that part of the member's question relating to costs, as those figures are not readily available to me.

The Hon. TONY KELLY: Roughly speaking, Federal Government funding of \$5.5 million is provided right across Australia. New South Wales gets a share of that. In this coming fire season we will have a heavy sky cone helicopter, which some people like to call Elvis, and a bell helicopter to support the heavy helicopter and two medium-capacity helicopters. In addition, more than 100 operators are on a list with about 150 aircraft that are basically on call, if you like. In addition, there is assistance from the National Parks and Wildlife Service, State Forests, fire brigades and police helicopters. So there are a number of planes other than those on the contract.

The Hon. DUNCAN GAY: Thank you, commissioner, for undertaking to provide me with that material. I am looking at full fuel costs, leasing costs and maintenance costs not only for your aircraft but also for the others that you lease. Following your comments that the single aircraft is sometimes used for travel, will you reveal the dates, trip origins and destinations on the occasions that you have used the aircraft?

Mr KOPERBERG: I am happy to do that but I will have to take the question on notice. I also seek clarification on the information that the Hon. Duncan Gay is seeking relating to the operating costs of the aircraft as I have described them. All those aircraft, save the one on lease to us, are contract-owned aircraft. We pay the contractors, so we are not across the issue of how much fuel they put in, or how much they spend on maintenance and what have you because we do not maintain or fuel the aircraft.

The Hon. DUNCAN GAY: What would be the total figure?

Mr KOPERBERG: The total figure that we paid to contractors in the last fire season?

The Hon. DUNCAN GAY: Yes.

Mr KOPERBERG: I again emphasise that the one fixed-wing aircraft, which is on semi-permanent lease to the service, is used only for transportation purposes if there are no commercial alternatives available for the distances, locations and what have you required of it. In all other cases we seek to use commercial alternatives.

The Hon. DUNCAN GAY: Minister, are you aware that the Hon. Ian Macdonald likes to fly and charter aircraft? Can you tell us how often you have used this aircraft for travel?

The Hon. TONY KELLY: I will have to take that question on notice. As has been said, I travel on planes quite often. In fact, only about a fortnight ago I think I had nine flights in one week, and every single one of them was on Qantaslink or AirLink. Probably 90 per cent of my flights are commercial flights. The percentage might be even larger than that. But I will certainly take that question on notice and get the information you require. I just wish I did not have to fly so much.

The Hon. DUNCAN GAY: When you are ascertaining that information can you also find out the number of flights that other RFS personnel used, and who they were? How many of them used that aircraft when you or the commissioner was not on board? Can you also indicate what percentage and number of flights undertaken by this aircraft in the past year were aerial surveillance flights over fire zones?

The Hon. TONY KELLY: It is important to remember that this plane looks at fuel loads so it does not operate just when there is a fire.

The Hon. DUNCAN GAY: Commissioner, there was a racecourse fire in the Cessnock region in 2002 that I assume you are aware of. I have some questions relating to that fire. When crews, including trainees, travel in RFS vehicles for either training or call-outs to fires is it RFS policy to know who is on particular vehicles when they leave brigade headquarters?

Mr KOPERBERG: Generally speaking, it is. One has to bear in mind that until 1997 the day-to-day management of brigades and many of the administrative and operational requirements were determined by 142 different local government areas, and the criteria varied significantly from local government area to local government area. In some areas there was a requirement for strict adherence to certain protocols, in other areas there was less stringency and in other areas still there was none.

The Hon. DUNCAN GAY: So what was the situation there?

Mr KOPERBERG: We are introducing progressively a range of requirements. But we are also very conscious of the fact that we do not want to make it too onerous on volunteers, who already have the heavy burden of carrying out a range of activities from fire suppression and fire prevention activities to community education, prescribed burning and so on and so forth. Our operational criteria require that a log be maintained of personnel going to fires. It does not always follow that every person going to that fire is necessarily transported in the first instance in either a personnel carrier or a fire tanker. But we require the names of all personnel attending a fire to be logged. Therefore, by extension, those people boarding a particular vehicle en route to a fire are required to be recorded.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Minister, you have said previously that you are working towards fire-safe cigarettes for Australia. I noticed that Minister Ruddock made some negative comments about fire-safe cigarettes that seemed to echo the tobacco industry line. What progress is being made, and are we going to get fire-safe cigarettes in New South Wales and Australia?

The Hon. TONY KELLY: I must say at the outset that I hope we will. The introduction of reduced fire risk [RFR] cigarettes remains a pressing fire safety issue for this country. This is a simple but effective fire prevention measure that can potentially save lives, millions of dollars in property damage and emergency services' time and resources. Reduced fire risk cigarettes are designed to be self-extinguishing rather than to keep burning. Their great benefit is that this makes them less likely to spark a fire if dropped.

Fires in the home often start because someone falls asleep in a lounge chair or in bed while smoking a cigarette, which keeps burning and starts a fire. There is less of a propensity for that to occur with reduced fire risk cigarettes. The other obvious problem is people who continually throw cigarettes out of their car window. Even now I see it happen about once a week in Sydney as I am driving around. I hope that everyone else does what I do and rings the number for the Department of Environment and Conservation to do in people who throw lit cigarettes out of their cars.

In March 2005 the Augmented Australian Police Ministers Council supported my submission that Australia should follow the example set in America and Canada and develop a national fire safety standard for cigarettes. Requiring all cigarettes manufactured or imported for sale in Australia to meet this standard would have the effect of reducing a major cause of fires in homes and bushland. I am pleased to be able to report to members that significant progress is being made towards achieving this goal. It was unanimously agreed that we move towards establishing a standard.

A committee of key stakeholders has been established to work on the new standard. This body includes representatives of the Australasian Fire Authorities Council; Standards Australia; the Fire Protection Association of Australia; the Australian Consumers Association; CSIRO; Insurance Council of Australia; NSW Health; Ferntec, a testing laboratory; British American Tobacco; Phillip Morris; Imperial Tobacco and the University of Sydney.

The committee has supported a NSW Fire Brigades recommendation that Australia adopt the cigarette fire safety standard currently being used in New York and recently adopted in both Canada and California. An Australian Standard has now been drafted in line with the international standard, with some minor variations. The details of the requirements of this standard would then be set out in legislation and regulations. So we are almost there. The reason that this is such a vital public safety issue is apparent in some alarming statistics.

In Australia cigarettes are known to be responsible for around 4,500 fires annually, but the figure is probably much higher—they are the fires that we know were started by cigarettes. Cigarettes are also one of the leading causes of fires resulting in death. The National Coroners Information System shows that 63 people died in fires directly attributed to cigarettes in Australia between 2000 and 2005.

The early figures from America are encouraging. In New York State deaths associated with smoking-related fires dropped from 20 to 11 in the first six months of the standard's implementation. Obviously longer-term evaluations will need to be carried out. A study by the august research institution Harvard University indicated that these cigarettes were "less prone to ignite fires" and concluded that "other states and nations should adopt similar standards." I am proud to say that we are now well advanced down that track.

I want to stress again that there is no such thing as a fire-safe cigarette. Neither I nor any of my ministerial colleagues would encourage people to smoke. However, the reality is that people do continue to smoke and cigarettes can cause fires that can result in deaths, injury and major property damage and endanger the safety of the firefighters who respond to these emergencies. There is no valid reason why these cigarettes should not be made mandatory in Australia to boost the safety of the community and the nation's firefighters. I should point out that I flew over the Junee fires last year and it was pretty obvious from the way that the blackened area streaks out from beside the highway that in many cases the fires were caused by someone throwing a lit cigarette out of a car window.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: If the Federal Minister does not support this proposed standard will you still be able to get it through?

The Hon. TONY KELLY: That is the problem. It has great potential to save lives and I see no reason to argue against that. However, an article appeared only this week by Simon Chapman, professor of public health at the University of Sydney and editor of the *Tobacco Control Journal* of the *British Medical Journal*. He wrote that Australia's fire chiefs and all State emergency services Ministers called unanimously for the cigarettes to be introduced and for legislation to be fast tracked. He continued:

Standards Australia has now released for public comment a draft standard largely mirroring the New York model. Philip Ruddock, the federal minister at the table, has been the lone dissenter, issuing a press release hosing down the urgency and calling for more research.

In late August this year he took the trouble to correct a Sydney Morning Herald report which said he supported the standard, saying instead he supported preventing tobacco-caused fire deaths, which is code for education instead of legislation.

Our concern as Ministers is that this legislation has to be introduced federally because it covers not only cigarettes produced in Australia but cigarettes that are imported. The article continued:

In an apparent lock-step, British American Tobacco and Ruddock have both publicly questioned whether [the] cigarettes might "encourage irresponsible disposal" through smokers believing they cannot start fires.

And therefore they throw them out the car window. Such like comments or arguments were once used in relation to seat belts and crash helmets. Interest groups said that drivers would throw caution to the wind and drive faster and think they were invincible because they have on a seat belt.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: In the history of work against tobacco generally, suing the industry seems to have done more good than waiting for governments to legislate. If cigarettes are known to cause so many fires why has Emergency Services not issued a law suit against tobacco companies for contributory negligence?

The Hon. TONY KELLY: That is a difficult question. I understand court cases are going on in America at the moment. The Government will continue to battle on with this question.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: You will not issue any law suits even though you know cigarettes cause fires?

The Hon. TONY KELLY: We have another Emergency Services Ministers meeting on 17 November and now that the standard is ready I will be put it on the table. I will ask the Federal Government to introduce legislation by a specific time. If that fails, I will have to look at what happens after. The Fire commissioner might have additional comments.

Mr MULLINS: When the legislation was brought in New York State the first six months of experience was a 48 per cent reduction in fire deaths. We are awaiting the figures for the second year. We have close links with the National Fire Protection Association in the United States of America. Statisticians will tell us that the sample size was too small but it was an immediate and dramatic reduction. Other States of America are following suit. The standard sets the test method but the difficulty may be, looking at the United States experience, that the tobacco lobby will try to prevent us establishing a test standard.

While we have the test method we then have to have a standard. All of the fire services in Australia have agreed that the test standard should be the same as in Canada and the United States. That needs to be placed in legislation. I know at the second last augmented police Ministers council Minister Kelly spoke very strongly on this matter and there was unanimous agreement that we needed a standard. Hopefully all of those State and Territory Ministers and the Federal Minister will support placing this into legislation because the fire chiefs know that this is going to save lives—it is a no-brainer to us.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Is there aerobic fitness testing of volunteer Fire Brigade members? Some years ago I tested the aerobic fitness of employees of Sydney Water. They were very fit if something like the Waterfall train disaster happened. The question was raised about aerobic fitness of volunteers. Indeed, I sent a protocol in the early 1990s. Does that happen?

Mr KOPERBERG: Were it not for the fact that I would be certain to fail, I would probably give thought to introducing it. No, it is evolutionary inasmuch as the prospect of ensuring that our fire fighters do not confront situations which will place undue burden on them from a health point of view is foremost in our thinking at the moment. We need to be careful of all the privacy issues. For arguments sake, there is a reluctance on the part of many—and we are dealing with a very varied constituency of more than 70,000 people—to disclose their known illnesses so we can tailor their

particular tasks to ensure that their wellbeing is not compromised. There are a number of activities, not the least being overseas deployment for which fitness tests are required.

The Committee will be interested to know that currently New South Wales and other States and Territories have personnel from both the New South Wales Fire Brigades, the Rural Fire Service, National Parks and Wildlife Service, and State Forests deployed in active fire fighting in the United States of America. The third contingent is going to leave on Monday and the people involved are required to pass very stringent physical tests. But across the board we are still dealing with the health and fitness of our 70,000 fire fighters and are slowly evolving toward a system whereby we can tailor their activities so as not to put them in jeopardy. I would suggest that the sort of testing you are talking about, whilst highly desirable, is still some distance off, given the nature of the service and the range of issues that we have to deal with.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: I sent a protocol to some people in the Blue Mountains more than 12 years ago. How quickly is it evolving? It seems slow.

Mr KOPERBERG: There is no-one-size-fits-all solution. You will have a range of people who will simply be somewhat reticent about doing that. They will declare their own fitness and it is largely a matter for them to determine how fit they are. We are blessed with having 70,000 volunteers and approximately 53,000 of them are fire fighters. We ask them to take particular note of any health issues they might have and declare them so that they are not put at jeopardy. Enforcing an exercise or fitness regime upon them for what in some cases is very occasional work—many brigade members may not see fire from one month to another—will adversely impact on our capacity to retain their services.

It is an evolutionary process but so are so many other things within the Rural Fire Services—reporting on fires attended, for arguments sake, attending training courses and a whole range of management issues. We have come a long way with them whereas a mere 15 or 20 years ago there was none of that. We have to have regard to the social issues within our constituency and introduce these things as they become acceptable.

Mr IAN COHEN: My question is addressed to the State Emergency Services. In relation to Mr Anderson's statements in relation to the increase of financial support for SES, would you detail the level of equipment and training to deal with nuclear and chemical situations which are very specific?

The Hon. TONY KELLY: That is probably more appropriate to the Commissioner for Fire Brigades because that is HAZMAT.

Mr MULLINS: We call that CBR—chemical, biological, radiological. NSW Fire Brigades is actually at the forefront in Australia and internationally in developing capabilities and procedures that deal with terrorism—

Mr IAN COHEN: I was really talking about nuclear issues. Obviously there is potential for terrorist activities but nuclear in terms of transport and also the Australian Nuclear Science and Technology Organisation [ANSTO] facility, for example, and associated problems, and the transport of chemicals in cases of road accidents.

The Hon. TONY KELLY: I will provide an answer on Australian Nuclear Science and Technology Organisation [ANSTO]. The State Emergency Management Committee [SEMC] conducted a review of the emergency management arrangements for the Lucas Heights ANSTO facility less than two years ago. While the existing emergency management arrangements were found to be appropriate, the SEMC recommended additional safety measures for the protection of the surrounding community. The first change was a result of a review by NSW Health of the policy on the distribution of stable iodine tablets to people who could be potentially affected in the unlikely event of a radiation leak. Stable iodine is administered to help combat the effects of exposure to radiation, particularly in the thyroid.

My colleague, the Minister for Health, would be able to provide additional detail but NSW Health has now adopted the World Health Organisation standard in terms of radiation levels for the administration of iodine to children and adolescents up to 18 years of age and women who are either

pregnant or breastfeeding. The second measure implemented was increasing the designated evacuation zone from the boundary of the ANSTO facility from 2.5 kilometres to three kilometres. Thirdly, plans have been prepared for a staged evacuation process, if required. The previous strategy of advising people to stay indoors to shelter from any radiation is now proposed to be replaced by these three additional safety measures.

To ensure these plans can be rapidly implemented, a working group comprising national and State agencies was established, under the chair of the NSW Fire Brigades. This working group has revised current State capabilities, as well as policies and procedures, including the national standards for exposed dose rates and categories of workers. It has also participated in an ANSTO exercise to determine relevant control lines. Last November the State Emergency Management Committee formally endorsed the State Lucas Heights Emergency Sub Plan and the Georges River District Lucas Heights Emergency Evacuation Plan.

The operational response to the unlikely scenario of a release of radiation from the research reactor with off-site consequences would be controlled at State level by the State Emergency Operations Controller. This would allow for the rapid deployment of all appropriate State services and resources should they be necessary. These additional measures have been put in place for the protection of the community around Lucas Heights in the event of any incident with implications beyond its boundary.

I now turn to the role of NSW Fire Brigades. NSW Fire Brigades is well equipped for its role in responding to any incident at Lucas Heights. In light of the ongoing scourge of global terrorism, the New South Wales Government has continually and consistently reviewed and improved its counter terrorism arrangements. Significant funding has been provided to enhance the brigades' counter terrorism preparedness. Much of this new and upgraded resources, training and equipment would be equally beneficial in the case of any incident at Lucas Heights.

So the counter-terrorism equipment would also be beneficial if there was an incident at Lucas Heights that is not related to terrorism. This includes the purchase of new equipment and additional training to deal with chemical, biological or radiological attacks. In fact, four Brigades firefighters attended highly specialised and extensive chemical, biological and radiological training in Canada last year, with another officer attending this month.

Five thousand firefighters have been trained in basic chemical biological and radiological response, with refresher training ongoing. All 338 fire stations across New South Wales have self-contained breathing apparatus, chemical protective suits and decontamination equipment, with gas detectors currently being issued to all stations. Specialist heavy Hazmat units are based at Sydney, Newcastle and Wollongong to provide specialised support and decontamination services. Officers at the four fire stations surrounding Lucas Heights have received refresher training in radiation, along with radiation detection and exposure monitoring equipment. Officers at these stations also been involved in joint operational exercises conducted at the ANSTO facility since September 2005.

The objective of these joint exercises is to test and reinforce operational readiness and requirements should there be an incident within the facility. All Fire Brigades personnel required to enter the hot zone at any incident involving radioactive materials carry personal radiation detector equipment. The standard response procedure for any incident at ANSTO also includes the attendance of the Fire Brigades scientific officer and specialist hazardous materials equipment.

Since April this year, NSW Fire Brigades has further enhanced its Sydney Hazmat resource capability with a new heavy Hazmat station with radiation capability established at Alexandria; 18 firefighters trained to Hazmat technician level, including training from the ANSTO facility experts; and a new Hazmat Technical Service Centre at Greenacre to supply resources to manage Hazmat incidents. The response to any incident at Lucas Heights would be co-ordinated at the highest Federal and State levels, involving security, police, health and emergency services experts. Plans are constantly revised in response to changing conditions, including the threat of terrorism.

The NSW Fire Brigades response is clearly set out in the ANSTO "Response Plan for Accidents and Incidents at the Australian Nuclear Science and Technology Organisation/Lucas Heights Science and Technology Centre". In relation to the point about transport, presumably of

waste, regardless of where it is going, the 338 fire stations across New South Wales have been equipped with breathing apparatus, and there are specialist Hazmat units throughout the State.

Mr IAN COHEN: Obviously, one of the major causes of fire—I do not have the figures, but perhaps you do—is arson, both by members of the general community and also by persons within firefighting services. What are the most effective measures that you have been able to undertake to deal with those problems, both within the general community and within the services, and how effective have those measures been?

The Hon. TONY KELLY: Both commissioners might have a view on this question, because I think you are talking generally.

Mr IAN COHEN: I am.

The Hon. TONY KELLY: Commissioner Mullins might like to go first.

Mr IAN COHEN: And there might be a political perspective in terms of the effectiveness of the judicial response.

The Hon. TONY KELLY: Before I ask Commissioner Mullins to respond, I might say the smoke alarm legislation that we introduced last year has seen a significant drop in the number of deaths resulting from fires. I cannot say for certain it is for this or other reasons, but it certainly appears that the publicity we gave to installing smoke alarms last year is starting to bear fruit. If my memory serves me correctly, there were 14 deaths in a very short period in winter last year, equating to about 5 this year, I think 3 of which were self-induced. But, taking the figures of 14 and 5, it is a significant reduction in the number of deaths. I know that a number of people who have been rescued from or come out of fires have done so because the smoke alarm went off. Commissioner Mullins might have some further comments.

Mr MULLINS: In relation to arson, our fire investigation unit works very closely with police on all forms of fire cause determination. We have an accelerant detector dog, which is very effective. We have identified, through data collected over many years, that there are a number of categories of arson, the two major ones being criminal activities, which is mainly the area that police look at, and juvenile fire-setting.

In terms of juvenile fire-setting, we have in conjunction with the Department of Juvenile Justice a program under which fire officers meet with the children and talk to them about the consequences of fires, because often the children simply do not understand what can happen and act out of curiosity at certain ages, particularly the boys. At these meetings officers try to help the children understand what the consequences could be to them personally, their families, friends, schools and so on. This program is proving to be very effective in reducing the number of reoffenders. There is a lot of work going on in that regard.

In terms of criminal investigations, we work very closely with the police. Committee members will be aware of the tragic incident at Daceyville in which a person lost his life. A joint operation of the police forensic services group and the Fire Brigades fire investigation unit, in which our accelerant-detecting dog was prominent, led to the arrest of a person. So there is a lot going on behind the scenes that people are not aware of. Where the cause and origin are not readily able to be determined by the fire officers on scene, specialist resources are sent to the scene from Police and Fire Brigades working as a team.

CHAIR: We will now go to Government members for questions.

The Hon. TONY KELLY: Commissioner Koperberg may have some comments, Madam Chair.

Mr KOPERBERG: Just very briefly, Madam Chair. A not dissimilar situation prevails within the Rural Fire Service. We also work in schools. We are developing a very sophisticated investigative mechanism to help us identify cause and origin of fire. In some cases, of course, the fires

become the subject of a coronial inquiry, and we are able to give sophisticated evidence to inquiries at that level.

The member raised the issue of incidence of arson within fire services. This is a world-wide syndrome. Fortunately, the level of arson perpetrated by members of fire services around the world is of very small order. But it does happen. We cannot always determine the motivation for a new member joining. We have now introduced probationary periods, during which time new members are kept under very close scrutiny to ensure that they have joined a brigade for the right reasons and that they are not particularly attracted by a range of fire-related activities and so forth.

Although statistics are hard to gather, there is every reason to believe that the incidence of arson-related bushfires is decreasing from a high of two or three years ago, if not a little longer, of perhaps as high as 70 per cent or 60 per cent to probably somewhere under 50 per cent in more recent times. The campaigns, although they are not definitive in their capacity to eliminate, are certainly beginning to have an impact. They, too, will continue to evolve in their efficiency.

The Hon. CHRISTINE ROBERTSON: Will the Minister inform the Committee on work being undertaken to ensure firefighters' safety when using fire trails?

The Hon. TONY KELLY: The bushfire season is now upon us throughout much of the State. As I said earlier, 32 councils are bringing forward their bushfire season from 1 October. Landowners and managers are working with our fire services to complete as much of the bushfire mitigation work as possible. It is not only includes hazard reduction burning, which has been somewhat limited by the scattered winter rains and winds, but also other works, such as clearing and maintaining the network of fire trails that are fundamental to our fire management strategies. These fire trails are vital. They enable our firefighters to access a series of blazes quickly and safely.

As well as providing firefighters and tankers with access to remote areas, forest and bushland, they can also be used to form containment lines and fire breaks during firefighting operations. It is pleasing to be able to report to the Committee that more than \$3.45 million in funding has been allocated for essential fire trail works around New South Wales under this year's bushfire mitigation program. The program is designed specifically to enhance the construction and maintenance of fire trail networks so that they are readily accessible to firefighters to upgrade signage and to avoid confusion for fire crews.

The residents, farmers and firefighters of this State deserve the best protection from the threat of bushfire, and this program is ensuring that bushfire trials are in peak condition. The program, funded dollar for dollar by the State and Federal governments, is an important initiative that highlights the value of all levels of government and land managers all working together to try to reduce the risk of bushfire. This year the New South Wales Government and the Commonwealth has each contributed more than \$1.6 million to this important work. It is up to \$3.2 million.

Although this year's works program for our State originally had been funded at \$2.8 million, I welcome the Commonwealth's additional investment of more than \$240,000 in extra funding to ensure that additional safety works can be carried out on New South Wales fire trails. This funding has been matched by the New South Wales Government, and local government is contributing another \$126,000, taking the total funding for maintenance of these fire trails to \$3.45 million this year. This year's funding builds on the \$2.6 million spent in the 2004-5 year, which was the first year of the program.

The Government is strongly committed to reducing the risk to the community from bushfires. We have adopted a co-ordinated and cohesive approach to bushfire management. The Bushfire Mitigation Program complements our existing risk management activities. This year's funding is being used to support almost 330 projects from a range of local government and State land management agencies, such as the Department of Environment and Conservation, and State Forests. This work will involve the construction or maintenance of 2,242 kilometres of the State's network of fire trails, tracks and roads, and also improved signage. Obviously, this work will take place in some of our most spectacular bushland areas, such as the Blue Mountains, where work will be carried out on the Chester Road, Bell Perimeter and Mount View trails. Around the Snowy Mountains scheduled works include

the Cowambat Flat, Cascades, Snowgum, Red Bank, Mount Ikes and Mount Clear fire trails, with new signs are to be mounted on five trails.

Extensive maintenance will be carried out on more than 320 kilometres of trails in the heavily forested areas around Lithgow, Sunny Corner, Burruga and Oberon. I take this opportunity to thank the members of our land management agencies and the two services for their hard work on hazard reduction and fire trails. Our firefighters work tirelessly during the bushfire season, and then back up through the cooler months to carry out important preparation work for the next bushfire season. For the sake of their safety and wellbeing, I am pleased to see that the second round of funding is being used to construct and improve fire trails. I look forward to the successful completion of this year's planned works and the continuation of the Bushfire Mitigation Program in years to come. Initially it is a three-year program. It is in its second year.

The Hon. HENRY TSANG: I remember that, during my term as deputy mayor of Sydney, our sister city, Nagoya, sent some firemen to the New South Wales Fire Brigades for training. They were very impressed with our men and women, particularly our women in uniform. Will the Minister advise the Committee on further moves to share New South Wales firefighting expertise with other countries?

The Hon. TONY KELLY: When you started to say how well they looked, I thought you might have watched *Two and a Half Men* on television last night, in which the firemen turned up and stole the girlfriends of the two blokes inside where the fire was. Some 25 New South Wales firefighters have been deployed to the United States of America in the past month to manage fires in north-western states such as Idaho, Montana and Washington State. Another five will depart next week. The firefighters are part of three deployments sent in response to requests for help from the United States fire authorities as they battle a severe forest fire season. The first deployment, which left in early August, included 11 personnel from New South Wales as part of a force of 50 from around Australia and New Zealand.

The New South Wales crew comprised five Rural Fire Service offices, three from the National Parks and Wildlife Service two from Forests New South Wales and one from the New South Wales Fire Brigades. The personnel came from all around State, including Hawkesbury, Wingecarribee, the Central Coast, Hornsby, Hastings, Jindabyne, Merimbula, Batemans Bay and Maitland. Most of this deployment will return on 18 September. The second deployment, which departed last month, comprised 44 personnel from Australia and New Zealand. The 14 from New South Wales included four from the Rural Fire Service, three from State Forests, six from And National Parks and one from the Fire Brigades. The third deployment, including four New South Wales firefighters, will leave on for the United States of America on Monday, 11 September, for a six-week period.

The Hon. CHRISTINE ROBERTSON: That is unfortunate.

The Hon. TONY KELLY: It is a terrible time to go. Two Rural Fire Service officers and one each from National Parks and State Forests will join another eight personnel from other Australian and New Zealand agencies.

The Hon. DUNCAN GAY: Why are they going over there in winter?

The Hon. TONY KELLY: Because that is where their fires are.

Mr KOPERBERG: They are having a very late season. Even now they are having something in the order of 70 large additional fires reported on a daily basis. The fire season is extending well beyond their traditional summer.

CHAIR: Global warming.

The Hon. TONY KELLY: The Chair is not supposed to answer my questions. It is a source of great pride that New South Wales firefighters are recognised as among the best fire managers in the world. These deployments represented the fourth mission to America, following earlier trips by New South Wales crews in 2000, 2002 and 2004. New South Wales firefighters form part of an interagency

team that has developed a reputation for providing the highest level of fire management at home in Australia and New Zealand, and on previous commitments to the USA.

Commissioner Koperberg advises me that the USA requested support in the form of incident managers, divisional supervisors and aviation specialists from our firefighting and land management agencies to fight forest fires affecting several States. We have provided highly skilled firefighters with experience in managing firefighting personnel through divisional command, planning a containment strategies, logistical organisation and aircraft management. Most of them have headed to the National Interagency Fire Centre in Boise, Idaho. The United States of America has expressed its appreciation for our support, and our firefighters' efforts on the fire lines and in aviation during this record-setting fire season in its north-western States.

Extreme conditions continue to prevail, with no relief in sight in local forecasting. These deployments have had the additional benefit of exercising the skills of our firefighters in the lead-up to the forthcoming New South Wales fire season and of providing the opportunity to share knowledge and experience with their colleagues in the United States of America. I wish all our firefighters well in their overseas work and look forward to welcoming them home in the near future.

The Hon. HENRY TSANG: Minister, on their return, will you issue them with the Overseas Service Medal, or a citation?

The Hon. TONY KELLY: I think it is appropriate that I consider that because I think they have done a great service.

The Hon. HENRY TSANG: And there is a Commissioner's Citation.

Mr KOPERBERG: We have the capacity to recognise that sort of service in a number of ways and have in fact a process for identifying exemplary service and recognising it. It is not beyond the bounds of possibility that those people who are serving overseas in that capacity would be recognised. They will be recognised in one way or another: just precisely how, we have not decided.

The Hon. CHRISTINE ROBERTSON: Recognising that our fire services are very exciting, I think that your particular portfolio of Emergency Services has other emergency services that are really important to this State. Can you advise the Committee of any measures to help to protect the community from the impact of natural disasters, such as floods, storms and bushfires?

The Hon. TONY KELLY: I am pleased that I have been asked a question relating to the State Emergency Service [SES]. Just last month I had the pleasure of officially opening the new \$930,000 State Emergency Service 24-hour emergency call centre at its State headquarters in Wollongong. I had the opportunity to take the first call from the NSW Police to test the new communications system, and I am pleased that that was successful. The new operational communications centre is a major advance for the service, as is its ability to respond to calls for help from the community rapidly, efficiently and safely. The centre is designed to improve response times and to help to minimise the loss of life and property during natural disasters and other emergencies.

A new facility such as this is good news also in a regional centre because it has created 18 new jobs for the Illawarra community. These staff, who have all been trained in taking emergency calls and assisting the public, will be rostered to provide a service around the clock, that is, 24 hours a day, seven days a week. One of the great benefits of this centre is the assistance it will provide to volunteers in units around the State by helping to ease the load during a major emergency in their local area. It will take overflow calls. As Committee members would be aware, a severe storm or a flood can generate many hundreds of calls for help, or even just for information, for the local SES unit. Correct me if I am wrong, but I think that over 1,000 calls were received during storms in the last 24 to 48 hours just in Sydney.

Mr McNAMARA: That is correct.

The Hon. TONY KELLY: Calls inevitably bank up, and volunteers are tied up answering the phone, rather than getting the truck out onto the road. This situation has now been better handled through the managed diversion of these calls to the new communications centre. This will free up

volunteers from answering the phone and allow them to concentrate on organising the response operation and getting out the door to help people who are in need. The centre will also be able to help to co-ordinate the response to these large-scale emergencies in which a number of units from the local district, and even other areas of the State or interstate, may be called upon to help the affected community. So the centre also has a co-ordination role.

The communications centre's other major role is to take emergency calls from the police to seek help in rescuing victims trapped in road crashes or other perilous situations, and then to rapidly dispatch the appropriate local SES unit to assist. Our State Emergency Service has 91 units around the State, particularly in rural and regional areas, whose members are accredited in road crash rescue. We have more than 91 units, but 91 units are accredited to the road crash rescues. These volunteers respond to hundreds of serious motor vehicle crashes.

I think we have 231 SES units throughout the State, but 91 of those, particularly in rural and regional areas, are those that are accredited to do road crash rescues. These volunteers respond to many hundreds of serious motor vehicle accidents every year, often working in terrible weather and traumatic conditions to rescue people who are trapped in wreckage. This new communications centre not only will allow a faster and more reliable activation of rescue units, but also will improve communication links between the NSW Police and the SES and provide better reporting mechanisms in relation to these incidents.

The State Government is pleased to support the State Emergency Service with the development of that new facility, which is a significant investment in the safety of residents around our State. We have a steadfast commitment to providing our volunteers with the funding, equipment, accommodation and training that they need to continue to support their local communities. Today we see further concrete evidence of this. As you will recall, I said that we have had a significant increase over last year's budget—approximately 16 per cent. The initial funding for this project was provided in last year's budget, with additional funding in this year's record budget of \$41.6 million. I take this opportunity to again thank the SES volunteers. My notes say that there are 10,000 volunteers, but I am reliably informed that the number is 10,041.

Mr McNAMARA: It is 10,302.

The Hon. TONY KELLY: So there have been almost 500 new volunteers in the SES over the last 12 months. I take this opportunity, as I said, to thank our 10,302 volunteers for their tireless work and commitment to protecting and assisting their local communities. I also acknowledge the volunteers' families and employers, without whose help they would be unable to provide this valuable community service.

As honourable members are aware, volunteers undertake a lot of training in their own time. While they are doing training or attending an incident, it means that they are not spending time with their families. The people of this State know that they can always depend on those volunteers, particularly in Orange, whether the task is filling sandbags or evacuating residents who are stranded by rapidly rising floodwaters, installing tarps over roofs during storms, freeing a road accident victim, or assisting the police in search and rescue operations. The SES can be relied upon to come in and help those in need.

I also thank a number of sponsors of the SES. Part of the reason that the SES has had an increase in its number of volunteers may be because of the efforts of some parts of the media who have been doing a wonderful job of sponsorship by encouraging people to join the SES and by understanding what volunteers do. Those members of the media should be thanked because there is a great partnership between the media and the SES. The new communications centre has been established to ensure that the process from emergency to assistance is as streamlined as possible. I am confident that it will prove to be of tremendous value to the volunteers and to our communities alike.

The Hon. CHRISTINE ROBERTSON: Minister, will you inform the Committee of the State Government's involvement in the evacuation of Australian citizens from Lebanon? Minister, I draw to your attention that the time allowed for Government questions is short.

The Hon. HENRY TSANG: This is a serious question.

The Hon. TONY KELLY: The conflict in the Middle East in recent times has taken a terrible toll and has caused immense distress to both sides of the Lebanon-Israel border. The intervention of the United Nations-brokered ceasefire on 14 August was a welcome advance. As Committee members would be aware, many Australian nationals who were visiting or living in Lebanon were among the innocent civilians who were caught in the midst of the fighting. With the Beirut International Airport closed and damage to major highways and infrastructure making travel extremely difficult, the Australian Government was called upon to co-ordinate the evacuation of more than 5,200 Australians from Lebanon.

While some of the evacuees were moved by bus, a series of ships was hired to evacuate most of these Australian citizens from Cyprus and Turkey. Almost 4,500 people were evacuated on flights to Australia, with the last arriving on Saturday 5 August. Emergency Management Australia reports that this was an unprecedented and complex operation. It has been said to have been the largest evacuation of Australians in peacetime. By comparison, I understand that fewer than 2,000 Australians were repatriated following the Boxing Day tsunami.

While the Australian Embassy, consular officials and Department of Foreign Affairs and Trade and defence personnel were on the ground to co-ordinate the evacuation from Lebanon, the operation did not end there: It was a long, arduous and often traumatic experience for those who were evacuated, many of whom had left family and friends behind and fled with only their passports, other papers and vital positions.

There was a large-scale operation by New South Wales and Commonwealth agencies handling the personnel when they arrived at Sydney airport. This was a large-scale operation in itself, with the reception arrangements co-ordinated in Sydney by the State Emergency Management Committee, of which John Anderson is the Chair. The agencies on hand to help included NSW Health, the Department Of Community Services and other welfare agencies, Centrelink, the Australian Customs Service, the Department of Immigration and Multicultural Affairs and the Australian Quarantine and Inspection Service.

More than 4,520 people had arrived at Sydney airport on 15 flights. Of those, 785 were given varying levels of assistance, including more than 350 who were provided with temporary accommodation. New South Wales agencies developed fact sheet for distribution to the evacuees containing information about State and Federal contacts and information on mental health issues. I congratulate all the State and Commonwealth agencies that have been involved in organising and carrying out this major response operation across the globe.

CHAIR: We will now go to Opposition questions.

The Hon. DUNCAN GAY: Commissioner Koperberg, I turn again to the so-called racecourse fire near Cessnock on 19 October 2002. You would be aware that was subject to a coronial inquiry. Commissioner, were you in the area at the time? If so, what were you doing there?

Mr KOPERBERG: Without referring to my records I cannot tell you precisely what day I was there, but yes, I did visit the area. I drove ultimately to the Cessnock control centre as my staff and firefighters would expect me to do from time to time when there is a major crisis. En route to that centre I traversed that particular road where a deceased person was found in a motor vehicle. I spent a little time talking to police and firefighters at the scene before proceeding to the control centre. If my recollection serves me correctly I would not have been in the area for any more than a few hours. I recall driving from Sydney and then driving back to Sydney on that occasion.

The Hon. DUNCAN GAY: Do you recall if it was the day of the fire?

Mr KOPERBERG: It was the day of the fire, yes, but that fire ran over several days, as you would recall

The Hon. DUNCAN GAY: Was the car still there at the scene when you saw the police at the scene, which you indicated earlier?

Mr KOPERBERG: The car in which the deceased person was found was to the side of the road. I declined an invitation by police to inspect it at closer quarters and went about the business of visiting firefighters and my staff.

The Hon. DUNCAN GAY: What is Ken Hepplewhite's position with in the RFS?

Mr KOPERBERG: Kenneth Hepplewhite is an inspector within the Port Stephens district. I am not quite sure whether he is in learning and development or mitigation. He is of inspector rank.

The Hon. DUNCAN GAY: What was his role in the investigation of the racecourse fire at Cessnock?

Mr KOPERBERG: My understanding is that Mr Hepplewhite is a qualified fire investigator. He would have been part of an investigative team if he had an involvement. Again, I would have to check on that, through you Madam Chair. I have no memory of precisely who investigated that fire, nor would you expect me to have. If he was involved it would have been as part of the investigative team, I expect.

The Hon. DUNCAN GAY: You were there?

Mr KOPERBERG: I was there for a couple of hours. The investigation would have been ongoing, it may well have taken several days if not longer. As you rightly pointed out to the Committee, that incident was the subject of a coronial inquiry, to which evidence by the service was submitted.

The Hon. DUNCAN GAY: Did Ken Hepplewhite ever express to you his concern that there had been a cover-up by the RFS of the origin of the racecourse fire?

Mr KOPERBERG: I have no recollection of Ken Hepplewhite expressing that view. There is a person residing within that area who, in a very public way, has expressed that view in a somewhat irrational manner. That person was given the opportunity to submit his beliefs to the coronial inquiry and the Coroner took on board what was asserted. He subsequently dismissed those assertions, but I assure the Committee that the Rural Fire Service is not in the business of covering up the cause and origin of the fire: quite the contrary. It is very pragmatic in its investigative approach to determine cause and origin. A lot had been speculated on as to the cause and that was very speculative and proved to have no foundation in the view of the Coroner, who was, in our view, the final arbiter on this matter.

The Hon. DUNCAN GAY: You may or may not be aware of an ICAC document, in which Inspector Hepplewhite told the ICAC, "There may have been a cover-up, but he was not part of it." Also he reported his suspicions to the police. Commissioner, given those comments from Ken Hepplewhite, one of your inspectors, do you believe that there should be an independent judicial inquiry into whether RFS volunteers acted inappropriately on that day?

Mr KOPERBERG: I am pleased to say there was. You can have no more independent judicial inquiry than that conducted by the Coroner. The Coroner did indeed conduct an exhaustive inquiry into the events surrounding that fire. He drew a number of conclusions, none of which included any suggestion of inappropriate behaviour on the part of the Rural Fire Service members.

The Hon. DUNCAN GAY: Do you view with concern the comments from one of your inspectors that indicated that there may have been a cover-up?

Mr KOPERBERG: Firstly, I do not precisely understand what is meant by a cover-up. A cover-up of what? It was a very large fire, we would have had difficulty covering that up. If it was a cover-up or an alleged cover-up of the cause and origin, that was thoroughly examined by the Coroner. The assertions of inappropriate behaviour related to the quite ludicrous suggestions that a number of brigade members who, on the morning the fire started, were engaged in a training exercise, and may have in fact started the fire. That matter was thoroughly explored by those police and the Coroner. As I said, it was an exhaustive review of the proceedings that took place on that day.

Notwithstanding the speculation on these sorts of matters, we subscribe very strongly to the judicial process. We are transparent. We submit, warts and all, the circumstances surrounding any incident to the Coroner or any other jurisdiction. As I said, if there is any suggestion of any inappropriate behaviour by either members of the staff or volunteer firefighters there was ample opportunity for that to be investigated and aired, or aired and investigated, by the Coroner. Views were put to the Coroner and, as I said, the Coroner conducted an appropriate level of inquiry into those circumstances and found no evidence of any cover-up or wrongdoing or inappropriate behaviour. For us to conduct another inquiry would be to suggest that the Coroner's inquiry was inadequate. We are certainly not about to suggest that to the Coroner.

The Hon. DUNCAN GAY: How many trainees who were present on that day were issued clothing and personal protective equipment that morning after joining and signing-up on the day of the training and ending-up at that exercise, which became a full-blown fire?

Mr KOPERBERG: Through you, Madam Chair, I do not know that. I would have to take that on notice. I will refer it to the district.

The Hon. DUNCAN GAY: Would you be concerned if there were any?

Mr KOPERBERG: As I have said to you, in the past we lived with the legacy of a number of policies that we are trying to make more cohesive and generic.

The Hon. DUNCAN GAY: What does that mean?

Mr KOPERBERG: It simply means that in the past some 142 separate local authorities had a range of views on recruitment, training, and what have you. It is a very large organisation and it is only more latterly that we have had the opportunity to introduce generic standards. We did not have that luxury whilst local government managed and ran 142 separate fire services in this State. Some of the recruitment and training practices and what have you are the legacies that we now deal with. But, as I said, we have moved very rapidly to make them more standard, global and generic. It may well have been that, in the past, members joining on a particular day were issued with some sort of equipment the following day to enable them to engage in training.

We would not contemplate accepting volunteers into our ranks and then expect them to train without being properly equipped to carry out that training. In fact, that would endanger them. Had they become members they would be issued with protective clothing. Probationary members are so equipped during the course of their training. To do otherwise would be to compromise their wellbeing. So, no, I would not be surprised if that were the case.

The Hon. DUNCAN GAY: Commissioner, given your view that you professionalised the services, you do not know the names of the people who were on the trucks. In fact, at least one person gave sworn evidence that, having signed up, he or she had received a uniform that morning and he or she climbed straight on a truck and was then involved in an exercise. In fact, the young firefighter, a 16-year-old, gave evidence to the coronial inquiry that he or she received overalls and boots only minutes after signing up that morning and was then involved in a fire. We were told that the fire was severe and that someone died and subsequently there was a coronial inquiry. Do you understand that there would be concern about your management of the service, and I use that term in its broadest sense, if that had been allowed to happen?

The Hon. TONY KELLY: This is an evolving service. As the commissioner pointed out, to a large degree the Rural Fire Service was operated by local government organisations. I was a general manager and had two fire control officers who tried to answer both to me and to regional fire officers. As the honourable member well knows, it is an evolving service. Twenty or 30 years ago if there was a fire at someone's home people would pour out of pubs in shorts and thongs, get a wet bag and try to fight the fire. We have moved on a long way since then. Because of the massive budgets that this Government has given the Rural Fire Service over the last decade—

The Hon. DUNCAN GAY: So it is okay?

The Hon. TONY KELLY: I said that the Rural Fire Service is an evolving service; the honourable member should let me answer the question. We have gone from a budget of \$50 million to \$168 million in that period and the service is now much better trained and equipped than it ever was a decade ago. Our Rural Fire Service is evolving and it has moved on. It is now a combined service operated by the Rural Fire Service, not as it was in 2002—the period about which the honourable member was talking. In that time local government largely operated it.

Mr KOPERBERG: I did not respond to the Hon. Duncan Gay's question by saying I do not know. I said that I would have to take the question on notice and I would have to refer it to the district. I would be very surprised if someone walked into a brigade station at 10.00 o'clock in the morning and said, "I would like to join", was given a pair of overalls, boots and a hard hat at 10.05 a.m., was on a fire truck at 10.12 a.m. and at the fire ground at 10.15 a.m. If that were that to happen, and I suspect that it did not, I would be concerned.

The Hon. RICK COLLESS: I think the fire started at about 10.38 a.m., so it might have been 20 minutes later. That is what happened.

Mr KOPERBERG: In today's management regime it would not be acceptable, permissible or, I would suggest, possible for some stranger to walk in off the street and say, "I would like to join", and he or she was told, "Here are your pre-measured overalls and hat. We happen to have a pair of boots exactly your size. There is the fire truck, hop on." That simply does not happen. I somehow doubt that it happened in 2002. I doubt that the circumstances are exactly as may have been suggested.

I would suggest it is more likely that these people had been members of the brigade, or had been accepted into the brigade, and this was part of their training regime. What gives weight to that suggestion is the fact that we do not run clothing shops and people coming in off the street are not measured for protective equipment and what have you. It does not necessarily follow that we can go to rack, pick them off the rack and equip them. But I will have the matter investigated and report back to the Committee.

The Hon. RICK COLLESS: Commissioner, talking again about how the fire started, on that day did the fire start in the vicinity of where two RFS tankers had moved to commence that training exercise?

Mr KOPERBERG: I do not recall exactly what the Coroner concluded about the exact geographic location. To my understanding it was called the racecourse fire because it started in that general area. If my memory serves correctly, there was a brigade training exercise. Madam Chair, I am curious to understand why it is being suggested, first, that there may have been a cover up, and second, that there is some attempt to attribute the cause of this fire to volunteer firefighters when the Coroner of New South Wales conducted an exhaustive inquiry and suggested that there is no evidence to support those contentions.

The Hon. DUNCAN GAY: The commissioner asked the Chair a question. I suspect that he indirectly asked Opposition members that question. He does not recall, but one of his inspectors indicated to the Independent Commission Against Corruption, that there might have been a cover up. That is why we quite rightly asked you, commissioner, whether you would take that matter seriously and whether you would investigate it. You should not ask us why we are asking about a cover up when one of your senior people indicated there was a cover up.

Mr KOPERBERG: I already indicated to the Committee that it would be inappropriate for the Rural Fire Service to instigate an independent judicial inquiry into an event that had already been the subject of an independent judicial inquiry. We accept the Coroner's findings, as we do in all such circumstances. Invariably, we accept any recommendations and implement any recommendations arising from a coronial or other inquiry. In this case I am not au fait with the statement to the Independent Commission Against Corruption. I will certainly follow it up and acquaint myself with what has been asserted by Inspector Hepplewhite, make the necessary inquiries and, as I suggested to the Hon. Duncan Gay earlier during these proceedings, I will report back to the Committee.

The Hon. DUNCAN GAY: Commissioner, you indicated that there was a full judicial inquiry. The Coroner's findings related to the death of a person in the car. Not all the facts relating to

the other incident were revealed. The Coroner gave an open finding and there is an ongoing police inquiry. Given those circumstances and the information that has been revealed tonight at this estimates committee hearing, why do you continue to stonewall and indicate that you will not undertake any investigation yourself, or support a proper judicial inquiry?

Mr KOPERBERG: I did not say that. I said that I would not support an independent judicial inquiry on the basis that one has taken place. I also informed the Hon. Duncan Gay that I would make inquiries in relation to the assertions contained in the document from which the Hon. Duncan Gay is reading and report back to the Committee. I also indicated to the Hon. Duncan Gay that if one person, or more people, arrived on the morning of the fire, was able to gain access immediately to brigade membership and be fully equipped with PPE and then find himself or herself on the training ground and a few minutes later on the fire ground, that would be a matter of concern. I have no vivid recollection as to who was on that truck. Without making the necessary inquiries, which I will do, I would not know who was on that truck any more than I would know who is on the hundreds of trucks that respond to thousands of fires every year.

The Hon. DUNCAN GAY: Thank you, Commissioner. My next question is for Commissioner Mullins. Have the retained staff levels at Penrith station been reduced and, if so, by how many?

Mr MULLINS: The answer is yes. There were two retained firefighters attached to Penrith brigade. They recently accepted voluntary redundancy packages. That is my best information. I should check that as I think one person might be waiting on the figures for the redundancy package. But that is the situation at this stage to the best of my knowledge.

The Hon. DUNCAN GAY: Has one of the trucks from Penrith station been warehoused at Warragamba station?

Mr MULLINS: Yes, it has been relocated from Penrith fire brigade to Warragamba fire brigade. The rationale behind that is that the Penrith area has grown to a large extent in recent years. There were formerly three New South Wales Fire Brigades fire stations in the Penrith district. We have since built new fire stations at Cranebrook and Regentville, upgraded Dunheved fire station to permanent staffing and put a water tanker at that station. So the resources there have doubled, with about 63 additional staff in that city. As to Rural Fire Service resources in that area, there are 21 bush fire tankers in the Penrith district alone. We then looked at Warragamba, which had one fire engine and a rural fire brigade, I think, at Silverdale or Wallacia. So we are upgrading the resources at Warragamba.

The Hon. DUNCAN GAY: Is there a directive that that truck not be used?

Mr MULLINS: There is no crew for that truck at present so it cannot be used at Penrith.

Mr IAN COHEN: What training programs have been run for the purpose of education in community fire units, which were recognised in legislation last year? How much training has been provided to these units in sustainable fire regimes and environmental considerations when they are to perform duties such as hazard reduction?

The Hon. TONY KELLY: Thank you very much for that question, which is the first about community fire units [CFUs]. I will give a brief overview and then ask the Commissioner to outline the specific training. I think, as you obviously do, that community fire units are a valuable resource. Since 1994 New South Wales Fire Brigades have helped residents in our bushland communities to play an active role in supporting our firefighters and protecting homes during bushfires.

The community fire units are groups of residents who are trained by New South Wales Fire Brigades and equipped with basic firefighting equipment, including pumps, hoses and protective clothing such as overalls, helmets and boots. Some of them are fixed units behind a group of houses. They are on the bushland-urban interface, between the urban areas of the city and sometimes the country and the bush. They are sometimes a fixed unit, costing about \$15,000 each, and sometimes a trailer that is operated, both of which are built in New South Wales Department of Corrective Services prisons.

We have known for some time the vital role that residents play in helping firefighters protect their homes. The CFU members can help their local community prepare their properties in advance of fires and assist with bushland regeneration work in their aftermath. The units do a particularly good job in that the training they receive educates members to protect their homes against fire, which obviously then helps to educate other members of the community. I think there are now something like 5,000 CFU members in Sydney and around country New South Wales. I have been to a number of units in places such as Albury, Queanbeyan and Tweed. Importantly, the members' work means that trained firefighters from our urban and rural fire services can concentrate on attacking the main source of the fire, in the knowledge that homes are being monitored for spot fires and ember attack.

The CFU program was last year given recognition in legislation, which both Houses of Parliament supported. The program has been a great success. At the end of June 318 units had been established, with more than 5,700 committed community members. More than \$5.8 million has been allocated to establishing these community fire units in those bushland neighbourhoods over 12 years. Fire brigade officers carefully assess applications to establish new CFUs against the fire risk in the area to ensure that resources are provided to those areas that are in greatest need.

In the wake of the tragic 2003 bushfires, New South Wales Fire Brigades has also helped the Australian Capital Territory fire brigade to establish and implement its own CFU units. The Government is committed to the success of this worthwhile program, allocating more than \$2 million to establish new units and to maintain existing structures over the next year. The Commissioner might enlighten you about the specific training that members receive. As I mentioned, they are also involved in regenerating bushland after a fire.

Mr MULLINS: Thank you, Minister. In terms of regeneration, we encourage the CFU volunteers—and we are heading towards 6,000; there are now 5,700 or more—not to carry out bush regeneration off their own bat. We do not provide training to them but we do encourage them to join registered bush care groups, council regeneration groups et cetera so that they learn the proper skills. New South Wales Fire Brigades is not in a position to provide them with those skills.

We do not want to unwittingly have a situation where well-meaning volunteers actually harm the bushland. We want to make sure that the natural environment recovers well after a fire, and the best people to do that are generally the council regeneration groups and some conservation groups. What we have found is that because we now have organised groups of people they have joined en masse a registered bush care group, which we think is a very positive outcome.

Mr IAN COHEN: You cited a figure of \$2 million. How much of that has been spent.

The Hon. TONY KELLY: We have only just started. That is this year's budget, starting 1 July.

Mr IAN COHEN: As Minister, do you support the change from wholesale vegetation clearing to house design and building material selection as part of effective fire protection measures?

The Hon. TONY KELLY: This is an ongoing debate. There are those in the community who suggest that there should be no hazard reduction in preparation for fires and there are those who would like us to have a scorched earth policy, and just burn everything that moves. Obviously there has to be a balance. New South Wales Fire Brigades, and the Rural Fire Service in particular, has a system of conducting risk management and asset protection and trying to ensure that hazard reduction is done in a strategic manner. They do only what is necessary in order to support and protect assets strategically. For example, rather than burning out an entire national park in case it catches fire, they do it around the edges.

Mr IAN COHEN: How about the nature of the asset itself? If there is going to be building in fire-prone areas is there consideration of the nature of the building materials, the design of the house, meshing and such like?

The Hon. TONY KELLY: The Commissioner might add to this, but there is now legislation—about which there are often complaints, but it is in force—to ensure that people cannot

build close to bushland areas. There must be a fire protection zone between the dwelling and the bushland, depending particularly upon the sort of building. For example, if it is an old people's home there are obviously greater fire protection zones. Every building and development application in the State—I will see whether I have the statistics while the Commissioner is responding—for about four years has to be ticked off by the Rural Fire Service before the council approves that building to ensure adequate fire protection from the urban interface. In other words, they will not allow them to build those buildings unless they are an adequate distance away.

Mr IAN COHEN: I put it to you that in certain circumstances developers actually use those fire clearance mitigation measures to clear bush that otherwise would not be able to be impacted upon. In part of your answer Commissioner Koperberg would you provide some indication of whether there is a recognition of the inappropriateness of fire protection regimes, say, in the sandstone forests in Sydney and the Blue Mountains where it is highly flammable? And also the recognition of the different ecosystems and regimes, such as in rainforests, in northern New South Wales? Has that differentiation been made? Will we get appropriate measures for particular circumstances?

Mr KOPERBERG: Yes, indeed. There has been a great deal of work done in attempting to more clearly define various risk types. The document "Planning for Bushfire Protection" is in the process of undergoing an extensive review through probably the most consultative process in which we have ever been engaged with all of the so-called stakeholders having had the opportunity over a considerable period of time to put their views to the review process. As the Minister said, we get views from both ends of the spectrum.

But the issue of risk constituted by certain vegetation types, certain aspects, fire history for arguments sake, what an asset protection zone should look like, should it be varied in a range of circumstances, how can properties be better protected against various fire regimes by better design by the use of bleeding materials, by selective clearing, et cetera are all integral to the process of developing a range of guidelines under the document that I just mentioned. I suggest to you that since 2002 some 35,000 applications have been dealt with by the Rural Fire Services. In so dealing with them we can assume, to one extent or another, that at least 35,000 structures are better protected than they would have been had they not been subjected to this rigorous regime of risk evaluation, design criteria and so forth.

The Committee might be interested to know that the Co-operative Research Centre which is a Commonwealth/State joint initiative to undertake probably the most far-reach research into the effect of fire and across a regime of society endeavours and what have you, is becoming very sophisticated in its delivery of research as to the very types of things that you mention. The results of that research will continue to be incorporated in our policy development mechanisms. The short answer to your question is "yes".

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: There are environmental house designs but are there fire ratings for properties? How widespread are they? Is there a plan to make it universal in all properties?

CHAIR: Country or metropolitan?

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Country. Do you want to take the question on notice?

The Hon. TONY KELLY: Yes.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Have you improved the monitoring of toxic substances from fires? I refer you to my questioning of people at the inquiry after the Greenwich oil spin where there was no monitoring in real time. Has there been an improvement in the monitoring of toxic substances and the ability to notify residents of air pollution or toxic substances in the air after an incident?

The Hon. TONY KELLY: I will take that question notice. I am sure NSW Fire Brigades has a detailed answer for you because we fund it fairly well.

CHAIR: I want to put a question that was raised with me by representatives of the Fire Brigades Union on notice in relation to the safety of recycled effluent or industrial waste being used as water to fight fires, given the possibility that fire fighters might ingest it.

The Hon. TONY KELLY: I will take that question on notice. I will also include what water the NSW Rural Fire Service uses when it fights fires.

(The witnesses withdrew)

The Committee proceeded to deliberate.