

GENERAL PURPOSE STANDING COMMITTEE No. 5

Monday 25 June 2001

Examination of proposed expenditure for the portfolio areas

ENVIRONMENT AND EMERGENCY SERVICES

The Committee met at 8.00 p.m.

MEMBERS

The Hon. R. S. L. Jones (Chair)

The Hon. Jan Burnswoods
The Hon. Janelle Saffin
The Hon. Amanda Fazio

The Hon. D. F. Moppett
The Hon. J. F. Ryan
The Hon. M. I. Jones

PRESENT

The Hon. R. J. Debus, *Minister for the Environment, Minister for Emergency Services and Minister Assisting the Premier on the Arts*

Emergency Services

Mr H. Howard, *Director-General, State Emergency Service*

Mr P. Koperberg, *Commissioner, New South Wales Rural Fire Service*

Mr I. MacDougall, *Commissioner, New South Wales Fire Brigades*

Environment Protection Authority

Ms L. Corbyn, *Director-General*

Mr A. Ramsey, *Executive Director, Finance and Administration*

Mr B. Watt, *Manager, Services*

National Parks and Wildlife Services

Mr B. Gilligan, *Director-General*

Mr A. Diakos, *Director, Corporate Services*

Waste Service New South Wales

Mr R. Grimwade, *Manager Director*

Mr R. Moran, *Manager, Finance*

This is a privileged document published by the Authority of the Committee under the provisions of Section 4 (2) of the Parliamentary Papers (Supplementary Provisions) Act 1975.

CHAIR: I welcome you to this public hearing of General Purpose Standing Committee No. 5, which will examine the proposed expenditure for the portfolio areas of the Environment and Emergency Services. Before questions commence some procedural matters must be dealt with. Paragraph 4 of the resolution referring the budget estimates to the Committee requires evidence to be heard in public. The Committee has previously resolved to authorise the media to broadcast sound and video excerpts of its public proceedings. Copies of the guidelines for broadcasting are available from the attendants. I point out that in accordance with the Legislative Council's guidelines for the broadcast of proceedings, only members of the Committee and witnesses may be filmed or recorded. People in the public gallery should not be the primary focus of any filming or photos. In reporting the proceedings of this Committee, you must take responsibility for what you publish or what interpretation you place on anything that is said before the Committee.

There is no provision for members to refer directly to their own staff while at the table. Witnesses, members and their staff are advised that any messages should be delivered through the attendant on duty or the Committee clerks. For the benefit of members and Hansard, would departmental officers please identify themselves by name, position and department or agency before answering each question referred to them. Where members are seeking information in relation to a particular aspect of a program or subprogram, it would be helpful if the program or subprogram were identified. The Committee has agreed to the following format for the hearing: approximately 30 minutes for Emergency Services, 45 minutes for the Environment and 45 minutes for the National Parks and Wildlife Service in that order. Will this cause any difficulty for you or your officers, Minister?

Mr DEBUS: All those arrangements are satisfactory to us.

CHAIR: As the lower House is sitting, could you advise whether you will need to attend divisions this evening?

Mr DEBUS: I would have to attend divisions if they were called. However, I am under the impression that it is unlikely that any will be called. If I were so asked, I have confidence that in my absence the various department heads could carry on perfectly adequately without me.

CHAIR: I declare the proposed expenditure open for examination. We will commence with questions from the Opposition.

The Hon. DOUG MOPPETT: Minister, has work commenced on the new Shellharbour fire station, referred to in Budget Paper No. 4, at page 44? Will it be finished on time and within budget, bearing in mind it was first announced in last year's budget?

Mr DEBUS: My information is that the Shellharbour fire station is part of the Illawarra program of fire station refurbishment, and construction will be completed at a cost of \$1.4 million in the coming financial year.

The Hon. DOUG MOPPETT: Last year it was estimated that the project would cost a total of \$900,000, and unless it is an error on my part I understand the budget papers indicate that this year \$1.9 million has been allocated for the project. Could you explain the discrepancy between the total estimated cost in the previous budget and the very much greater cost that has been allocated this year?

Mr DEBUS: Yes. Land prices went up.

The Hon. DOUG MOPPETT: Just the land prices?

Mr MacDOUGALL: The estimate turned out to be lower than we expected, firstly, because of the cost of purchasing the land and, secondly, with variations to the contract for construction. It is very difficult to anticipate a final outcome for one or the other. Sometimes it works the other way. With Shellharbour it was on the slightly higher side.

Mr DEBUS: However, it is also the case that since the last estimates that you mentioned were published, the brigades have added a breathing apparatus capacity to Shellharbour fire station. That is, the fire station has the added capacity to deal with the most intensive structure fires and industrial fires.

The Hon. DOUG MOPPETT: With reference to the purchase of 168 new fire engines for country New South Wales, can you advise where they will be based?

Mr MacDOUGALL: Not specifically down to the last of the 168. We have a pumper replacement methodology that is driven by a number of factors—in significant part, the number of incidents a particular country

station is handling per year. We analyse the statistics for each year and, as we come to the point of a replacement, the priority shifts a lot. Those with the greatest need get the pumpers before the others, obviously. I could provide a program, but it would change very significantly over a period of time because the number of incidents varies.

The Hon. DOUG MOPPETT: I think that would be valuable, if you would not mind taking it on notice. If we could get a list—bearing in mind the caveat that you have given that it may not be prescriptive. It certainly would be handy to know in general terms.

Mr DEBUS: Sure.

The Hon. DOUG MOPPETT: With reference to the allocation for the fixed-wing aircraft, as the funding is insufficient for a fire-fighting plane and too excessive for a spotter aircraft, can you explain what its duties are, its make and type, and whether it will be used as a senior staff private aircraft rather than a fire-fighting tool?

Mr KOPERBERG: The principal purpose of the aircraft when initially envisaged was to provide a multifaceted resource which would include detection and reconnaissance, as you might expect, as well as to undertake highly technical line scanning—which is another phrase for infrared photography—which is able to quickly map the State of New South Wales and, through that particular technology, detect where fires might be occurring. Finally, it was designed to undertake rapid transport for groups such as incident management teams that are required to be on site quickly to manage major incidents.

The aircraft has not yet been procured for a number of reasons, not the least of which is that when it was first envisaged there was a much more favourable Australian dollar when compared to the American dollar. All aircraft transactions worldwide are carried out in American dollars and, therefore, we are at some disadvantage. Another emerging factor has been that the private sector is now able to absorb most of the duties that we saw for the aircraft. We continue to examine the viability of it. The money became available during the current financial year and not before, and the whole proposition is subject to some advice from me to the Minister in the next few weeks.

The Hon. DOUG MOPPETT: So in the meantime charter aircraft might be called in to do as far as possible the job that you envisaged for the aircraft that was proposed to be purchased?

Mr KOPERBERG: Indeed, as has always been the case. Our initial proposal was largely based on the fact that we could not always obtain an aircraft from the aviation industry to carry out a range of specific functions. That has significantly changed since the initial proposal was put forward.

The Hon. DOUG MOPPETT: Can you outline what type of communication equipment is currently being used? Will it work in all terrains?

Mr DEBUS: We have reason to be quite pleased with the progress that the Rural Fire Service has made in establishing new communication systems. Commissioner Koperberg will give you some technical detail, but basically there are now three systems. There is the statewide strategic system that the Rural Fire Service uses for, as it were, high-level officers and incident commanders. There is the government radio network [GRN], which is used across much of the State. You will recall that the government radio network was first proposed after the famous 1993-94 bush fires. It took some years to develop but, frankly, there were some difficulties with it for emergency services. So far as I can see, the government radio network worked brilliantly for regular line agencies, but it was much more problematic when the Rural Fire Service tried to use it in an actual fire incident.

That is why the Rural Fire Service then developed what is called the private mobile radio system [PMR], which operates local government area by local government area and deals with fire ground communication, leaving the GRN to communication which is more about co-ordinating overall activity. The PMR system, which now exists in every local government area, is used on the fire ground and for communication tanker to tanker. For instance, it is very important because the PMR system is now so calibrated that a tanker-driver can move from one shire to another simply by turning a knob and getting onto a new frequency, and joining in with on-ground communication in that particular shire. That means that the Rural Fire Service has, in many respects, the best communications system in the State.

Mr KOPERBERG: It is as the Minister has explained. There is a fourth level, which is fire ground communications. That is a very high frequency [VHF] to allow adjacent fire-fighting units, when they are not on the road, to talk to one another. Our colleagues in the fire brigades, for argument's sake, have a similar system so that various agencies can talk to one another on the ground. As to the perfection of the signal, when Telstra can give you a mobile radio signal on Strathfield station, we can probably design the perfect system. There is no such thing of course. It is subject to atmospheric influence, which is a reality. When something might work perfectly one minute

in identical circumstances it will not work the next. But, as the Minister has explained, it is a comprehensive network—probably the most comprehensive in the State—and its failings will be subject only to technical malfunction or atmospheric or topographic conditions.

The Hon. MALCOLM JONES: Is that a 27 megahertz system?

Mr KOPERBERG: No, it is not. There are three systems in place. The strategic radio network, as the Minister alluded to, is an ultra high frequency [UHF] network. The UHF PMR, by definition, is also a UHF network, which is the one at the local level. I am not exactly sure what frequency the VHF is, but it is very high frequency as opposed to ultra high frequency. Finally, the GRN is also a UHF configuration, but I do not know the exact frequency on which it works.

The Hon. DOUG MOPPETT: Page 44 in Budget Paper No. 4 sets out programs including the Greater Sydney Area Strategic program, the Lower Hunter Strategic program and Redevelopment of No. 1 First Station, Sydney. All three programs show a significant blow out in costs to a variable percentage. Can you offer any information as to why those cost estimates have risen substantially in each case and in one case almost doubled?

Mr DEBUS: I would point out that the No. 1 fire station was built in the 1870s and for I think at least half its history somebody has been proposing to refurbish and renovate it. So we feel quite proud of the fact that that exercise is finally occurring, and occurring in a way that guarantees that the heritage value of that extraordinary building will be preserved. The project is to be substantially funded by the sale of land in Bathurst Street, which adjoins the Castlereagh Street site, and by the sale of so-called heritage floor space.

That is to say, we are able to sell—this was the arrangement reached with the city council, and a rather enlightened proposal from the city council—the rights to someone else to use the airspace that would otherwise have been used over the top of the station. I believe it is expected that we will get approximately \$4.5 million for that. You are asking why the price has gone up. Obviously, that is to do with the fact that the fire brigade has engaged in closer and closer planning and assessment of the costs of the work. Commissioner MacDougall will no doubt have a little more detail to give you.

Mr MacDOUGALL: The answer, in the case of each of the strategic programs, is that we have been subject—over a period from approval of the strategic program by the Minister and the funding therefor—to a time lapse of two to three years which is not unusual for a land acquisition, particularly in difficult circumstances in the west, north-west and south-west of the greater Sydney area. The time that elapsed from approval until the actual building, which encompasses about 50:50 in terms of land acquisition and then construction, results in very significant changes in real estate costs. In a macro sense it is much the same as the answer to your question about Shellharbour.

Without trying to find too easy an analogy, if you look at the real estate prices in the newspaper each weekend, in most cases they are fluctuating quite a lot and mostly, over a period of two or three years, have gone up. We are subject to the fact that those prices have gone up and we have to make adjustments for that. Similarly, over a period of two or three years, building costs have gone up, too. They are circumstances that really are beyond our control. We make our best estimate and we are assisted by competent authority in making an assessment of the cost of construction, but it is by and large beyond our control. We give it our best shot but we do not quite make it all the time.

Mr DEBUS: In other words, I do not believe it to be unusual. What you have is a change in project costs that flow out of changes in the cost of building materials and the price of land. In some areas also you have a redefinition of a project, as in the case of the Shellharbour matter we mentioned before to which actually a whole new capacity was added to the fire station.

The Hon. DOUG MOPPETT: Essentially, there is a submission made when it goes up for its first bid for Treasury funds and that is carried forward until finally you do receive an allocation. At that time you make a re-assessment of costs. What you are saying is that in each case this has resulted in a re-assessment upwards of costs.

Mr MacDOUGALL: That is right.

Mr DEBUS: Precisely so. It is the largest building program for the New South Wales Fire Brigade since the 1920s and since they put up all the very pleasant old fire stations around the inner city. I am told that they are older, so it is the largest one this century or for the last two centuries.

Mr KOPERBERG: It is the largest ever.

The Hon. MALCOLM JONES: During the Rural Fire Service inquiry, Commissioner Koperberg implemented a communications protocol to address issues which had arisen during the course of the inquiry. Recommendation No. 4 from General Purpose Standing Committee No. 5 was made as a result of an inquiry and it was recommended that the Rural Fire Service give consideration to expanding the program whereby the central committees meet from time to time in rural areas of New South Wales to facilitate the transparency of process and better communication with volunteers. Has that been implemented? Is there a measurable improvement in communications or, to put it another way, have communications problems reduced?

Mr DEBUS: I should say, first of all, that I think the upper House committee to which you refer actually decided that communications problems were not all that bad in the first place and that there had been a good deal of sound and fury from a few individuals. But, in any event, I believe that Commissioner Koperberg did follow through on that recommendation, as with many others.

The Hon. MALCOLM JONES: Notwithstanding your comments, that was a recommendation of the committee but it was during the course of the inquiry, or part way through the inquiry, that Commissioner Koperberg saw fit to implement the communications protocol.

Mr DEBUS: I have acknowledged that.

Mr KOPERBERG: It is a fact that prior to and during the course of the inquiry we recognised that managerial staff over whom we had no control—because of the nature of their employment being local government—were not as effective as perhaps they could be in communicating all relevant information to the volunteers. Hence the internal protocol was introduced. Since then that has been enhanced considerably in accordance with the committee's recommendations. There has been a revitalisation of the committee system to ensure that each of the State's existing eight regions are represented on all of the decision-making bodies, whether they refer to training, matters of a technical nature or matters of an administrative or communications nature. That has been completed. In addition we have continued to enhance our web site. Indeed, local authorities have been asked to contribute towards identifying the types of information that ought to be on that web site.

We have introduced a monthly newsletter—it is currently being produced more often than once a month because of some major changes we are undertaking. The peak body advising me on day-to-day management—the corporate executive group—now has two volunteers serving on it, and it is a committee of only 10, so the volunteers are well represented. We continue to work closely with the body that represents the volunteers, the Rural Fire Service Association, to the extent that we are able to offer them two full pages in our quarterly bulletin to convey to their members all information of a relevant nature. The level of concern about the extent to which we communicate has anecdotally fallen significantly. My recent visit to various parts of New South Wales west of the Great Dividing Range suggests to me that there is a high level of satisfaction in the manner in which most information is made available to volunteers and others.

The Hon. MALCOLM JONES: With heavy fuel loads building up, what instructions has the Rural Fire Service given to its volunteers regarding fuel reduction as a result of this past wet summer?

Mr DEBUS: I think it is again appropriate that Commissioner Koperberg should answer you in detail, but it is obviously the case that through the local bushfire committees, which have been supported by the Rural Fire Service and, indeed, by representatives of the Nature Conservation Council, we have systematically established fuel reduction programs. I think there are several phases in planning for these programs and I am not exactly certain whether the second final phase has been signed off in every case, although I know that we are close to it. The general instruction from the Rural Fire Service would be that its members should implement those plans as and when they are able; but, of course, they cannot avoid being affected by climatic conditions.

Mr KOPERBERG: It is probably also appropriate to acknowledge at this time that the Rural Fire Service, contrary to opinions held far and wide for many decades, is in fact not a land management agency, thus it has no statutory obligation to hazard-reduce its lands because it has none. This is the problem invariably of land managers such as the National Parks and Wildlife Service, State Forests and other land-management agencies. The Rural Fire Service is, however, the major contributor—not the sole contributor by any means—to resources to have this work done but it invariably does so on somebody else's behalf. It does so most often on behalf of, as the Minister has pointed out, local bushfire management committees which comprise all those with an interest in bushfire management, members of the community and others.

Whilst during the years of inclement weather the level of hazard reduction will obviously decrease as a result of various agencies—not only the Rural Fire Service—being unable to undertake that work, we are nevertheless

pleased to advise that in the past five years, about half of which have been affected by inclement weather, hazard reduction has been carried out over some 25,000 square kilometres of New South Wales. Some 15,000 kilometres of fire trails have been upgraded and maintained in the current financial year. Despite the fact that it has been a season of changing fortunes so far as rain or the lack of it is concerned, that is a good achievement. The instruction to the Rural Fire Service at all levels is that it is obviously to act as an agent on behalf of the committee of which I spoke and the Minister mentioned, and work closely with the land management authorities to maximise, whenever the opportunities present themselves, hazard reduction throughout the length and breadth of the State, on national parks and State forests and on lands either privately owned or controlled by local councils.

Mr DEBUS: I have now found the figure concerning the preparation of fire risk management plans by bushfire management committees. Eighty per cent of the bushfire management committees have had a draft bushfire plan approved for exhibition; 60 per cent have had their plan approved by the bushfire co-ordinating committee; and a very small number of local government areas will be assisted in the coming months by rather active intervention by the Rural Fire Service to complete their draft plans for exhibition.

The Hon. MALCOLM JONES: I refer once again to the report of the General Purpose Standing Committee No. 5 inquiry into the Rural Fire Service. Recommendation 1 (b) states:

The Committee views the actions of some property owners who fail to insure, or under-insure, their properties as unsatisfactory, and recommends to the Government that this matter be reviewed.

Has the Government reviewed this matter and, if so, what is the result of that revision?

Mr DEBUS: Our difficulty is that the implicit meaning of that recommendation is that we should establish compulsory insurance. For a number of fairly obvious reasons, that is just not possible; it is probably not reasonable to try. So it is hard to see exactly how we can effectively review that issue.

The Hon. MALCOLM JONES: You have not considered an education program on it; and you have not considered perhaps an encouragement through a reduction in stamp duties? If you are not prepared to make it compulsory—and I do not suggest that you do—from an encouragement point of view, have you not looked at those alternatives?

Mr DEBUS: The Rural Fire Service has several mechanisms for encouraging people to be responsible. It is probably easier to ask Commissioner Koperberg to explain how that works. In some places, obviously in small places, the Rural Fire Service, through an education campaign, can put some pressure on individual landowners. Through the program called Community Fire Guard some form of education can be undertaken. Perhaps Commissioner Koperberg could add to that.

Mr KOPERBERG: We have a program loosely referred to as Community Fire Guard, which is an education program. Part of that program is to motivate local communities to take an interest in the protection of their neighbours, their environment, and so on. A subprogram of that is what we call Fire Safe Towns. As part of that subprogram, we obviously alert communities, large and small, to the wisdom of ensuring that their properties are properly protected by insurance. However, we have failed to convince the insurance industry that it should provide particular incentives, as it might do with insurance against housebreaking and burglary, where there are clear incentives depending upon how many alarms you put in, how good your locking system is, and so on. I suspect that our failure to do so is based largely on the fact that losses from bushfires in the insurance parley are relatively small, and that it therefore does not require them. We did convince four million people to insure, but unfortunately they all went to HIH.

CHAIR: Were you advised how much the Rural Fire Service is spending on training Rural Fire Service personnel in the principles of ecologically sustainable bushfire management, including the amounts allocated to permanent Rural Fire Service staff and volunteer members of the bush fire brigades?

Mr DEBUS: I am not able to give you a precise figure. I deduce from your question that you are aware that training in the principles of ecologically sustainable development, and indeed more generally in responsible fuel reduction techniques, is increasingly required of fire control officers and will, at a certain point not too far in the future, become compulsory and part of the necessary requirement for their continued work in that area. If I may make this observation, the University of Western Sydney very recently awarded Commissioner Koperberg an honorary doctorate on the basis, in part, of the work he had done with the university in preparing courses for the training of fire control officers. Perhaps Commissioner Koperberg can tell us more, particularly about the amounts of money involved and the more specific aspects of the training that will be required.

Mr KOPERBERG: I cannot help the Committee with specific expenditure, but I can take the question on notice and do the best I can to provide you with that. However, in very broad terms, there is a very heavy emphasis on environmental awareness for a number of reasons, not the least of which is that the legislation requires it of us. As the Minister has indicated, we have recently developed a memorandum of understanding with the University of Western Sydney. The focus of that program is twofold: first, to do more research into the effects of fire of various intensities upon the environment; and, second, to continue the development of tertiary learning for fire managers and would-be fire managers. It is a fact that by 2005 all local managers will be required to have qualifications which hitherto they were not required to have, and part of that qualification is an appropriate level of skill in determining environmental considerations when carrying out their duties.

Mr DEBUS: Since those local managers will, in about four days time, be employees of the commissioner and not employees of local government, we can assure you that those requirements will actually be implemented.

CHAIR: There will be a few questions on notice.

Mr DEBUS: I regret that no member of the Committee asked a question of Major General Howard, who is attending his last estimates committee hearing. We wish him well in his soon-to-be-achieved retirement.

[Short adjournment]

CHAIR: Minister, why will Waste Service charges to local councils increase by more than 30 per cent in the coming financial year, given that local government rate increases have been capped to 2.8 per cent? How will the injection of funds to Treasury contribute to improve waste management outcomes?

Mr DEBUS: Solid waste charges have been adjusted from 1 July 2001 to \$15 per tonne to councils and \$13 to commercial customers, which represents a fairly significant increase. The reasons are that there have been substantial increases in the costs of site management, costs of fuel for transport and fees that have been paid to local councils. We need to address recommendations that are made by the Independent Pricing and Regulatory Tribunal on council pricing. The proper, but increasingly stringent, requirements for the rehabilitation of landfills have caused an increase in costs in that particular area. The host fees paid to councils used to be something that was less than clearly understood by many. I will ask Mr Grimwade to explain that matter in more detail. For instance, the agreement that has been made between the Waste Service and Sutherland council for the continued operation of the Lucas Heights landfill has actually involved the payment of \$8 million to Sutherland council in the financial year 2001-02 and up to \$30 million over a number of years.

The Hon. JOHN RYAN: That is a good Labor control of council!

Mr DEBUS: It is not an accident that we are doing a great deal to reduce the levels of landfill. I did not hear the interjection of the Hon. John Ryan, but he should bear in mind that local government is strongly campaigning to ensure that local communities gain some benefit from putting up with the lack of amenity that is associated with having a landfill in their area. That is why Sutherland council will get a heap of new sporting fields and other stringent environmental protection measures as part of the agreement for the continuation of the use of the Lucas Heights facility. A full half of the increased fees received by the Waste Service will actually be paid to Sutherland council. The fact is that it is the costs of creating landfill to hitherto unheard of levels of environmental responsibility and community responsiveness, plus a bit of GST and John Howard's fuel prices.

Mr GRIMWADE: As the Minister indicated, the principal reasons for the increase directly relate to significant changes in the way waste movements have occurred across the metropolitan area because of fuel pricing. That is a significant factor in the flow-on effect to our operating contracts. We are dealing with contracts that were established 10 to 15 years ago which had very stringent criteria and very limited availability to respond to unique changes within the marketplace. The other factor outlined by the Minister is the advent of host fees or community amenity fees. That is something new, and all indications are that that will be an ongoing issue for Waste Service and ultimately the community to consider in the cost of waste services. The challenge now is really to work with local government to establish a set of criteria by which realistic host fees can be put into place.

CHAIR: How much has the Government spent during the 2000-01 financial year on litter reduction, stormwater protection and other similar end-of-pipe clean-up programs required as a consequence of indiscriminate disposal of waste products, packaging and materials? Will the Government seek to reduce such expenditure by introducing measures requiring a greater level of physical and financial responsibility for post-consumer products, packaging and materials from producers?

Mr DEBUS: Did you say litter and stormwater?

CHAIR: Litter reduction and stormwater protection and other end-of-pipe clean-up programs?

Mr DEBUS: It might take us a little while to calculate the programs that you have swept together. In the case of stormwater, the budget for 2001-02 is \$29.4 million. The amount of \$250,000 is allocated for anti-littering initiatives from the Waste Planning and Management Fund, and \$1.5 million will be taken from the Waste Fund to undertake the next phase of the Government's littering public education campaign. Those are the kinds of figures we could say we were spending. As you are perhaps aware, legislation has been introduced into the lower House proposing to establish the principles of what is called extended producer responsibility, a concept that is well established in Japan, parts of the United States of America—especially California—and parts of Europe.

The general proposition is that under these provisions the Environment Protection Authority will be able to make arrangements with particular industries, by a series of criteria that are spelled out in the legislation, that are failing to deal with material that is especially highly toxic or exists in very large quantities. I will ask Ms Corbyn to describe the proposed measures in a little more detail. They are to be applied only to those industries where there is not a satisfactory rate of rubbish recovery, as it were, and where the products of an industry are not being satisfactorily recovered.

CHAIR: Such as batteries?

Mr DEBUS: Batteries, tyres and anything on the toxic front. It is appropriate to ask the director-general to speak a little further about those proposals.

Ms CORBYN: We have seen quite an international move to extended producer responsibility internationally, and we have had quite a bit of experience in New South Wales and nationally in Australia looking at how industry becomes responsible for not only the goods that it produces but also looking at the philosophy of product stewardship. As the Minister said, the new legislation tries to bring those principles well forward. You would be aware of the national approach to the national packaging covenant. New South Wales has participated in that, and we are working very hard to make sure that industry brings forward voluntary programs, as well as takes responsibility where it has not brought forward voluntary programs, to meet particular goals that might be established in different waste groups.

We have, with the stormwater grants program, been able to measure the significant amounts of litter that has been prevented from getting into our waterways from the stormwater programs. We expect to see an exponential growth in that capture of litter, as well as a range of other benefits, coming from the stormwater program. I think it has been a significant success. Some of the information that we have had from the stormwater program is that so far we have prevented an estimated 3,600 tonnes of pollution from entering New South Wales waterways each year. As I said, as those educational and capital works programs that have been brought forward become more successful, they make a very significant impact on the environment.

CHAIR: I will ask a quite long, multi-part question. Stop me if you want to answer the question piece by piece. Why was the Waste Fund not fully expended during the 2000-01 financial year given the continuing unacceptably high level of waste generation in New South Wales? How much was spent, and on what? What proportion of funds collected via the waste levy does this represent? Was the Waste Fund expended in accordance with the waste hierarchy set out in the Waste Minimisation and Management Act? If not, why not? Why are community waste reduction grants now only valued at \$1 million, rather than the \$2 million that was originally allocated when the grants program commenced? Will the Government be placing more emphasis on, and allocating a greater proportion of funds to, waste avoidance and reuse in the future? And will the Government be spending less on waste reprocessing and waste disposal so as to more appropriately reflect the importance of the higher order issues—that is, avoidance and reuse—set out in the waste minimisation hierarchy?

Mr DEBUS: I am sure the Committee will forgive me if I am unable to remember every phrase and item of your question, but I will make a start on a response. Again in your question you imply an understanding that 55 per cent of the so-called waste levies are hypothecated to the Waste Fund. For the present financial year \$35.5 million is appropriated. That is a figure based on the original forward estimates. Receipts for levies for the year to date suggests that 55 per cent of levies will amount to \$45 million, and that creates a shortfall of \$8.5 million in the amount allocated. Despite that, the Waste Fund is likely to have uncommitted funds of approximately \$14 million at the end of the financial year.

That underspending reflects the fact that the Waste Act review has been under way, and a balance had to be struck between maintaining momentum on key programs and avoiding the commencement of initiatives that might have been affected by changes that flowed out of the review. Obviously, it is not appropriate to seek an enhancement for the shortfall while there is a situation of underspending in the year that is ending, but there has

been a protocol agreed between Treasury and the Environment Protection Authority to make adjustments where there is a difference between the projected levies and the actual amount received. The director-general has more to say in that regard.

Ms CORBYN: I think it is also fair to say that there has been a significant amount of effort put into the Waste Act review, which has been under way this year. It has the potential to affect the funding that might have occurred this year. But it actually sets a very good platform for positive expenditure for the next few years. It is very clear that the proposals that have been brought forward have a significant emphasis on waste avoidance, in particular, even through the title of the proposed legislation that is being brought forward. So it has a re-emphasising of that important philosophy about avoiding waste from being created in the first place, but it also provides some useful backup for bringing forward some new technologies that may be appropriate in terms of recycling as well.

CHAIR: Over the weekend a warning was given against the burning of solid fuel and wood in the city of Sydney. What impact has the burning of wood and other solids on the air quality of Sydney, and what is the EPA doing about reducing that impact?

Ms CORBYN: We did issue, as our first for the winter, an alert that is called "Don't light tonight unless your heater is right". It is a voluntary proposal, asking people to reduce the impact of wood heaters, particularly during the winter. We have done quite significant work to establish the percentage of particle pollution that may occur from wood heaters, particularly in the winter. My recollection is that those particles in the winter are about 25 per cent of particles, the largest proportion of any contributing source.

We have had a very significant emphasis on trying to reduce particle pollution from wood heaters. It is a three-pronged program. First, we have stronger regulation of solid fuel home heaters. From 5 July 2001 we will adopt tighter Australian standards for particle emissions from solid fuel home heaters, which will have a significant effect on the amount of particles that might be emitted from wood heaters. We estimate that emissions from heaters sold in New South Wales will be cut by a further 25 per cent from the original standard that was adopted in 1996.

The second plank of that program is an education campaign. We have conducted quite an extensive education campaign, particularly for local councils. It includes material and media advertising that reaches rural and urban areas. Third, in September 1999 we released environmental guidelines for selecting, installing and operating domestic solid fuel heaters. Those guidelines provide a range of options for council officers to consider when dealing with solid fuel home heaters. So we think that is a quite significant three-part program to help reduce particle pollution, particularly in winter, from solid fuel home heaters.

Mr DEBUS: We are going to take some more initiatives in the future, which I do not think I am free to talk about yet. But quite soon we propose to announce some more initiatives of some significance with respect to wood heaters because, as Ms Corbyn says, particles from wood heating are a quite disproportionate share of the particles that go to create the brown haze that affects Sydney in winter and autumn.

Ms CORBYN: Could I also say that we have been participating at a national level with other people in New South Wales to bring forward a firewood strategy that looks at trying to make sure that the wood burnt in solid fuel home heaters is the appropriate type of wood.

The Hon. MALCOLM JONES: The corporate plan of the Environment Protection Authority sets out its mission statement as "Guiding the community to achieve and maintain a healthy environment in a productive New South Wales." Given that statement, why did the EPA's energy use rise from 10.5 million megajoules in 1999 to 12 million last year? What is the EPA doing to reduce its energy use?

Mr DEBUS: Believe it or not, we have anticipated this question. The director-general has a most compelling answer.

The Hon. MALCOLM JONES: It must be a vulnerable point then.

Ms CORBYN: No. In fact, I have to say that we have taken some quite strong action. One of the things about which we feel strongly is bringing forward good reporting on our environmental performance from an EPA perspective. However, sometimes that means that we have to report on things on which we do not have full data—what we call our triple bottom line reporting. As a result of the reporting that we have done on energy we found that there was an increase in our energy usage over the usage for the previous year. We have moved forward with an audit of our energy usage, which found that the EPA is bringing forward best practice in its energy usage.

We have also tried to explain that in some of the reporting that we did from the previous year there were comparisons of apples with oranges. We are now reporting on the full metered costs of our computer room in particular. We were not able to do that previously because we were in different locations. When our offices were split between Bankstown and Chatswood, we did not meter the costs of our energy usage in the computer room at our Bankstown office. So we consolidated that information and that allowed us to bring that information forward. We have undertaken an energy audit this year and we are bringing forward a range of other programs.

The Hon. MALCOLM JONES: On all your buildings?

Ms CORBYN: We have undertaken an energy audit of our offices at Goulburn Street and Lidcombe, which are our two main head office buildings and our laboratories, as that is where the bulk of the energy usage would be. We have some regional offices, but they are generally small.

The Hon. MALCOLM JONES: So you have not conducted an energy audit of all buildings? You have done so at most buildings?

Ms CORBYN: We have conducted audits which have covered the bulk of our activities.

Mr DEBUS: The EPA is excessively honest about these reports.

Ms CORBYN: I might add that it was a comprehensive energy audit.

The Hon. MALCOLM JONES: With a mission statement like that I suppose that it would have to be. Do you have any plans to retrofit eco-building design features to your existing buildings?

Ms CORBYN: We are trying to purchase 25 per cent of green power at both our Lidcombe and Goulburn Street offices.

Mr RAMSEY: The new building into which the EPA moved in Goulburn Street contains significant electrical efficiency features, for example, light switches which turn off themselves, motion sensors, control of air conditioning and things of that kind.

Mr DEBUS: Showers and toilets have been installed that use hardly any water.

Mr RAMSEY: The Audit Office noted these features and stated that we had best practice for a building of that type. However, it made some other recommendations which we are pursuing.

The Hon. JOHN RYAN: The Auditor-General was critical of the EPA's performance with regard to compliance audits, among other things, in the year 2001. The figures on page 4-101 in Budget Paper No. 3, Volume 1, also suggest that the staff of the EPA are to be reduced by two—from 240 to 238 over the next financial year. How do you expect to increase the number of compliance audits—50 last year and 50 this coming year—with two fewer people than you had in the previous year, particularly at a time when the Auditor-General is complaining that 85 per cent of industries which do not comply with licence requirements are not being checked on by the EPA?

Mr DEBUS: We have some matters of definition to deal with here. That same auditor's report was explicit in indicating that the EPA had a regulatory framework that was consistent with what people insist these days on calling world's best practice. So far this financial year the EPA has conducted 39 full compliance audits. It will have completed 50 audits by the end of the year. It has also conducted 5,500 inspections, issued 1,500 notices to industry, imposed 350 on-the-spot fines and completed 115 prosecutions.

It is no more than accurate to state that the Audit Office, while highlighting areas for improvement in the EPA's enforcement practice, indicated that programs were under way to address them, for instance, the review of the environment protection licences, which, for the first time, give the community of New South Wales an opportunity to comment on the content of licences held by industry. The EPA's Rolls-Royce sorts of audits are only a small part of the total process. I think it is again appropriate for me to ask the director-general to say some more about that.

Ms CORBYN: Clearly, one of the things that we have tried to do in responding to the Auditor-General's report is to identify that there are some positives in the comments in the report about the real steps that we have taken to improve compliance. The Auditor-General was quite complimentary of our programs and suggested that we continue programs such as our model licences. He also suggested that we continue to pursue a number of

significant improvements, such as monitoring conditions and reviewing our licences. We put those in place particularly as a result of the new legislation.

But you would understand, after mentioning the 240 to 238 equivalent full-time staff, that we have been in a transition to the new legislation over the last two years. So it is not surprising that there is a variation in some of the numbers as we have employed quite a significant program to convert all our existing licences into protection of the environment operation licences and we have also instituted the licence review program. So we think we have a program with strong licence integrity. The Audit Office drew some conclusions when trying to ensure that all licences were exactly the same. That is probably not necessarily an appropriate thing because in some cases location makes a difference from an environment perspective.

Mr DEBUS: There is one other situation, which is that the Audit Office implied that 65 per cent of industry did not comply with its licences. That is simply not an accurate proposition to make. What the Audit Office did—and this may be checked by reading the report—was to use the EPA's compliance figures concerning the extractive industry. So its audit consisted of asking the EPA what its figures were, and the Audit Office was given the figures. The audit did not then distinguish between substantial compliance issues and administrative issues—in other words, whether people had ticked the box on a particular form. One only gets the kind of figure that the Auditor-General gave in that case by inappropriately translating the EPA's figures from one industry to all industries and then ignoring the fact that many of the so-called failures mentioned were of a trivial or administrative nature, which did not concern compliance in the real world with a requirement concerning the control of pollution.

Ms CORBYN: The figures came from our compliance audit program. We did a sectoral audit on extractive industries. We actually followed up on all those non-compliances. We have a significant tracking program to ensure that we follow up non-compliances. We also ensure that those non-compliances that might have been found are corrected.

The Hon. JOHN RYAN: What was the cost of the EPA's recent study of the unsewered areas of Sydney Water, Hunter Water and Gosford and Wyong council responsibilities? Who conducted the study and over what period was it conducted? Why is this EPA assessment said to be subject to Cabinet confidentiality? Have all the EPA's recommendations on sewerage hot spots been given priority in the relevant portfolio budgets, such as the Department of Public Works and Services and Sydney Water? Why can you not release the EPA report?

Ms CORBYN: I do not have the figures at hand. Is your question referring to the priority sewerage program?

The Hon. JOHN RYAN: Yes.

Ms CORBYN: It certainly has been our task to look at the environmental assessment but the government decision process must take into account economic and social considerations. So, our advice has been provided through a broader government program as one part of a government decision that will be made.

Mr DEBUS: I think this same exercise has been conducted through the terms of several governments. The EPA's report goes to Minister Yeadon and is part of a Cabinet submission. That is why you do not see it yet, but you should direct questions about this general matter, the priority sewerage program, to Minister Yeadon.

The Hon. JOHN RYAN: Is there going to be a time at which this report is no longer going to be subject to Cabinet confidentiality? How is any member of the public going to be able to be sure that the recommendations of a public authority like the EPA are being adhered to by other government authorities? That is not an unreasonable question.

Mr DEBUS: I think you have to ask the question of Minister Yeadon. I presume he will make some announcement about new sewerage programs, the so-called priority areas, and I cannot say how much of the EPA's advice he will make available. Whether it is all or some, I simply do not know, but it is within his dispensation.

The Hon. JOHN RYAN: Minister, could you please table copies of the employment and performance contracts of chief executive officers [CEOs] of the EPA, Waste Service New South Wales, the National Parks and Wildlife Service, and the Sydney Catchment Authority to be viewed by this Committee? If not, why not?

Mr DEBUS: The performance agreements are detailed in the annual reports of these organisations.

The Hon. JOHN RYAN: Some details of them are. As I understand it, the Premier has given instructions that performance bonuses or payments are not to be made to CEOs of various agencies over the next 12 months.

Mr DEBUS: I shall be following the general government policy in this respect, whatever it is.

The Hon. JOHN RYAN: Are you able to assure the Committee that in the course of constructing salary arrangements over the next 12 months an amount that would have been similar to the performance payment has not been added to any of the director-generals in your portfolio agencies?

Mr DEBUS: That is my understanding.

The Hon. JOHN RYAN: Is the Waste Service general manager provided with a vehicle by the Waste Service for his duties or does he have a vehicle as part of his salary package?

Mr DEBUS: I will let him answer that question.

Mr GRIMWADE: The vehicle is paid for out of my salary package.

The Hon. JOHN RYAN: Can you give us information as to how many floors the Waste Service occupies in the Zenith Centre in Chatswood? Has any refurbishment been undertaken in the Waste Service's offices, and if additional space is to be occupied by the Waste Service, how is that justified in view of the fact that there are now fewer staff in the Waste Service than there were 12 months ago?

Mr GRIMWADE: Waste Service occupies two floors within the Zenith Centre. Waste Service has previously occupied 1¾ floors of the Zenith Centre. The acquisition of additional floor space was undertaken to facilitate the remodelling of the organisation's floor space to provide for a new working environment which is focused more on teams. The additional partitioning that was there denied team spirit and was not conducive to good working outputs. That has been modified. The reduction in workforce occurred in our remote areas and not so much in the Zenith Centre. We have also provided for increased meeting rooms to address the need for increased meetings that are being held between all parts of the organisation and stakeholders.

The Hon. JOHN RYAN: Are you able to tell the Committee how much this additional space cost to enable a better team spirit?

Mr GRIMWADE: Not off hand. I do not have those figures handy.

CHAIR: Will you take it on notice?

Mr GRIMWADE: I would want to seek advice.

Mr DEBUS: We will take that matter on notice.

The Hon. JOHN RYAN: I look forward to the answer, Minister.

Mr DEBUS: I do not think it is going to be all that shattering.

The Hon. JOHN RYAN: Budget Paper No. 4 indicates that \$0.3 million will be incurred for the continuing upgrade of the air quality monitoring network. Exactly how does this allocation relate to the promised, but as yet unfulfilled, vehicle emission testing [VET] scheme that the Minister for Roads promised three years ago as a major plank of the Government's action for air quality. Why has the vehicle emission testing scheme stalled despite the promise to have it implemented two years ago?

Ms CORBYN: We have received an enhancement of \$0.3 million for the air quality monitoring program. That money is to allow us to continue to maintain the comprehensive air quality monitoring network that is progressively being augmented to cover campaign monitoring in regional areas. The information is part and parcel of the overall air quality monitoring program that is run by the EPA. That money does not relate to programs other than our air quality monitoring network. I should clarify that that \$0.3 million is actually capital expenditure, so it allows us to increase the equipment.

The Hon. JOHN RYAN: How many breaches of environmental standards or licences have been levied against any State government agencies or authorities by the EPA during the past financial year? Could you give us some indication of some of the larger penalties that have been levied?

Mr DEBUS: I will ask the director-general to deal with that issue.

Ms CORBYN: Without being able to answer right off the top of my head, we bring actions against State government agencies through our prosecutions process. I do not have the number off the top of my head as to how many of those are State government agencies versus the private sector. I will have to take that on notice.

Mr DEBUS: We will happily take it on notice. The answer is the EPA does prosecute State government agencies, and we will take the details for the past year as a question on notice.

The Hon. JOHN RYAN: There will be a lot of questions on notice, Minister.

Mr DEBUS: I do not apologise for not knowing the exact number of prosecutions against government departments right off the top of my head.

The Hon. JOHN RYAN: Minister, could you give us details of the projects that have received funding through the Environmental Trust in the year 2000-01?

Mr DEBUS: We will table them.

The Hon. JOHN RYAN: That would be terrific.

Mr DEBUS: It is a brilliant list of projects.

The Hon. JOHN RYAN: Can you give us details of the tax equivalents and dividends that have been paid to the Consolidated Fund by the Sydney Catchment Authority for the next financial year?

Mr DEBUS: For the 2000-01 financial year the Sydney Catchment Authority forecast dividend and income tax expenses in the order of \$7.6 million and \$15.1 million respectively.

The Hon. JOHN RYAN: That is for 2000-01. Can you give us details of the estimated dividends for 2001-02?

Mr DEBUS: They are not finally decided yet. It is normal for the dividend tax equivalent payments to be listed in publicly available documents at appropriate times.

The Hon. JOHN RYAN: It is not a bad idea to know what they are for the coming year as it is part of the budget process.

Mr DEBUS: I mention that the Sydney Catchment Authority will make a statement of financial framework in the relatively near future and the projections will be in it.

The Hon. JOHN RYAN: That is the document that is usually tabled in Parliament. Is that similar to the statement of corporate intent and so on?

Mr DEBUS: Yes, and it will be tabled in Parliament.

The Hon. JOHN RYAN: It has a slightly different title. What was the title?

Mr DEBUS: The statement of financial framework, and it will be tabled in what is a normal and conventional manner.

The Hon. JOHN RYAN: Can you give the Committee details of the anticipated surplus or loss by the Waste Service during the current financial year and the estimated result for the next financial year?

Mr GRIMWADE: Waste Service is forecasting an operating loss of approximately \$2.6 million for 2000-01. That reduction is a direct result of the complete restructure of the organisation to address operating deficiencies, restructure of key business lines, assessment and implementation of an extensive corporatisation assessment process, resolution of significant liabilities arising from long-term contracts established some 10 to 15 years ago, increases in fuel costs and the loss of profit resulting from the Sydney Olympics. A number of strategies are being implemented at the moment to enable Waste Service to deliver an operating profit of approximately \$11 million after interest for the forthcoming 2001-02 financial year, and these will include the outcomes of business line restructure, pricing reforms and establishment of new waste management business opportunities.

The Hon. JOHN RYAN: Can you explain to the Committee how you managed to lose profit during the Olympics?

Mr MORAN: The loss of profits during the Olympics was caused partly by the closure of the liquid waste plant because, if you recall, the liquid waste plant is next door to the Olympic site. Waste Service closed those facilities for six weeks during that Olympics and the Paralympics. Also waste movements throughout Sydney were rescheduled to fit in with the way the Olympics were being run, with the timing of the events.

Mr DEBUS: A great many government enterprises had their normal operations interrupted by the Olympics.

The Hon. JOHN RYAN: I understood that. Is there an exact figure for how much that cost the Waste Service? To some extent would it not simply have meant that the disposal of liquid waste was deferred, not eliminated, and therefore you ultimately would have recouped the profit? There are not many places to dispose of liquid waste other than at your plant.

Mr MORAN: If you recall, a number of businesses, particularly the production companies, closed down during the Olympic Games and the quantity of waste was significantly reduced. In addition, the movement of waste throughout Sydney and collection by local government was rescheduled and a lot of recycling and collections were deferred for some weeks. However, the Waste Service had to continue paying the contractors but the waste was not there to be processed.

The Hon. JOHN RYAN: I understand. Minister, I have a number of other questions but the Chairman has indicated that my time has expired. As my questions relate mainly to minor details, will you accept them on notice?

Mr DEBUS: Yes.

CHAIR: We will now deal with the National Parks and Wildlife Service.

The Hon. JOHN RYAN: How many claims for compensation have been made as a result of the Thredbo landslide? How many claims have been settled and what is the value of the claims? That may be something you will want to take on notice. Why are many companies and individuals still reporting that they are unable to settle claims? Why have you been unable to take steps to ease the process, as you promised in your statement to Parliament?

Mr DEBUS: I have eased the process. Of course, the day-to-day negotiation of the claims is in the hands of another part of government. The Government, through the Treasury managed fund, is doing everything it can to ensure that the settlement of those claims is conducted expeditiously. The Government has given standing instructions to the fund to provide every assistance to the lawyers representing the families to ensure that their claims and supporting information are provided quickly.

It necessarily took quite a time after I made my announcement that we would accept liability for these matters for the affected people to submit their claims. On the latest count that I have, settlement offers had been made to 34 relatives and six of those settlement offers have been accepted. There is certainly nothing happening in my administration that is in any way holding up the appropriate settlement of those claims. I will ask the director-general to add something to that.

Mr GILLIGAN: On a point of clarification, the Government has given an undertaking to settle without court proceedings with the victims and their families. The issue of potential claims for commercial losses is a separate issue on which the Government has not given any undertaking, and obviously that is a much more difficult matter to be precise about.

Mr DEBUS: I have just received information that the number of claims settled has gone up in just the last couple of days. Eight have now been settled.

The Hon. JOHN RYAN: Are you aware that there are insurance companies that are asking individuals to provide copies of things such as maps of head lease boundaries and other technical material that is best provided by the National Parks and Wildlife Service? Are you ensuring that there is no delay in the passage of that information to insurance companies to assist people to make a claim?

Mr GILLIGAN: The answers are: yes and yes. I am aware that some clarification has been sought on some boundary issues and, yes, everything possible is being done to expedite the provision of that information.

The Hon. JOHN RYAN: Are you able to inform the Committee how much has been paid by the National Parks and Wildlife Service or by the Government in general for the cost of legal and other counsel to handle mediation and insurance administration issues associated with these claims?

Mr DEBUS: No.

The Hon. JOHN RYAN: I imagine that has been tallied. Are you able to provide that information on notice?

Mr DEBUS: You will have to ask the Treasurer.

The Hon. JOHN RYAN: What is the estimated cost of the remediation of the damage caused by TransGrid in the Kosciuszko, Brindabella and Nadgee national parks?

Mr DEBUS: I will ask the director-general to give the detail.

The Hon. JAN BURNSWOODS: As of last week, a Legislative Council committee will inquire into that issue.

Mr GILLIGAN: The full extent of the damage is still being documented. The full extent of the investigations that we have under way will take a little while to enable us to get to a point where a total figure will be able to be quoted. But, certainly, it will be a significant figure; and it will be, I would expect, well in excess of a million dollars.

The Hon. JOHN RYAN: Was this clearing done with the full knowledge of the National Parks and Wildlife Service?

Mr DEBUS: It was being done absolutely without the knowledge of the National Parks and Wildlife Service, as has been entirely clear from detailed reporting all over the place in months gone by.

The Hon. JOHN RYAN: I guess the other question that arises out of that is where were the rangers who were looking after the relevant parts of the National Parks and Wildlife Service while this was occurring?

Mr DEBUS: It is clear that those who have commented on this matter particularly have only a hazy idea of just how remote the region is. I am speaking especially of the national park. There are very few tracks in the area. It is very remote. Of course, the National Parks and Wildlife Service relied on a memorandum of understanding that existed—and had existed for many years—with TransGrid to comfort itself that TransGrid would not actually commence clearing without first notifying the National Parks and Wildlife Service and that it would not, in any event, proceed using the inappropriate methods that it did. It is in fact not particularly surprising that rangers did not discover the existence of this badly done work for some time.

People do not patrol national parks as they would the perimeter of a prison. They patrol and pay attention to potential damage to national parks on the basis of intelligent assumptions about where damage is likely to occur and what sort of damage it is likely to be. TransGrid by and large has a rather good environmental record, and I know from when I was responsible for TransGrid that in general it pays good attention to those sorts of things. The problem for the National Parks and Wildlife Service in this case is that TransGrid did not on this occasion pay attention, but it had a clear obligation to do so. It is not surprising that the National Parks and Wildlife Service relied considerably on appropriate implementation of a long existing memorandum of understanding in this respect which, among other things, required notice to be given.

The Hon. JOHN RYAN: I guess the question that arises from that, from the point view of the general public—

The Hon. JAN BURNSWOODS: Point of order: I know that the Clerk has given the chairs of these committees what seemed to me to be amazingly confusing guidelines, but there is a point in the booklet of rules which forbids these committees from asking questions that relate to an upper House inquiry that is currently under way. In fact, this very Committee was given the task by the Legislative Council of conducting an inquiry into the precise matters that the Hon. John. Ryan is asking about. I think it would be sensible if we went on to some other matter.

CHAIR: Indeed, we have a number of inquiries. I have just crossed out some questions which I could not ask for that very reason.

The Hon. JOHN RYAN: I do not think there is any restriction on the committee asking questions; otherwise, there would have been a difficulty. General purpose standing committees are not bound by what another inquiry is doing.

The Hon. JAN BURNSWOODS: But it is this Committee.

The Hon. JOHN RYAN: That does not make any difference.

The Hon. JAN BURNSWOODS: I think the Hon. John Ryan will find, if he looks at the book of rules, that we are not supposed to be asking questions relating to proceedings of another committee.

The Hon. JOHN RYAN: In any event, I intended to go on to a more general issue. Members of the public might think that if it is possible for such a drastic infringement of National Parks and Wildlife Service property to be conducted in that manner, how can we be sure that even more minor matters are adequately policed by the parks service?

Mr DEBUS: I think I have already implicitly answered that question. TransGrid's action was, by any measure, extraordinary and the reaction to it shows that the damage done was at a level that generally is perceived to be quite exceptional and quite outside any of the ordinary assumptions upon which government agencies have been working. Your question is in that respect *ad hominem*. The fact is that the national parks are very well looked after. If I am not mistaken, the National Parks and Wildlife Service will soon publish a State of the Parks report which will show a steady improvement in the general condition of the parks. Recently I was speaking to the Chair of the Nature Conservation Council, who suggested to me at an anecdotal level that that is in fact the case: The parks generally—and the honourable member would know that they are a third bigger now than they were six years ago—are looking better now than they have ever looked. In my view it is not possible to generalise from this extraordinary incident.

The Hon. JOHN RYAN: Minister, what revenue has the National Parks and Wildlife Service received from the lessees of Fort Denison during the last 12 months? How does that compare with the cost of upgrading the site to prepare it for cafe and catering purposes, which include the refurbishment of structures, the provision of sewage infrastructure, and the installation of services and kitchen facilities?

Mr GILLIGAN: I think I can provide a partial answer to your question. The total project cost of the renovation of Fort Denison was \$2.4 million. This involved the project being undertaken under a number of stages, with the final stage still just nearing completion. But Fort Denison was reopened in September 2000 to provide visitor education and recreational experiences. At this stage I do not have current figures on the return from the operation on Fort Denison, and would not expect to have them in any meaningful sense until some time after the financial year.

The Hon. JOHN RYAN: That is, in a couple of days time?

Mr GILLIGAN: That is right.

The Hon. JOHN RYAN: Minister, could you provide the Committee with an update of the status of the assessment of the area known as Goonoo Goonoo with respect to its assessment as a national park?

Mr DEBUS: The Resource and Conservation Assessment Council [RACAC] is now engaging in a comprehensive regional assessment. We had a short assessment last calendar year, and then, in the circumstances that arose, we established through RACAC a longer inquiry. We expect that the comprehensive regional assessment of what is called the South Brigalow belt—that is, an assessment of environmental, cultural and social values—will be complete during next year. After RACAC's recommendations the Government will make its final decisions on whether and how to reserve areas of forest in that region, which includes Goonoo Goonoo and the Pilliga, for national park.

The Hon. JOHN RYAN: What was the cost to the National Parks and Wildlife Service of the brumby cull operation? What was the cost of the inquiry by Professor English in response to the public outcry? Why was there no mention of the presence of brumbies in the wilderness nomination assessment report on that area in 1997? Has the RSPCA or any other organisation been recompensed or paid for consultancy and other services provided during the period after the brumby cull?

Mr DEBUS: The cost of the control program was \$30,500. That involved the people, the vehicles and aircraft. The amount of \$40,000 has been spent by the National Parks and Wildlife Service on water quality testing, assisting the RSPCA in its investigation into cruelty allegations, and responding to the RSPCA's animal welfare concerns. It is estimated that the service's ongoing involvement in the heritage working party—that is, the party that has been set up in consultation with local people and under the guidance of Dr English to work out whether these brumbies are in any way genetically connected to horses famous in our history—will cost \$62,000. Previous controlled efforts using a variety of other techniques—including mustering, doping and roping—over an eight-year period resulted in the removal of a small number of horses, at a cost of \$100,000. The National Parks and Wildlife Service estimates that the reduction in the number of remaining horses—that is, about 150 horses—may cost about \$150,000.

The Hon. JOHN RYAN: What is the cost effectiveness of that, if you consider what you might have been able to spend the \$17 million on? For example, how much western woodland could you have bought with that amount of money if it had been available to the National Parks and Wildlife Service?

Mr DEBUS: Those amounts of money are quite small. On the other hand, we have been significantly increasing the amount of money available in our acquisitions program. They are very modest amounts of money which may be spent by the service in a myriad different ways on individual maintenance jobs.

The Hon. JOHN RYAN: Why are we checking to ascertain whether there is a genetic relationship to the man from Snowy River, and things of that nature? That is a work of fiction, Minister.

Mr DEBUS: We are doing that because we are consulting with people who are known these days as stakeholders. We are doing that because local opinion around the Guy Fawkes River National Park is very strong on this question. When we conducted a seminar with all those people and asked Dr English—who is, I think you agree, quite probably the national expert on matters of wildlife management from a veterinary point of view—this is what came out of the seminar. Beyond that, of course, the honourable member for Coffs Harbour was passionately committed to the idea, which you appear to contradict, that these horses had profound connections with those that charged at the fortress of Beersheba in 1917. I am told that the same horses were supplied to the Bengal lancers in the nineteenth century.

The Hon. JAN BURNSWOODS: Minister, can you advise the amount spent by the National Parks and Wildlife Service on pest species management and land management, and the total increase in State services since March 1995?

Mr DEBUS: Between 1995 and 2001 the Government allocated \$22 million for pest management. The budget for 2001-02 will allocate more funds for pest management. Starting from this year, an additional \$4.13 million will be injected into pest control. Specifically, we will provide \$825,000 for fox and dog control. I might say that those figures compare to the expenditure by the previous Government from 1991 to 1995 in this way. The previous Government spent \$4.2 million from 1991 to 1995, as distinct from \$22 million and rising from the present Government. I believe there are around 1,000 individual weed and feral animal control programs in the national parks at the moment. Those programs have the object of protecting wildlife and at the same time minimising the impact of pests on neighbouring properties—often enough, because the pests have arrived from neighbouring properties into the national park.

The Hon. MALCOLM JONES: Point of order: The Hon. Jan Burnswoods has made a point about interrupting the Committee's work at this estimates hearing, based upon approved inquiries by General Purpose Standing Committee No. 5. The Minister has just been asked, and is rightly answering, a similar question, which is subject to an inquiry by the standing committee. May I suggest that the question be retracted and we move on.

Mr DEBUS: But the Hon. Jan Burnswoods lost that point.

The Hon. JAN BURNSWOODS: May I point out that the Minister has not yet had time to address land management and the total increase in State services.

CHAIR: That has nothing to do with our inquiry. Perhaps the Minister could forget about feral animals.

The Hon. JOHN RYAN: I would be happy to give the Minister leave to table the documents.

Mr DEBUS: It is worth mentioning that 5.4 million hectares have now been set aside for nature conservation in parks and reserves, which is a 35 per cent increase under the present Government. While in 1995 the National Parks and Wildlife Service received \$15.80 per hectare in recurrent funding to manage the parks, it now

receives \$33.50 per hectare. That is double the amount of money on a per hectare basis, and that is the fundamentally appropriate way to measure the amount of money being applied to the preservation of the park estate. Capital allocation has increased by 40 per cent between 1994-95 and 2001-02 to \$44 million in the current year, and average staff numbers have increased a little under 1,200 to almost 1,800. So again there is something approaching a 50 per cent increase in the number of staff. Those points seem to be well worth making, as implied by the Hon. Jan Burnswoods, in the present context.

The Hon. MALCOLM JONES: Will the Minister allow me to obtain the southern CRA wilderness assessment process before a summary is forwarded by the National Parks and Wildlife Service to you, or must I seek it under the freedom of information provisions, with the inevitable cost and delays? In the past, summaries announced in Parliament by your predecessor Minister Allan have made a joke of the freedom of information provisions.

Mr GILLIGAN: The critical thing that has to be put in context is that the process that we go through involves receiving all of the submissions. Analyses and summaries are done of those submissions. We have had various freedom of information requests for copies of submissions and the process that we have worked through. To protect the privacy of people who might otherwise object, under the freedom of information legislation, to having their identities disclosed in a freedom of information application, we have worked on retaining that information in confidence throughout the assessment process and then providing a summary at the end of the process. We think that is the appropriate way to proceed.

The assessment has been conducted in multiple steps. Initially, we identified all the areas that exhibit wilderness values and then we looked at whether they are capable of being managed to protect those wilderness values. That leads to the identification step of the process which then goes out on public exhibition. With regard to the southern wilderness assessment we have put out a range of options for the actual declaration of wilderness. As a result, people have a guided opportunity to consider the sorts of combinations that might be possible. This is a long and protracted process that we have been through, and it has had multiple stages of public consultation. So it is not clear which part of the process would be amenable to anyone coming in and reviewing the assessment.

The Hon. MALCOLM JONES: The process of assessment of public submissions has traditionally, during the lifetime of the Wilderness Act, been the subject of a great deal of criticism. My colleagues have sought, under the freedom of information legislation, to have a look at what has been assessed and it has been seen to be most unfairly dealt with. I simply request that I have access to the assessment process. The people who make submissions have made submissions to the public consultation process and, therefore, one finds that very few of the submissions have "private and confidential" written on them. In the past they have been available under the freedom of information legislation. I merely ask that I have access prior to the summary being forwarded to the Minister. I simply do not trust the process.

Mr GILLIGAN: If I could respond specifically to the concerns of the Hon. Malcolm Jones about getting access to documents, other than those that are labelled "confidential". The freedom of information legislation requires us to go to third parties and ask whether they have any objections to their documentation being made available.

The Hon. MALCOLM JONES: Why did that not happen in the past when it was sought under freedom of information and access was granted? Post summary, I agree, but that is when the flaws were found.

Mr GILLIGAN: I can only respond in terms of our current treatment and best advice on due process under the freedom of information legislation. Given that we have received many thousands of submissions, the process of going through and asking every individual who has made a submission whether they have any objection to the release of that submission would be tortuous and impractical. That is why we have focused on providing the summary at the end of the assessment process.

The Hon. MALCOLM JONES: What can you do to guarantee that we can place trust in the summary?

The Hon. JAN BURNSWOODS: Point of order: I am concerned that this is a long way removed from the budget or the estimates.

CHAIR: We are entitled to ask any question we like within the Minister's portfolio area, even though it might not suit some members. The questions do not have to relate to the budget.

The Hon. JAN BURNSWOODS: It is not a question of suiting a member, it is a question of what we are here for.

Mr DEBUS: I wrote to the Hon. Malcolm Jones not all that long ago stating that I would provide a summary of the submissions to him, and of course to anybody else who should be interested. I will use my best endeavours to ensure that this summary is presented in as fair and open a way as can be managed within the restrictions of the privacy legislation. I hope, as I do so, that I will be making some contribution to an improvement in public trust in the process.

The Hon. JOHN RYAN: Why are submissions of that nature kept private? The submissions are made to a public process, so why would not the individuals who made them also be open to public scrutiny when they have made a submission?

Mr DEBUS: We do no more than apply established principle in this respect. The director-general is thinking of including, in future advertisements, a disclaimer that people can tick. The fact is that the information that the honourable member wishes to have will appear in summary form. I cannot see, so long as that process is carried out honestly, why there is any great problem?

The Hon. MALCOLM JONES: Because it was not carried out honestly in the past. We seem to be going around in circles.

Mr DEBUS: We do, and I can do no more for you in this respect.

The Hon. MALCOLM JONES: Under freedom of information legislation real evidence has been made available in the past and I do not see why it cannot be made available again prior to the summary being made. If you say it is all open and transparent and honest, that is fantastic and I am happy to applaud you for that. But if I or my nominee are not allowed access, that is just not being open and transparent as the Government continually asserts it is.

Mr GILLIGAN: I understand that there was a decision made under the freedom of information provisions in the past that was not in accord with our current advice on what should have happened. So the practice to which the honourable member referred is a past decision that would not stand scrutiny against current practices under the provisions of the freedom of information and privacy legislation. However, as the Minister has indicated, we are looking at trying to improve those processes by putting a statement in the calls for submission in an attempt to clarify this matter so that it is not an issue in the future. But, as it currently stands, and with the current southern process, that is the dilemma we face. We have received many thousands of submissions. To release them under freedom of information legislation we would have to go through this tedious process of checking with every person who made a submission that they were comfortable with such a release.

Mr DEBUS: We are applying, as I understand it, the same rules that would exist in any other circumstances within government. If we advertise an inquiry into the use of bracelets for people who have been given bail, and people write in about it, we do not release the names and addresses of the people who write in. You get a document published in consequence of an advertisement. It happens in the Parliament all the time. It is a combination of the Parliament and the public service. At the back it will give a summary of what has happened, but it will not give you the kind of information that you are presently asking for.

The Hon. MALCOLM JONES: Minister, essentially it comes down to "Trust me." Suddenly, on the issue with national parks, many people simply do not trust the National Parks and Wildlife Service.

Mr DEBUS: We will do our best to secure your trust, and we will follow the provisions that apply generically to this kind of inquiry right across government.

CHAIR: I have a multi-part question on threatened species conservation. Has the supplementary \$2.5 million that the National Parks and Wildlife Service has been allocated, since the commencement of the Threatened Species Conservation Act 1996, for the preparation and implementation of recovery plans been withdrawn from this budget? If so, will the National Parks and Wildlife Service be forced to direct funds away from other critical conservation programs to make up the shortfall, or will recovery planning be forced to cease in New South Wales? Are not some National Parks and Wildlife Service staff who are undertaking threatened species conservation and research programs already being laid off?

Are there not only 11 recovery plans in place in New South Wales and up to 19 awaiting approval? How much funding has been allocated to the National Parks and Wildlife Service in this budget for Threatened Species Conservation Act responsibilities? Has not the National Parks and Wildlife Service sought a total of about \$10 million for those responsibilities? Will not \$4 million or even \$6.5 million therefore still be insufficient to complete

the work required by the Act, let alone the massive additional effort required to recover species from the path towards extinction?

Mr DEBUS: Mr Chairman, I will let the director-general give a more detailed response. There are actually 21 recovery plans on public exhibition. I think there are quite a few more about to go on public exhibition. There are 11 that have been approved. There are 145 that are in various stages of production. The amounts of money that are applied to threatened species recovery have to be seen on a government-wide basis, particularly through the money that is provided under the State biodiversity strategy. I will allow the director-general to give you some more of the detail of these figures.

Mr GILLIGAN: The additional \$2.5 million to which you referred was not an increase in the service base; it was a specific allocation for a fixed period, which is to end at the conclusion of this financial year. It was specifically to kick-start the preparation of the large number of recovery plans that were required. As the Minister has indicated, the fact that we have 145 well under way is testimony to the use of that money. The fact that they take some time to complete is testimony to the level of consultation and involvement that is required in getting effective threatened species action.

But you make reference to whether \$6.5 million would be enough to do what needs to be done for threatened species. Can I say, Mr Chairman, that in fact this is not the only money that is allocated to threatened species. The current indications that I have are that in fact a total of about \$7.2 million out of the service's recurrent budget—which is 3.7 per cent of our total recurrent budget—goes into threatened species programs throughout the State. The service has worked to ensure that recovery plans are prepared and implemented in a strategic manner, and to this end we have prioritised the list of threatened species in accordance with the provisions of the Threatened Species Conservation Act and in consultation with the scientific community, to make sure that we are systematically working through them in a prioritised way. At the moment, we are also looking to streamline the processes that we use in preparing those plans. So that, for example, we are preparing a number of multi-species plans where species have similar geographic and ecological attributes, and that will streamline the process that we use.

Another thing worth registering is the link between the work happening on threatened species. Our budgets with respect to threatened species also need to be seen in the context of expenditure on biodiversity strategy work, and we have \$5.27 million allocated to priority projects there, particularly on bioregional planning, integrating biodiversity conservation assessments across bioregions, and also improving co-operative approaches to weed and pest management. I would draw your attention, for example, to the fact that we are in the process of finalising the threat abatement plan for foxes in New South Wales. One of the things that has been very satisfying as we have been working to finalise that plan is to see that we have the potential to target 34 threatened species—a number of birds and mammals, in particular—that will benefit from the fox threat abatement plan.

Mr DEBUS: For which there is, under another line, \$825,000.

Mr GILLIGAN: So the total allocation to threatened species is in fact a mix of what is in there under biodiversity and pest management, as well as what is discreetly specified for threatened species.

The Hon. JOHN RYAN: Since there seems to be a lot of issues that need to be reported across a number of lines, is there any chance that the report to which you referred that you are likely to produce about the state of parks might be implemented across Parks and across Government?

Mr DEBUS: The budget has quite a few explanations of the sorts of things that the director-general has just described. The report of the state of the parks will, quite precisely, not have financial information in it; it will be about the physical condition of the parks.

CHAIR: Minister, can you guarantee that areas of nominated wilderness will only be excluded from wilderness identification if they have demonstrably failed to meet the wilderness criteria under the Wilderness Act 1987, and for no other reason? Can you guarantee that the National Parks and Wildlife Service will be able to clearly justify the grounds on which all nominated areas proposed for execution from wilderness identification in north-eastern New South Wales were deemed not to have met the wilderness criteria?

Minister, can you provide an assurance that this information will be released as part of the wilderness report for public exhibition in north-eastern New South Wales? Can you advise whether the National Parks and Wildlife Service will identify wilderness areas in State Forest tenure, which are included in protected forest management zones—which therefore meet the wilderness criteria and which were nominated prior to January 2000? If not, what legal grounds can the Minister possibly have for failing to identify those areas, since they do meet the criteria specified in the Wildlife Service Act 1987?

Mr GILLIGAN: One of my statutory duties is to identify wilderness. The wilderness identification report is close to finalisation for the north-east. I would expect, subject to the Minister's approval, that it will soon be out on public exhibition. The areas that we have identified are the only areas that, in my view, meet the requirements. I draw your attention to the two-part assessment that must be done, which focuses on both the existence of wilderness values and the capability of managing those areas as wilderness.

One of the issues that is legitimate for consideration in my view—beyond question it is legitimate for consideration—is when there is a government commitment that wilderness will not be declared and managed over those areas that are identified for forestry logging operations. That, obviously, precludes their capability of being able to be managed as wilderness. That is a judgment that I believe is just beyond any doubt. It does not mean that those areas might not have wilderness values, but the assessment that must be done is a two-part assessment. The first part is whether the values exist and the second part is whether there is a capacity, on an ongoing basis, to manage those areas as wilderness.

CHAIR: I thought that there would not be any logging of high conservation or old growth forests. So how can that be? What input has the National Parks and Wildlife Service had in formulating plans for the aquatic reserves being proposed by New South Wales Fisheries? Are you aware that these proposed reserves do not protect the 400 species of intertidal fish that breed, live and die within these so-called reserves? Are you aware that neither lobsters nor abalone are protected? If the National Parks and Wildlife Service has any input, will it work to ensure that these are genuine reserves, rather than reserves in name only, protecting only a fraction of the ecosystem and having little scientific value? Will you also ensure that the scientific value of no-take reserves is recognised and publicised so commercial and recreational fishers are made aware that international experience shows that no-take reserves produce more available fish? Will you at least ensure that the no-take zones in marine parks are big enough to be viable and to allow fish numbers to build up to create a spill-over effect?

Mr GILLIGAN: I refer to those parts of your question that I can recall. You asked a question about aquatic reserves. The National Parks and Wildlife Service has input, through its dialogue with New South Wales Fisheries, into the aquatic reserve process. The aquatic reserves are part of the overall framework for the protection of marine biodiversity and areas of conservation value throughout New South Wales. The aquatic reserves are directly under the responsibility of New South Wales Fisheries. Obviously, parts of the National Parks and Wildlife Service estate, the coastal national parks, also come into that area, particularly if our national parks include intertidal zone. Then, of course, we have the marine parks, which are a part of the total framework, and we have the Government's approach to managing marine resources for conservation purposes. The Government is committed to a framework that picks up on all those elements and puts them into a sensible context so that they are sensibly related to one another.

Within each of the marine parks a zoning plan is prepared—the zoning plan to which you have referred. The important thing to register there is that the sanctuary zones are obviously the pinnacle of the hierarchy of the zonings in the marine park for conservation purposes. But they are not the only parts of the marine park that achieve conservation outcomes. Habitat protection zones also provide a high level of protection. General use zones and special purpose zones may also provide some protection. But I acknowledge that the greatest level of protection is provided by the sanctuary zones. In undertaking the preparation of those zoning plans, the National Parks and Wildlife Service has worked closely with all stakeholder groups that are represented on relevant national park steering committees and the advisory council. We are in the process of finalising the zoning plans at the moment to go out on public exhibition, both for the Solitary Islands and for the Jervis Bay Marine Park. The Marine Parks Authority expects those plans to be out on exhibition shortly. The public will then have an opportunity to make submissions on the adequacy or otherwise of various zonings.

CHAIR: Minister, are you able to take questions on notice?

Mr DEBUS: Sure.

CHAIR: Is 35 days a reasonable time limit within which to answer questions on notice?

Mr DEBUS: If people submit questions in a reasonable form, there will be no difficulty. Last year we got a bunch of 500 questions in one hit, which seemed to overlap and honourable members appeared to be playing certain procedural games. If we have that level of questioning I might respond a bit differently. In the ordinary course of events, if a few dozen questions are asked following up some matters that have been raised and raising some new matters, we will certainly answer them within 35 days.

CHAIR: I thank the Minister and his departmental officers for their attendance today.

The Committee proceeded to deliberate.