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GENERAL PURPOSE STANDING COMMITTEE NO. 1

Monday 13 September 2004

Examination of proposed expenditure for the portfolio area

PREMIER, ARTS AND CITIZENSHIP

The Committee met at 5.30 p.m.

MEMBERS

The Hon. P. T. Primrose (Chair)

The Hon. A. R. Fazio
The Hon. M. J. Pavey
The Hon. G. S. Pearce

Ms L. Rhiannon
The Hon. E. M. Roozendaal

PRESENT

The Hon. R. J. Carr, *Premier, Minister for the Arts, and Minister for Citizenship*

Premier's Department
Dr C. Gellatly, *Director-General*

Cabinet Office
Mr R. Wilkins, *Director General*

CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS

Corrections should be marked on a photocopy of the proof and forwarded to:

**Budget Estimates secretariat
Room 812
Parliament House
Macquarie Street
SYDNEY NSW 2000**

CHAIR: In relation to the conduct of the hearing, while the budget estimates resolution does not prescribe procedures for the following matters, the Committee has previously determined that, unless the Committee resolves otherwise: first, witnesses are to be requested to provide answers to oral questions taken on notice during the hearing within 35 calendar days; and, second, the sequence of questioning is to be left in the hands of the Chair. I propose to allow the sequence of questions as 20 minutes each, and then we will go round the room, Opposition, crossbench and then Government.

I refer to the broadcasting of proceedings. Before the questioning of witnesses commences, I remind Committee members that the Committee has previously authorised the broadcasting of all its public proceedings. Should it be considered that the broadcasting of these proceedings be discontinued, a member will be required to move a motion accordingly. I hereby declare this meeting open to the public. I welcome you to this public hearing of General Purpose Standing Committee No. 1. Firstly, I wish to thank the Premier and the departmental officers for attending today. At this meeting the Committee will examine the proposed expenditure of the portfolio area of Premier, the Arts and Citizenship.

Before questions commence, some procedural matters need to be dealt with. I point out that, in accordance with the Legislative Council's guidelines for the broadcast of proceedings—which are available from the attendants and the clerks—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. Members and their staff are advised that any messages should be delivered through the attendant on duty or the Committee clerks.

In relation to departmental officials, for the benefit of members and Hansard, could departmental officials please identify themselves by name, position and department or agency before answering a question referred to them. I have indicated the allocation of time that I propose to be general over the range of the portfolio responsibilities: 20 minutes, commencing with the Opposition, then the crossbench, then the Government.

I declare the proposed expenditure open for examination. Premier, do you wish to make an opening statement?

Mr BOB CARR: No.

CHAIR: Are there any questions?

The Hon. GREG PEARCE: Mr Carr, what did Graeme Wedderburn tell you regarding his conversation with Mark Ryan of Westfield, particularly in relation to potential corruption?

Mr BOB CARR: What I propose to do, Mr Chairman, is to make available the file of all questions I have received and all answers I have given, all answers my staff have given and all answers employees of the Government have given on Orange Grove. I think we have those to place before the Committee. They comprise all *Hansard* references, the transcripts of media interviews I have done on the subject over the last few months, the transcript of 4½ hours of evidence given by my Chief of Staff to the committee on August 18 and all newspaper clippings. If there are any additional questions, I would be happy to take them on notice.

The Hon. MELINDA PAVEY: So you're not prepared to take any questions here?

Mr BOB CARR: I've answered them all.

The Hon. MELINDA PAVEY: No, you haven't!

The Hon. GREG PEARCE: Well, you haven't!

Mr BOB CARR: I've answered them all.

The Hon. MELINDA PAVEY: You haven't!

Mr BOB CARR: Yes.

The Hon. GREG PEARCE: Was the allegation of corruption the corruption on the part of Diane Beamer or potential corruption on the part of Diane Beamer? Was that what you were concerned about?

Mr BOB CARR: All these questions have been answered exhaustively. I place them before the Committee. I am happy to take any additional questions about the matter on notice.

The Hon. GREG PEARCE: Well, why did you feel it necessary to send your Chief of Staff to tell Diane Beamer to stick to the rules? What did you know about her potential for a corrupt decision in relation to the rezoning?

Mr BOB CARR: Mr Chairman, I place on record before this Committee all the questions that I have answered on this, not only in the Parliament but in the media. It has been covered extensively both by me and by employees of the Government before the parliamentary committee.

The Hon. MELINDA PAVEY: But your answers—

CHAIR: Order! Allow the witness to answer the questions.

Mr BOB CARR: All those questions have been answered. But, Mr Chairman, there are some questions I want answered, and I welcome the opportunity—

The Hon. MELINDA PAVEY: This is not the forum. We are here to ask you questions.

CHAIR: Order!

Mr BOB CARR: I'm sorry, it's precisely that forum. And there are a number of questions I want answered. I want answered why the Opposition states it believes in a centres policy but makes an exception of centres policy in the case of Mr Gazal's development. I want to know, Mr Chairman, whether that is related to a stream of fax messages between a public relations company, the vice-chairman of which is a Liberal member of Parliament.

The Hon. GREG PEARCE: Well, let's come to that.

Mr BOB CARR: And—

The Hon. GREG PEARCE: No, let's come to that.

CHAIR: Order!

Mr BOB CARR: I'm answering the question.

CHAIR: Order! Allow the witness to answer the question.

The Hon. MELINDA PAVEY: He's asking questions.

The Hon. GREG PEARCE: Well, that is not the question.

CHAIR: Order! The witness will be allowed to answer.

The Hon. GREG PEARCE: What I want to know is: What's the basis on which—

CHAIR: Order! Mr Pearce—

The Hon. GREG PEARCE: —you thought it necessary—

CHAIR: Mr Pearce!

The Hon. GREG PEARCE: —to send your Chief of Staff to make sure that Diane Beamer did not corruptly rezone the Orange Grove shopping centre?

Mr BOB CARR: The question has been answered.

The Hon. GREG PEARCE: Well, what was the basis of your belief—

Mr BOB CARR: The question has been answered—

The Hon. GREG PEARCE: —that she was susceptible—

Mr BOB CARR: The question has been answered—

The Hon. GREG PEARCE: —to corruptly rezoning it?

Mr BOB CARR: The question has been answered by me extensively.

The Hon. GREG PEARCE: What was the basis of your—

Mr BOB CARR: There's something I want to say—

The Hon. GREG PEARCE: —assumption that she was going to corruptly—

Mr BOB CARR: —about Orange Grove—

The Hon. GREG PEARCE: —rezone Orange Grove?

Mr BOB CARR: —and it's this: Why is the—

The Hon. AMANDA FAZIO: Point of order—

The Hon. GREG PEARCE: What was the—

CHAIR: Order! There is a point of order.

The Hon. AMANDA FAZIO: Mr Chair, my point of order is that I am trying to listen to the answer being given by the Premier—

The Hon. MELINDA PAVEY: These are questions from the Premier, not answers.

The Hon. AMANDA FAZIO: —and I can't hear the Premier because of the insistence of Mr Pearce in badgering and interrupting the witness. I would ask you to ask the Hon. Greg Pearce to behave himself here tonight—

The Hon. GREG PEARCE: To the point of order—

The Hon. AMANDA FAZIO: —so that we can hear what the Premier has got to say on this very important issue.

CHAIR: Mr Pearce to the point of order.

The Hon. GREG PEARCE: To the point of order: I have asked a very simple question of the Premier, and that is: What was the basis on which he believed it necessary to send his Chief of Staff to make sure that Diane Beamer did not corruptly rezone Orange Grove?

Mr BOB CARR: Mr Chairman—

The Hon. GREG PEARCE: I have asked that question. The Premier clearly doesn't understand that that is the question, and I am trying to make it clear to the Premier that that is the question that I want answered.

CHAIR: Order! Members are entitled to ask questions. They can ask questions as they wish, as per the provisions that establish this inquiry, and at the same time it is perfectly in order for witnesses, having been asked a question, to respond as they wish. Premier, please continue.

The Hon. MELINDA PAVEY: With more questions, not an answer!

Mr BOB CARR: Mr Chairman, Mr Gazal attempted one thing, and that was to blackmail Government into giving him—

The Hon. MELINDA PAVEY: Point of order—

Mr BOB CARR: —a retrofit planning approval for an illegal development.

The Hon. GREG PEARCE: So you have—

CHAIR: Order!

Mr BOB CARR: That is precisely—

The Hon. GREG PEARCE: —Diane Beamer—

Mr BOB CARR: That is precisely what this controversy is about—

The Hon. GREG PEARCE: —a corrupt rezoning—

Mr BOB CARR: —is about, and has been about from day one.

The Hon. GREG PEARCE: Your Minister had to be stopped—

CHAIR: Mr Pearce!

The Hon. GREG PEARCE: —from making a corrupt decision—

Mr BOB CARR: This is about—

The Hon. GREG PEARCE: —by sending your Chief of Staff.

Mr BOB CARR: This is about Mr Gazal attempting to blackmail Government into—

The Hon. GREG PEARCE: And you accept that your—

Mr BOB CARR: —giving him a retrospective development approval—

The Hon. GREG PEARCE: —Minister was susceptible to blackmail.

Mr BOB CARR: —a retrospective development approval—

The Hon. GREG PEARCE: The only basis that you had—

CHAIR: Mr Pearce, would you allow the witness to answer the question?

Mr BOB CARR: —for an illegal development.

Mr BOB CARR: Illegal—

The Hon. GREG PEARCE: You had to send your Chief of Staff to make sure your Minister Diane Beamer did not corruptly rezone the shopping centre, and the basis of that—

Mr BOB CARR: I'm sorry, your leader's asking for it to be corruptly rezoned.

The Hon. GREG PEARCE: But the basis of all of that—

Mr BOB CARR: That is precisely what the Liberal Party has put to the Parliament—

The Hon. GREG PEARCE: The basis—

Mr BOB CARR: —that it be corruptly rezoned.

The Hon. GREG PEARCE: The Liberal Party has put a proper, entirely proper, position to Parliament.

Mr BOB CARR: Out of his own mouth then came the admission that a retrospective rezoning would have been corrupt.

The Hon. GREG PEARCE: No, not at all.

Mr BOB CARR: That is precisely what you're asking the Parliament to do by way of legislation.

The Hon. GREG PEARCE: The retrospective rezoning that you had to stop your Minister—

Mr BOB CARR: The land use—

The Hon. GREG PEARCE: You had to stop your own Minister—

Mr BOB CARR: The land use was illegal—

The Hon. GREG PEARCE: —doing something that was corrupt.

Mr BOB CARR: The land use was illegal—

The Hon. GREG PEARCE: That is what you were worried about.

Mr BOB CARR: —under the Liverpool LEP.

The Hon. MELINDA PAVEY: What about your record as planning Minister?

Mr BOB CARR: It was found to be illegal—

The Hon. MELINDA PAVEY: What about your record as planning Minister?

Mr BOB CARR: It was found to be illegal by two, now three, court cases. It was a contradiction of the Government's State environmental planning policies, specifically those on centres policy. The honourable member is right: It would have been a corrupt rezoning. But that is precisely—

The Hon. GREG PEARCE: And you suspected—

Mr BOB CARR: —that is precisely—

The Hon. GREG PEARCE: —that your Minister would do it.

Mr BOB CARR: That is precisely what Gazcorp—

The Hon. GREG PEARCE: You suspected that your Minister—

Mr BOB CARR: —is asking you—

The Hon. GREG PEARCE: —would do it.

Mr BOB CARR: —to champion in the Parliament.

The Hon. GREG PEARCE: And you know why? The reason was because Joe Tripodi—

Mr BOB CARR: This stream of letters—

The Hon. GREG PEARCE: —had been speaking to your Minister—

Mr BOB CARR: —this stream of faxes—

The Hon. GREG PEARCE: —and you had to send your Chief of Staff to make sure—

Mr BOB CARR: Mr Chairman, this stream of faxes—

The Hon. GREG PEARCE: —your Minister didn't corruptly rezone Orange Grove.

Mr BOB CARR: —from a PR firm with a Liberal Party MP—

The Hon. GREG PEARCE: You had to send your Chief of Staff—

Mr BOB CARR: —as its vice-president—

The Hon. GREG PEARCE: —to make sure that she didn't—

Mr BOB CARR: —over the letterhead—

The Hon. GREG PEARCE: —corruptly rezone Orange Grove—

Mr BOB CARR: —over the letterhead of Gazcorp—

The Hon. GREG PEARCE: —because you knew—

Mr BOB CARR: —over the letterhead of Gazcorp—

The Hon. GREG PEARCE: —that these people had—

Mr BOB CARR: —to the Opposition—

The Hon. GREG PEARCE: —had been to see the Minister—

Mr BOB CARR: —giving them the questions—

The Hon. GREG PEARCE: —that Tripodi had been to see the Minister—

Mr BOB CARR: —giving them the questions—

The Hon. GREG PEARCE: —and you knew—

Mr BOB CARR: —and giving them the speech notes—

The Hon. GREG PEARCE: —that the Minister was susceptible—

Mr BOB CARR: —to deliver in the Parliament.

The Hon. GREG PEARCE: —to making a corrupt rezoning.

Mr BOB CARR: A corrupt rezoning, championed by your party—

The Hon. GREG PEARCE: That your Minister was—

Mr BOB CARR: —at the request of Gazcorp—

The Hon. GREG PEARCE: —going to do based on—

Mr BOB CARR: —through a Liberal Party PR agency.

The Hon. GREG PEARCE: —Mr Tripodi had done—

Mr BOB CARR: Through a Liberal Party PR agency we have—

The Hon. GREG PEARCE: Mr Tripodi was the only evidence—

Mr BOB CARR: —all the data—

The Hon. GREG PEARCE: —you had of corruption.

Mr BOB CARR: —presented in Parliament by way of questions, and presented in Parliament by way of speeches.

The Hon. MELINDA PAVEY: Mr Premier, what contact did you have with Mr Tripodi over this issue?

Mr BOB CARR: Mr Chairman, this came from Gazcorp, faxed to a Liberal Party—

The Hon. MELINDA PAVEY: Are we allowed to ask you any questions?

Mr BOB CARR: I'm answering the question.

The Hon. MELINDA PAVEY: Or is this just a cover-up?

Mr BOB CARR: I'm answering the question.

The Hon. MELINDA PAVEY: No, you're not.

Mr BOB CARR: This came from Gazcorp—

The Hon. AMANDA FAZIO: That's not for you to say.

Mr BOB CARR: —faxed through a Liberal Party agency, a Liberal Party public relations agency—

The Hon. MELINDA PAVEY: What contact did you have with Mr Tripodi?

Mr BOB CARR: —the member for Lane Cove is the vice-president—

The Hon. MELINDA PAVEY: What contact have you had with Mr Tripodi?

Mr BOB CARR: —of this company, and it has undertaken to provide to the Parliament, to the Opposition members in the Parliament, all the draft questions and all the draft speeches they're given, in pursuit—

The Hon. MELINDA PAVEY: Your credibility on this issue—

Mr BOB CARR: —in pursuit—

The Hon. AMANDA FAZIO: Cash for questions.

Mr BOB CARR: It is precisely cash for questions.

The Hon. MELINDA PAVEY: Why can't you answer—

Mr BOB CARR: I agree with the observation of my colleague.

The Hon. MELINDA PAVEY: —some questions?

Mr BOB CARR: And the honourable member said a moment ago it would have been a corrupt rezoning. Well, he's thinking it—

The Hon. GREG PEARCE: Your Minister Beamer—

Mr BOB CARR: —and Gazcorp is requesting it—

The Hon. GREG PEARCE: You had to send your Chief of Staff—

Mr BOB CARR: —and the Government has said no.

The Hon. GREG PEARCE: —to make sure that your Minister didn't corruptly rezone it.

Mr BOB CARR: Out of the voices of innocents, Mr Chairman. The very first question—

The Hon. GREG PEARCE: You had to send your Chief of Staff to stop your Minister—

Mr BOB CARR: The very first question I received on the subject—

The Hon. GREG PEARCE: —to stop the rezoning.

Mr BOB CARR: —has the Opposition saying that a rezoning of this would have been corrupt. Well, precisely! And that is why the Government said no to it. And that is why you have got to explain why Gazcorp is seeking it, through the agency of the Liberal Party—

The Hon. MELINDA PAVEY: You have a lot more explaining to do yourself.

Mr BOB CARR: —and through a PR firm with Liberal Party links.

The Hon. MELINDA PAVEY: What conversations have you had with Mr Tripodi on this issue?

CHAIR: Are there any further questions from the Opposition? The Opposition is being very quiet over here. Do you have any questions you would like to ask the Premier?

The Hon. GREG PEARCE: We do.

CHAIR: Please.

The Hon. MELINDA PAVEY: What contact have you had with Mr Tripodi over the Orange Grove issue?

Mr BOB CARR: It's answered in several of the transcripts I'm laying before the Committee.

The Hon. MELINDA PAVEY: But you have answered that question in a public forum under oath.

Mr BOB CARR: I'm sorry, it's answered in several of the transcripts I'm laying before the Committee.

The Hon. MELINDA PAVEY: You haven't answered the question under oath.

CHAIR: Would you allow the Premier to reply?

The Hon. MELINDA PAVEY: You haven't answered the question under oath.

The Hon. AMANDA FAZIO: He's not sworn in here, you dummy! Don't you know how these committees work?

The Hon. MELINDA PAVEY: And that is all that we, as a committee protecting the taxpayers' money, want to know.

Mr BOB CARR: I'm happy to answer any further questions, Mr Chairman.

CHAIR: Thank you. The Premier is happy. Are there any further questions from the Opposition?

The Hon. GREG PEARCE: Yes. There are plenty of questions.

The Hon. MELINDA PAVEY: What contact have you had with Mr Tripodi on this issue?

Mr BOB CARR: I've answered the question—

The Hon. MELINDA PAVEY: You haven't.

Mr BOB CARR: —in the transcripts I'm placing before the Committee.

The Hon. MELINDA PAVEY: No, you haven't done it.

CHAIR: Thank you, Premier. Are there any further questions from the Opposition?

The Hon. GREG PEARCE: There certainly are. Premier, do you recall your time as Minister for Planning and Environment?

Mr BOB CARR: I am happy to answer any questions that have got a relation to the budget papers before us.

The Hon. GREG PEARCE: Do you recall introducing a bill to validate the Grosvenor Place development approval?

Mr BOB CARR: Mr Chairman, I am happy to answer any questions about my role as Premier.

The Hon. GREG PEARCE: You've got form on this, haven't you? Do you remember introducing the special legislation to effect a rezoning for a Blue Mountains resort when you were the Minister?

CHAIR: Premier, can I stress to you, and make it clear to all members of this Committee, this Committee was established to consider the expenditure, performance or effectiveness of any department of government, statutory body or corporation in relation to the current estimates. So it is appropriate and lawful for you to answer questions relating to that. It is inappropriate for you to be answering questions other than that.

Mr BOB CARR: I understand.

CHAIR: I urge you to not answer questions other than those that are lawful before this inquiry.

Mr BOB CARR: Yes.

The Hon. GREG PEARCE: How many jobs has the Premier's Department jobs coordinator found for Orange Grove workers?

Mr BOB CARR: Again, it is answered in the extensive file—

The Hon. GREG PEARCE: Do you know, or not?

Mr BOB CARR: —of transcripts that I'm placing before the Committee.

CHAIR: Thank you. Further questions?

The Hon. GREG PEARCE: Yes. In relation to your legal representation at the ICAC contempt proceedings, how much has been paid in legal fees for your representation?

Mr BOB CARR: I am happy to take that on notice. I am not sure that anything has been paid to this date. But I am happy to take that on notice.

The Hon. GREG PEARCE: And the rates of pay?

Mr BOB CARR: I am happy to take that on notice.

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The Hon. GREG PEARCE: And of that, a breakdown as to how much has gone to Mr McCarthy and how much has gone to other legal representatives?

Mr BOB CARR: Why would it go to Mr McCarthy?

The Hon. GREG PEARCE: I understood that he represented you.

Mr BOB CARR: No, he is representing the Minister.

The Hon. GREG PEARCE: Are you saying he did not represent you?

Mr BOB CARR: No.

The Hon. MELINDA PAVEY: Can we get a break down of all the fees that were paid to Mr McCarthy in both the ICAC and the—

Mr BOB CARR: I am here to answer questions about my representation, but he is not part of my legal team on this matter.

The Hon. MELINDA PAVEY: He is a big part of the Orange Grove legal team, though, is he not?

Mr BOB CARR: He is representing the Minister, but he is not representing me.

The Hon. GREG PEARCE: Who is paying him, though? Is the Premier's Department paying him or is the Minister paying him?

The Hon. MELINDA PAVEY: He is representing you?

Mr BOB CARR: He is representing the Minister—

The Hon. MELINDA PAVEY: Mr Knowles?

Mr BOB CARR: —on one matter before the ICAC.

The Hon. GREG PEARCE: Has he been paid by Premier's or by—

The Hon. AMANDA FAZIO: Point of order.

Mr BOB CARR: I am happy to take that on notice.

The Hon. GREG PEARCE: Is he paid by Premier's?

Mr BOB CARR: I can say this: Governments are represented by legal counsel—there is nothing new about that. In matters before the ICAC, the Coalition Government was represented by legal counsel. It is a longstanding practice, and I am happy to provide advice on what payments are being made—

The Hon. GREG PEARCE: So you are taking that on notice?

Mr BOB CARR: —when that is settled. I am happy to take it on notice.

The Hon. MELINDA PAVEY: So in taking that on the notice, you are providing to the Committee information relating to the fees received by John McCarthy by Minister Knowles?

Mr BOB CARR: All representations. All legal representations, yes.

The Hon. MELINDA PAVEY: As well as for the Orange Grove affair?

Mr BOB CARR: Of course.

The Hon. GREG PEARCE: And who approves that legal representation?

Mr BOB CARR: The Attorney General.

The Hon. GREG PEARCE: The Attorney General. And if Mr Meagher, Chief of Staff of Ms Beamer, was represented by Mr McCarthy would that have been approved by the Attorney General?

Mr BOB CARR: I do not know. I will find out. There is absolutely nothing innovatory about governments being legally represented at inquiries. There is nothing new about that.

The Hon. GREG PEARCE: So you do not approve legal representation in those circumstances? Your office has not approved that legal representation? Cabinet Office has not?

Mr BOB CARR: Legal representation is approved by the Attorney General.

The Hon. GREG PEARCE: Has it also been approved by your office or by the Cabinet Office?

Mr BOB CARR: I think the practice is that it is approved by the Attorney General.

The Hon. GREG PEARCE: But has it also been approved by your office or the Cabinet Office?

The Hon. MELINDA PAVEY: Who seeks the approval from the Attorney General?

The Hon. GREG PEARCE: Has your office—

Mr BOB CARR: Sorry, in what case? You are talking about Mr Meagher?

The Hon. GREG PEARCE: We are talking about—

Mr BOB CARR: In Mr Meagher's case—

The Hon. GREG PEARCE: That is correct.

The Hon. MELINDA PAVEY: Mr Meagher, Mr Knowles.

The Hon. GREG PEARCE: In his appearances before the parliamentary inquiry.

Mr BOB CARR: People in governments are entitled to legal representation. There is nothing new about this. It happened under Coalition governments.

The Hon. GREG PEARCE: It certainly did.

Mr BOB CARR: I will give you a complete list, when I provide information about our legal representation, of that that was extended to Premier Fahey and Premier Greiner. We did not introduce it. It is not an innovation that we brought forward. When governments have been asked to be represented before inquiries, have had to defend themselves before the courts, they have had legal representation. Is this a blinding revelation to you?

The Hon. GREG PEARCE: No, it is not.

Mr BOB CARR: Have you come into the Parliament, presumably as a lawyer, someone with a reputation in the junior traffic court—

The Hon. MELINDA PAVEY: Stop the arrogance.

Mr BOB CARR: —in the Parliament—

The Hon. MELINDA PAVEY: Stop the arrogance. Stop with the arrogance.

Mr BOB CARR: —and not realised—

The Hon. MELINDA PAVEY: We have only got another five minutes for questions.

Mr BOB CARR: —that when government is challenged—

The Hon. GREG PEARCE: It is a little bit old now.

Mr BOB CARR: —and members of Parliament have legal representation—

The Hon. GREG PEARCE: Did your office—

Mr BOB CARR: —that is afforded by government.

The Hon. GREG PEARCE: Did your office approve the legal representation—

Mr BOB CARR: The practice is that it is approved by the Attorney General.

The Hon. GREG PEARCE: —for the ICAC hearing? Did your office approve it as well or not?

Mr BOB CARR: There would have been nothing wrong—

The Hon. GREG PEARCE: Did your office approve it or not?

Mr BOB CARR: —if we had been advised of it, but I am advised the practice is that it is approved by the Attorney General. But if it had been—

The Hon. GREG PEARCE: So your office had no role in selecting the counsel—

The Hon. AMANDA FAZIO: Point of order. I cannot put my microphone on.

Mr BOB CARR: Let me make it very clear: I will—

The Hon. AMANDA FAZIO: Point of order.

CHAIR: Point of order, Ms Fazio.

The Hon. AMANDA FAZIO: Thank you, Chair. My point of order is that, once again, the Hon. Greg Pearce continues to interrupt the Premier when he is trying to give an answer. I am having difficulty following which questions are being asked because of the interjections also of the Hon. Melinda Pavey. And it is making it very difficult to follow the information that the Premier is volunteering to the Committee. So I would ask you to ask the honourable members opposite to let the Premier answer the questions and not to keep interjecting.

Mr BOB CARR: Mr Chairman, can I sum up on this so that we can move on to other matters? Again, I am happy to make available what the rate is for legal representation in these inquiries. Each officer and Minister makes a submission to the Attorney General about legal representation and the Attorney General has guidelines. Now, I do not think those guidelines have been altered in any way since we have been in government. I think they are the same guidelines that would have applied to legal representation for Ministers and Premier's, more or less the same I am advised, under the Coalition government.

CHAIR: Are there further questions?

The Hon. GREG PEARCE: Yes. Premier, last year, although you refused to answer it at the time, eventually, I think, Mr Gellatly was good enough to tell us Mr Wedderburn's salary, which was \$204,512 a year. Has Mr Wedderburn had a pay rise or a bonus since then?

Mr BOB CARR: If so, it would be in line with that of all government employees. Again, I am happy to get that data. It does raise an interesting question about the remuneration of personal staff. Information concerning all staff salaries from the Government was placed on the public record last year. And I think that is reasonable. I think the community is entitled to know this. But I think the principle needs to be extended. It has been drawn to my attention that the Opposition leader's Chief of Staff, Mr Peter Fraser, is being paid \$31,500 per annum—\$31,500 per annum for a Chief of Staff. Now, of course, that is a surprising figure and it does beg the question of whether he is, first, working part time or, second, having his salary supplemented from some source.

The Hon. GREG PEARCE: Well, let us just go on to the—

CHAIR: Order!

Mr BOB CARR: And I will be brief.

The Hon. GREG PEARCE: Let us go on to the—

CHAIR: Order!

Mr BOB CARR: I will be brief about this.

The Hon. GREG PEARCE: Let us just go on to the—

CHAIR: Order!

Mr BOB CARR: I will be brief about this. I do want to finish, Mr Chairman.

The Hon. GREG PEARCE: Let us just get on with the questions to the Premier.

CHAIR: Order!

Mr BOB CARR: Mr Chairman, I will just—

The Hon. GREG PEARCE: That is not part of the question the Premier was asked.

The Hon. MELINDA PAVEY: Can we use the Government's time with these Dorothy Dixers?

Mr BOB CARR: I will not detain the Committee more than—

CHAIR: Will you allow the Premier to answer it?

The Hon. MELINDA PAVEY: We have some more questions and I want to go on to the next one.

Mr BOB CARR: Mr Chairman, there is plenty of time. We have all evening. I want to know—

The Hon. GREG PEARCE: What about Walt Secord—is he still paid \$178,000?

Mr BOB CARR: Mr Chairman, I want to know whether—

The Hon. GREG PEARCE: Has he had a pay rise?

Mr BOB CARR: I want to know whether the Opposition leader's Chief of Staff is really only worth \$31,500 a year or whether there is a supplementation. Is he getting a PricewaterhouseCoopers-style fee?

The Hon. GREG PEARCE: You really do—

Mr BOB CARR: Is there a private benefactor?

The Hon. GREG PEARCE: You really do—

Mr BOB CARR: Is the Liberal Party paying him? And, if it is—

The Hon. GREG PEARCE: Are you suggesting you are prepared—

Mr BOB CARR: —then which corporate's donor is contributing to his upkeep?

The Hon. GREG PEARCE: —to increase the budget of the Leader of the Opposition?

The Hon. MELINDA PAVEY: Well, it would not be Hawker Britton, would it?

Mr BOB CARR: Or could he be a person of independent means? I have asked the Cabinet Office to look at an amendment to the Public Sector Management Act requiring that political parties represented in the Parliament disclose any topping up arrangement—

The Hon. GREG PEARCE: So that will include—

Mr BOB CARR: —provided by private benefactors to their staffs.

The Hon. GREG PEARCE: —your union fees?

Mr BOB CARR: I think that is a very important matter of public disclosure. This case would certainly seem to bear it out about the need for such disclosure.

The Hon. GREG PEARCE: You have nothing to go on at all.

Mr BOB CARR: I think there is a legitimate public—

The Hon. AMANDA FAZIO: Well, we never found out what Brogden was getting paid for.

CHAIR: Order! The Opposition's current allotment of time has expired. I hand it over to the crossbench.

Ms LEE RHIANNON: Mr Premier, I want to ask you about when the New South Wales Government will provide a response to the New South Wales joint select committee's report on the inquiry into the transportation and storage of nuclear waste?

Mr BOB CARR: This is a response to the committee's report?

Ms LEE RHIANNON: Yes.

Mr BOB CARR: Through you, Mr Chairman, I am advised the matter is being assessed. It will go to Cabinet and I do not think the response is that far off beyond that point.

Ms LEE RHIANNON: Because there is a set period of a response within six months and that has been exceeded. So can you be more specific about the time line, please?

Mr BOB CARR: No, I cannot. But it will be a comprehensive response.

Ms LEE RHIANNON: Given that ANSTO has made an application to proceed with the second nuclear reactor, and that has been made public today, and the recommendation from the joint committee was that the Government should oppose any application from ANSTO, what will the response of your Government be?

Mr BOB CARR: Well, I want the opportunity to have a whole-of-government consideration of this. So, again, I will have to disappoint you by saying I will need more time.

Ms LEE RHIANNON: So when you say you require a whole-of-government approach, which is quite welcomed, but as you would well know, it can also be used as a stalling tactic. Is that something that you have just thought up now, or is that already being investigated?

Mr BOB CARR: No. I want to be able to give a full and comprehensive response. But we are not the determining authority. You understand that under the Australian Constitution the Federal Government does not require the approval, or seek the approval, of the State for a development approval for a Federal instrumentality.

Ms LEE RHIANNON: But equally, Premier, you would be aware that you are now about one out of the Labour Premiers, as they have all taken a stand against nuclear facilities in their State and you are—

Mr BOB CARR: But we have taken a stand against it. We have legislation in this State that prohibits a nuclear industry. That is there in the law. It is in the law of New South Wales. It was passed under the Wran Government.

Ms LEE RHIANNON: Yes, but you have not—

Mr BOB CARR: We are not one out at all.

Ms LEE RHIANNON: But you are still—

Mr BOB CARR: The law is on the statute book as a result of an initiative of a Labor government.

Ms LEE RHIANNON: But not when it comes to a waste dump, it is not.

Mr BOB CARR: I mean, you could say we were one out—

Ms LEE RHIANNON: Premier, could you answer that, please?

Mr BOB CARR: Mr Chairman, you could say—

Ms LEE RHIANNON: Not when it comes to a waste dump.

Mr BOB CARR: It is, absolutely. We are not taking a waste dump. We have expressly ruled that out, but it is against the law of New South Wales. You could say we were one out, Mr Chairman, if we said we were going to repeal the law in New South Wales that prohibits a nuclear industry. But the law prohibits it. We are nuclear free. You could say we were one out if I were the only Premier in New South Wales to leave open the prospect of a waste dump in New South Wales. But we are not.

Ms LEE RHIANNON: But, Premier, you often speak about the Commonwealth situation when we come to these debates. Will your office now provide a copy of the Commonwealth Government's response, which I understand was received by your Government in August, to the New South Wales inquiry?

Mr BOB CARR: I will check on that, but in the past when we have taken up planning and transport and emergency issues with the Commonwealth our agencies have been critical of what the Commonwealth has proposed. So we are not in league with the Commonwealth on either the plan for a second reactor or any fantasies they may have about a waste dump in New South Wales. But the law of New South Wales passed by the previous Labor Government prohibits nuclear facilities in this State. But the Commonwealth constitutionally, when it comes to the Lucas Heights facility, overrides New South Wales, overrides State law.

Ms LEE RHIANNON: Premier, considering as Premier you have a duty of care to the people and the environment of New South Wales, I hope you will respond to my questions on longwall mining operations under rivers in New South Wales. Are you aware that longwall mining operations under the Georges and Cataract rivers have resulted in the riverbeds of those rivers cracking, and that the company, BHP Billiton, now pumps 1.52 megalitres of Sydney water a day into the Georges River to maintain water levels?

Mr BOB CARR: I will seek advice on that from my colleague the Minister for the Environment and my other colleague the Minister for Natural Resources.

Ms LEE RHIANNON: Further to that, considering that that amount of water is being pumped into the river, would you agree that it is an insult to the people of Sydney who have been cutting down on their water use by not bordering their gardens and not watching their cars for millions of tonnes of Sydney's water to be pumped into our rivers to maintain water levels in rivers where the riverbed has cracked?

Mr BOB CARR: As I said, I will seek a report for the Committee on that.

Ms LEE RHIANNON: Okay, well I will give you some more questions to that and I hope that you would be able to respond. Are you aware that BHP Billiton plans to extend its longwall mining operations under the Nepean River? We have had it under the Georges and the Cataract. You are a great lover of the bush, which we very much appreciate. I am sure it you are aware that this river system goes through nine national parks, State conservation areas and nature reserves in its journey from its source to the Pacific Ocean. So do you think that at this time of severe water shortages we should risk cracking the bedrock of another river, which will result in that water draining out and wasting more water?

Mr BOB CARR: We do not allow mining under national parks.

Ms LEE RHIANNON: Yes, I know—

Mr BOB CARR: Well, hold on. Hold on.

Ms LEE RHIANNON: Yes, but this river flows—

Mr BOB CARR: No. No. Do not—

Ms LEE RHIANNON: Okay. Okay.

CHAIR: Order! I think it is appropriate to allow the Premier to answer the question.

Mr BOB CARR: Yes. We do not allow it and it is contested by the mining industry. They do not like the fact that we do not allow it, but we decidedly do not allow it. And we did not allow it when I was Minister for Planning and the Environment. I think we enshrined that in legislation and we have maintained that under this Government.

<3>

The reason we do not allow it is, one, the problem of subsidence, of the collapse of land forms—and that is why we did not allow the extension of mines under the pagoda country on the western side of the Blue Mountains out of Lithgow. We did not want to risk that those unique geological structures might collapse. The second reason is the effect on the river quality, the matter that you referred to. From time to time I see the mining industry in New South Wales mount a strong complaint about this restriction that we have placed their operations under.

Ms LEE RHIANNON: I thank you for that answer, Premier, because you have acknowledged how damaging it would be if the mining proceeds under national parks. Considering that the BHP Billiton operation is about to go under that river, if the community is not successful in stopping it, can you not acknowledge that that river, in going through nine national parks and nature reserves, obviously makes a valuable contribution to our environment as well as to the whole Sydney community and therefore is integral to other national parks further downstream and is worthy of your consideration—even though where they want to mine is not a national park?

Mr BOB CARR: Look, I do not disagree with you. Any such development would, of its nature, be subjected to the strictest assessment under the Environmental Planning and Assessment Act. I am interested in pursuing the matter further and sharing with you the advice I have got.

Ms LEE RHIANNON: I appreciate that. I would just leave you with one other point that you may be able to comment on now or come back to. BHP Billiton, just in August, announced a \$4.8 billion profit. Do you think that it could forgo mining the coal under the Nepean River, which I am sure you would appreciate would be a very, very small percentage of the profits of this world multinational, so that this riverbed will be safe from the cracking and we do not have the problems that we have seen in the Georges and Cataract rivers? Is it not time that we learned the lesson and that you gave the lead, as Premier in this State?

Mr BOB CARR: Well, we have restricted mining in the outskirts of Sydney where we have assessed that longwall mining would be a threat to national parks, a threat to river quality or a threat to housing. From time to time various people in the coalmining industry mount a case for a lift of these restrictions so that they can get into valuable coal seams, but we have disappointed them. There is no process under the Environmental Planning and Assessment Act stricter than that which covers deep wall mining. You have raised a serious matter. This matter has not been raised with me before. I am happy to explore it and to share the information—the information I have got—with you.

Ms LEE RHIANNON: Thank you, Premier. In 2001 you made the Action for the Environment statement and promised to make a decision on the future of the western woodlands by the end of 2002. It is now halfway through 2004. As you would know and we all know, nothing has happened. Will we get a decision this year?

Mr BOB CARR: You are referring to the Pilliga?

Ms LEE RHIANNON: Yes.

Mr BOB CARR: My biggest concern with the Pilliga is the impact that the drought is having in that community and my desire not to do anything that would worsen the economic distress of the drought in that part of New South Wales. As a result, we went to the people in 2003 and shared with them that perspective. Now I acknowledge the conservation case that has been made but I also acknowledge, especially given the pressing and mounting evidence about greenhouse, we have to protect future access to the relatively clean gas resources in that area. I also acknowledge that we need different forms of environmental protection for woodland in that region. I do not think, in short, that an old fashioned broad acre national parks decoration is going to serve our conservation purposes. As a result, you know that we set up the inquiry headed by Mr Sinclair and we are weighing that and weighing other input, but the short answer is while that region is suffering a loss of income related to

drought, we are very sympathetic to the economic and social needs of the central west of New South Wales and will not move pre-emptively.

Ms LEE RHIANNON: Can you give us a time line?

Mr BOB CARR: I cannot give you a time line.

Ms LEE RHIANNON: I mean, it is a dry country. Droughts can be used as an excuse over many decades, so I think it is time that you—

Mr BOB CARR: Well, that it is getting drier is the difficulty. It is getting drier. Each of our droughts is getting hotter and longer than the preceding ones, but I do not think we can dismiss the economic and social concerns in that region by simply saying that drought is always with us. The fact is that it is doing it tough, and closing timber mills would have a more serious effect now than it would have if the economy were bubbling along prosperously there.

Ms LEE RHIANNON: But, I mean, closing the timber mills is only part of the story that needs to be done. I mean that you yourself have obviously handled this in other parts of the State where the job packages are provided. I mean nobody wants to see the workers out of a job but at the moment, if you let it go the way it is, those wood supplies will dry up and those mills will close because the timber will not be there. So you are selling them down the drain just by not doing anything.

Mr BOB CARR: No, we are not selling them down the drain.

Ms LEE RHIANNON: Those jobs are very short term.

Mr BOB CARR: Ms Rhiannon, no-one out there in the timber industry would say we are selling them down the drain by exploring every option to achieve the appropriate balance between conservation interests in the Pilliga, the continued access to a clean energy resource, which is gas, and some sort of continuity for the timber activity located there. Now we have taken our time about other conservation objectives in the State and we have done exceptionally well—protection of the south-east forests, for example, saving an area about one-third greater than we promised to save when we went to the people in 1995; 100 new national parks between Nowra and the Bega Valley that we declared after we were re-elected in 1999. In one day in late 1998 I declared more national parks than the previous Coalition government declared in a full seven years.

Ms LEE RHIANNON: Is that because you divided up the parks into little parks so that you could end up with 100 parks?

Mr BOB CARR: No, no, no. That is ridiculous.

Ms LEE RHIANNON: Are you sure?

Mr BOB CARR: That is ridiculous. It was a net increase.

Ms LEE RHIANNON: I know it was a net increase.

Mr BOB CARR: No, no, no.

Ms LEE RHIANNON: You divided them and ended up with 100.

Mr BOB CARR: We did not divide up any. That is ridiculous.

Ms LEE RHIANNON: No, but the ones that you were proclaiming, instead of proclaiming like 25 or 42, you made a lot of smaller parks—

Mr BOB CARR: The short answer is no.

Ms LEE RHIANNON: —and it sounds good.

Mr BOB CARR: The short answer is no. They are not adjacent. They have not been subdivided.

Ms LEE RHIANNON: I think that some people might see it differently.

Mr BOB CARR: But that is not right. No. Anyone who might see it differently is teetering on the brink of a schedule 4 hospital committal. It is simply not—not—the case. Just to flesh out my answer a little, Ministers Knowles and Debus continue to have this before them. The forests compartments that might be the subject of future conservation decisions are subject to moratorium and the Government is looking, as I indicated a moment ago, at innovative solutions for industry—value adding cypress timber, briquette plants and lamination plants. We are working hard on a solution but it is going to be a solution that attends to the economic and social needs of the area as well as the continuing and constantly revalidated conservation interests.

CHAIR: Does the Government have any questions?

The Hon. ERIC ROOZENDAAL: Mr Premier, in the light of Richard Butler's resignation as the Governor of Tasmania, what is the latest information on the cost to New South Wales of the New South Wales Governor?

Mr BOB CARR: Did I not have my critics at the time I made the decision to close Government House as a residence for a Governor and open it up to the public? Still we have the old Opposition—the creaking old Opposition in New South Wales—committed, should they come to government, to put a Governor back in residence and locking the public out.

The Hon. ERIC ROOZENDAAL: Shame.

Mr BOB CARR: Members will have closely followed recent controversy regarding the former Governor of Tasmania—reports of a very generous golden handshake.

The Hon. GREG PEARCE: Good Labor Party boy, was he? A good Labor Party boy. A nice golden handshake.

Mr BOB CARR:—a total salary topping \$1.6 million and a whopping \$370,000 base salary. I cannot comment on this.

The Hon. GREG PEARCE: Was he a member of the New South Wales ALP?

Mr BOB CARR: I am not the Premier of Victoria. I can only go on what I have read in the media.

The Hon. MELINDA PAVEY: You are actually the Premier of New South Wales and you are referring to the Premier of Tasmania, not Victoria.

Mr BOB CARR: I stand corrected. But, Mr Chairman, I am in a position to comment on the inevitable contrast with the restrained and dignified model that exists in this State. Our Governor, of course, lives happily in the comfort of her own home where she does not require the service of the staff who worked there, attending on Governors back in the old days when they were fitted out with this vice-regal residence. They were—I will refresh your memories—a butler, a chef, an under butler, and we all know the need for an under butler, a housekeeper—

The Hon. MELINDA PAVEY: We contract out the catering now, do we not? We contract out the catering at Government House? Government House has a contract caterer.

Mr BOB CARR: No. Her Excellency lives in her own home.

The Hon. MELINDA PAVEY: Yes.

Mr BOB CARR: And in any case—

The Hon. MELINDA PAVEY: But there is still catering in the Government House.

Mr BOB CARR: No, no, no. You have got it wrong. In any case, when previous governors entertained on a large scale, they contracted in, but this was for their own services.

The Hon. MELINDA PAVEY: What do we do now?

Mr BOB CARR: This was for their own services. They had multiple house maids. They had kitchen maids. They had footmen. Is it any wonder therefore that Her Excellency, our Governor, has been described as Australia's best value for taxpayers' money vice-regal appointee. In fact, the total cost to taxpayers is less than \$1.9 million.

The Hon. MELINDA PAVEY: She would be cheap at twice the price.

Mr BOB CARR: Do not be so insulting.

The Hon. MELINDA PAVEY: She is very good.

Mr BOB CARR: You ought to respect the vice-regal role.

The Hon. MELINDA PAVEY: I do.

Mr BOB CARR: You ought to respect the vice-regal role.

The Hon. MELINDA PAVEY: I do. She is the most—

Mr BOB CARR: I think she has done an excellent job—and so do the public, in fact—at a total cost to taxpayers of less than \$1.9 million, including just 12 administrative staff. The New South Wales governorship costs taxpayers less than half of its Victorian counterpart—you ought to be ashamed and withdraw that comment—and less than one-fifth the cost of the Governor General. There is another story to tell. Members will be aware that in March 1996, Government House ceased to be the residence of the Governor of New South Wales. Day-to-day management of the house was transferred to the Historic Houses Trust, and from that day, one could truly say that Government House became the people's house.

The main house is open to the public three days a week plus an additional day for school and booked groups. The gardens are open seven days a week. In other words, we have increased the size of the Royal Botanic Gardens incorporating within its boundaries what once were the locked off and shut out gardens of Government House that were there, in the bad old days, only for the entertainment of one family but now are there for all people of New South Wales. Day-to-day activities at Government House include official receptions hosted by the State Government, events held by the major charitable organisations, public viewings and festivals, lectures and seminars. In keeping with the dignity of the office, private or commercial functions are not allowed—all this while the Governor continues to use the residence for all principal vice-regal functions, 198 in the last year alone.

In other words, all the investitures and receptions that have occurred at Government House and its predecessors over the past two centuries still occur there. Mr Chairman, our policy has the support of the people. Almost a million have visited Government House since March 1996—since we opened it to the public. Some 114,000 have visited this year alone, attending events such as the enormously popular 2003 Art of Flowers Festival, which attracted 11,800 people in just two and a half days. It will come as no surprise to longstanding observers of this Chamber that the Coalition released to selected media in rural areas its policy on Government House during the last State election—they did not release it to the metropolitan media because in the city opening Government House to the public has been popular—but to selected rural media, where they hoped opinion would be more conservative. They put out a statement dated 22 November 2002 which reads:

A Liberal-National Government would intend to reinstate Government House as an operational Government House—the official office and official residence of the New South Wales Government.

Ms LEE RHIANNON: And your Government puts out selected media releases, too, with one of your members in the upper House putting—

Mr BOB CARR: I am not answerable for what a member in the upper House does.

The Hon. GREG PEARCE: But a member of your Government—are you answerable for what your Ministers do? For what Diane Beamer was going to do?

Mr BOB CARR: I am talking about what your Government would have done.

The Hon. GREG PEARCE: Are you answerable for what Diane Beamer was going to do? You are, are you not? That is why you had to send—

Mr BOB CARR: They would hand Government House back to the Governor—

The Hon. GREG PEARCE: To stop her.

Mr BOB CARR:—a future Governor, and lock out the public. Shame on that!

The Hon. AMANDA FAZIO: Shame on you! It is disgusting elitism. You are elitists.

Mr BOB CARR: The public—one million visitors since 1996; this is the people's Government House—one million visitors since 1996.

<4>

It would be turned back under a change of government and they would re-enlist the services of a butler. You would see an advertisement for a butler under vice-regal letterhead.

The Hon. MELINDA PAVEY: Not Butler.

Mr BOB CARR: No, this is a small "b" butler, a footman a cook, chambermaids, scullery maids. That would reinstate all the pompous vice-regal trappings and all the expense, turfing the public out in the process.

The Hon. GREG PEARCE: Did you just advertise for a butler for level 41, your own little dreamland on level 41? You already have them on level 41.

Mr BOB CARR: No, we do not. We have the same staff we inherited from the previous Government in 1995. The Government will not turn its back on the simple, dignified, cost-effective, vice-regal system we put in place with the agreement of the past two governments. In Budget Paper No. 3, Volume 1, page 2-45—and this is all about the budget papers—it actually shows a decrease in the cost of the Governor's Office this year: down from \$1.897 million in 2004-05 to \$1.663 million.

The Hon. AMANDA FAZIO: Premier, can you give the latest information on climate change?

Mr BOB CARR: Yes. As you are aware, we commissioned a study, research from the CSIRO, which spelled out a lot of the evidence of worsening climate change affecting New South Wales. It included an assessment of past climate change in the State and future changes in average climate. The second stage of the report will include analysis of future changes in extreme weather, risk assessment approaches and recommendations for further research. We know from that, on top of international research, that global warming is a reality. In New South Wales we have the following priorities for work on greenhouse: the development of the New South Wales greenhouse strategy, devoted to limiting greenhouse emissions, combating climate change and securing long-term economic social environmental benefits; the demand-management function; and the task force, chaired by Minister Sartor, which is directed at providing cost-effective alternatives and new energy infrastructure.

New South Wales is spearheading the development of an emissions trading scheme. There is no Commonwealth leadership on this, but Mark Latham has committed himself to an emissions

trading scheme operating by 2008. To my knowledge, all the States are prepared to move, certainly New South Wales and Victoria. An interjurisdictional working group comprising all State and Territory governments and chaired by New South Wales is working towards recommendations on this, on a broad scheme that will go to Australian energy Ministers by December 2004. The Australian greenhouse rating scheme is a New South Wales Government designed program focused on improving greenhouse performance in existing office buildings by 2006. All new government buildings are to achieve a 4.5-star rating, and all existing buildings will achieve a 3-star rating. On 1 July we required energy conservation in all new housing in New South Wales. Our greenhouse abatement scheme, which commenced on 1 January 2003, requires electricity retailers to meet mandatory reductions in their emissions. It has accredited 113 projects, which is equivalent to taking millions of cars off the roads in New South Wales.

We have ended broad-scale land clearing through the Native Vegetation Act in this State, and have established 13 catchment management authorities to give farmers financial incentives for tree planting and retaining native vegetation. In our view Australia should sign the Kyoto Protocol, and we should have nationwide emissions trading. The commitment of the New South Wales Government to these policy propositions is reinforced by the CSIRO report that we have received and of which I have spoken.

The Hon. ERIC ROOZENDAAL: Mr Premier, what is your response to the announcement today by the Prime Minister to fund \$1.6 billion of his \$2 billion water plan by cuts to funding to the State and Territories?

Mr BOB CARR: This is another savage cut to State finances and it demonstrates real deceit on behalf of the Prime Minister. He is sheltering behind a so-called national water reform initiative to cut competition payments to the States. The vast bulk of the Prime Minister's announcement today will be funded not from the \$25 billion in surplus but by once again cutting funding to the States and Territories. The Prime Minister has signalled that \$1.6 billion of the \$2 billion commitment will be funded by cuts to national competition payments, and their complete abolition from 2006-07. That represents a cut to New South Wales of \$550 million. This is \$550 million earmarked for schools, hospitals, roads and police over the next five years. It is on top of the \$1.7 billion in Grants Commission cuts imposed earlier this year, and almost \$400 million cut under the Australian health care agreement.

The Prime Minister is very generous with other people's money. Let us not forget he could have promised this funding from the huge surplus revealed last Friday. It is a huge surplus on the back of declining bulk-billing rates, university degrees that now cost \$100,000, and cuts to public hospital funding. It is a surplus built on reaping the benefits of 10-year's worth of competition policy reforms, but the competition policy payments to the States, designed to compensate State revenues for the cost of those reforms, is abolished. A stronger economy is being delivered by the impact of competition reforms largely delivered—as even conservatives have acknowledged—by reforms at the State level. Those reforms have cost the States dividends to their budgets through payments from our utilities, and that is the rationale for competition dividends.

Our population is growing, it is ageing, and that places ever greater demands on our public hospitals and the State's roads, water and electricity. The \$550 million cut simply cannot be absorbed. Half of our budget is spent on education and health. I call on the Prime Minister to stop funding his commitments with money that belongs to the taxpayers.

CHAIR: Any further questions?

The Hon. AMANDA FAZIO: Not at this time; I might have some later.

CHAIR: We will go back to Opposition questions.

The Hon. GREG PEARCE: Premier, you admitted earlier that you were concerned that Diane Beamer was going to corruptly rezone Orange Grove, and you had to send Mr Wedderburn to make sure that she did not. What was the basis of your belief that she was going to corrupt the rezoning?

The Hon. AMANDA FAZIO: Point of order: Chair—

The Hon. GREG PEARCE: Did you have experience of her corruptly rezoning other properties?

CHAIR: Order! The Hon. Greg Pearce, a point of order has been taken.

The Hon. AMANDA FAZIO: My point of order is that the Hon. Greg Pearce has already asked the Premier this question earlier. The Premier indicated that he was going to take the question on notice, that he had tabled a substantial number of documents relating to the Orange Grove matter and that any other questions he was asked about, he was prepared to take on notice. I would have continued asking Government questions if I had known that the Hon. Greg Pearce did not have any more Dorothy Dixers from Brogden's office, and was going to start repeating questions that he asked in his first round. I ask you to rule the question out of order and ask the Hon. Greg Pearce to ask new questions, if he has any.

The Hon. GREG PEARCE: To the point of order: I have asked a new question, and I would like the Premier to answer it. Mr Wedderburn has said that the only basis on which he thought there was contempt—

The Hon. AMANDA FAZIO: Are you speaking to the point of order or making an argument?

Mr BOB CARR: Contempt?

The Hon. GREG PEARCE: The only basis on which he thought there was corruption was that Mr Bargshoon and Mr Tripodi were attempting to influence Ms Beamer. Was that the basis on which the Premier believed that Ms Beamer ordered the rezoning of Orange Grove shopping centre?

CHAIR: Order! I will rule on the point of order.

The Hon. GREG PEARCE: Are you going to use your numbers now?

CHAIR: There is no point of order. The member may continue to ask whatever questions he wishes, as often as he wishes, provided they do not become tedious or repetitious. If the member wishes to continue asking the same question, he is perfectly entitled to do so.

The Hon. GREG PEARCE: I think the Premier can remember what the question is. Would you mind answering it, Premier?

Mr BOB CARR: Mr Chairman, I stand by my previous answer. I have presented to the Committee the transcripts of numerous interviews I have given on Orange Grove, the transcripts of over four hours of evidence by employees of the State Government in the upper House inquiry, and the transcripts of submissions given to that committee, which answered that question and I would think every conceivable question on Orange Grove. It includes answers I have given in Parliament, and I refer to that. If there is any question not answered in that voluminous material—

The Hon. MELINDA PAVEY: It is just a transcript.

Mr BOB CARR: Yes, that is right. Any questions you have raised now are answered in that. I want the Opposition to tell us why all its questions on Orange Grove have come faxed to it from the Gazcorp company, through a Liberal Party PR agency, as I demonstrated in the House the week before last.

The Hon. GREG PEARCE: I am asking you about your evidence earlier tonight, that you believed that Diane Beamer was about to corruptly rezone the Orange Grove shopping centre. What is the basis on which you formed that belief that she would make a corrupt rezoning? Is it on the basis that you knew of her previous behaviour? Or is it on the basis of what was told to Mr Wedderburn, which was that Mr Bargshoon and Mr Tripodi were going to influence Diane Beamer to corruptly rezone the shopping centre?

Mr BOB CARR: Mr Chairman, I am very interested that the Opposition is saying that a retrospective rezoning of this site would have been corrupt.

The Hon. GREG PEARCE: You said that.

Mr BOB CARR: The Government did not rezone it! That is the essence of it—the Government did not rezone it.

The Hon. GREG PEARCE: The essence of it is that your Minister was about to corruptly rezone it.

CHAIR: Order! Mr Pearce, this is your question. You are entitled to ask questions, as I have ruled, but the Premier is entitled to answer them. Please allow him to answer and then I will call upon you. I have not sought to rule out any of your questions, but please do not shout over the Premier while he is seeking to answer your questions.

Mr BOB CARR: A retrospective rezoning of an illegal development—illegal in terms of the council's own LEP; illegal in terms of the Government's State environmental planning policies including pre-eminently that on the centres policy; illegal because it was found in court, on two occasions, now three occasions, to be illegal—was not going to be countenanced by the Government. To have bent the rules and fitted out that development with a retrospective planning approval was not on. All the antics from Mr Gazal and his ally, Mr Bargshoon, have been directed at blackmailing the Government, attempting to blackmail the Government, into just such a retrofit rezoning. And we were not going to do it.

The Hon. GREG PEARCE: Ms Beamer was going to do it, was she not? Did Mr Wedderburn visit Ms Beamer again after 20 April and before—

Mr BOB CARR: All these questions, Mr Chairman, have been answered in the upper House committee and in the lower House question time.

The Hon. GREG PEARCE: Well, why don't you answer them.

Mr BOB CARR: They have been answered by me in almost countless media interviews, all those transcripts, all those *Hansard* references, all that data, all those submissions out of the upper House committee that have been provided to the Committee.

The Hon. GREG PEARCE: Did Mr Wedderburn visit Beamer again after 20 April and before she signed the document?

Mr BOB CARR: I refer to the material I have provided to the Committee.

The Hon. GREG PEARCE: Did Mr Wedderburn speak to her again?

The Hon. MELINDA PAVEY: That answer is not in the documents you have provided.

Mr BOB CARR: I refer to the material I have provided to the Committee.

The Hon. GREG PEARCE: So, you refuse to answer? Do you not know, or do you refuse to answer?

CHAIR: Order!

Mr BOB CARR: I have comprehensively answered that in all the material provided to the Committee.

The Hon. MELINDA PAVEY: It is not there.

Mr BOB CARR: Four hours of evidence from my chief of staff alone to the upper House committee. And, I might say, we are still waiting, Mr Chairman, for that upper House committee to require something that Government members, indebted as they are to Mr Gazal, linked in alliance with Mr Gazal, will not ask Mr Gazal to present: and that is the copies of the leases that he got people to sign up to.

<5>

The Hon. GREG PEARCE: You just said that the Government—

Mr BOB CARR: Let me say this. He did not disclose in the leases that he held out to people and that he had people sign in January and in March this year that the court was considering his development. This development—illegal under the LEP and illegal under the Government's zoning policies in SEPPs—was under challenge.

The Hon. MELINDA PAVEY: Supported by the Department of Planning.

Mr BOB CARR: In other words, small business people put up their cash and employed others.

The Hon. MELINDA PAVEY: And your Minister opened the centre.

The Hon. GREG PEARCE: Why did Mr Knowles open the centre?

CHAIR: Order! Allow the Premier to answer your questions.

The Hon. MELINDA PAVEY: He is not answering our questions; he is answering his own.

CHAIR: You asked the question. He is entitled to answer it in any way he wishes. Numerous Presidents have given that ruling. I ask the Premier to proceed.

Mr BOB CARR: An illegal development—

The Hon. GREG PEARCE: Opened by your planning and infrastructure Minister, Mr Knowles.

Mr BOB CARR: —and he knew it to be illegal when he signed up small businesses to those leases. Why are those leases not presented? Why did the parliamentary committee not call for those leases? Why did your members of the parliamentary committee not insist on the presentation of those leases?

The Hon. MELINDA PAVEY: Why did your Minister open the development?

Mr BOB CARR: I believe that the Australian Retailers Association has been contacted by six of these retailers, ruthlessly set up and exploited by Mr Gazal. They have been formally interviewed in person. I can advise that the Australian Retailers Association states:

All leaseholders have been given a disclosure statement as required. No statement containing any information about pending legal action that the centre was in breach of the zoning laws.

In other words, those leaseholders are entitled to a strong legal claim against Mr Gazal. He did not tell them that it was an illegal development on the shakiest ground. When the parliamentary committee met on this, Opposition members said over and over again that the leases should not be called.

The Hon. MELINDA PAVEY: Point of order: Could the Premier answer some questions rather than make speeches? We have only seven minutes left. Obviously the Premier will not answer any questions that we have asked. He is not prepared to answer any questions under oath. Could we ask some more questions?

CHAIR: Order! There have been numerous rulings by various Presidents that Ministers may answer questions as they wish. A question has been asked. The Premier is entitled to answer it as he wishes.

Mr BOB CARR: I have here a copy of one of those leases.

The Hon. GREG PEARCE: Where did you get it?

Mr BOB CARR: It might have been faxed to you on the Gazcorp conduit.

The Hon. GREG PEARCE: Where did you get it?

Mr BOB CARR: It might have been the Gazcorp conduit.

The Hon. GREG PEARCE: Did Mr Wedderburn pick it up when he was seeing Diane Beamer on the second occasion?

Mr BOB CARR: There is a page of disclosure details, but there is not a hint of the legal challenge to which the illegal development was subject. There is not so much as a word suggesting that the development might not proceed.

The Hon. GREG PEARCE: Did you have that before Craig Knowles opened the development?

CHAIR: Order!

Mr BOB CARR: There is not so much as a word alerting these little business people that the development might go down in court.

The Hon. MELINDA PAVEY: But your Minister opened the development.

Mr BOB CARR: Here is the disclosure statement, which contains disclosure details, landlord's works, promotional activities and goods and services tax [GST]. He thought to put in the GST.

The Hon. GREG PEARCE: What is the date?

Mr BOB CARR: But there is not a word to the effect that the zoning was not valid or that the shops were introduced onto that development illegally.

The Hon. GREG PEARCE: What is the date on it?

Mr BOB CARR: If someone can set up an illegal development, change a zoning for one thing into a zoning for something else and then go to the Government and say, "There will be a loss of jobs unless you retrofit us with a rezoning", if someone can get away with that, he or she can get away with it in other circumstances. That is precisely why the Government was not going to allow it. When the parliamentary committee looked at these things, Opposition members said over and over again, "The leases should not be called, they are private." The position is a different one to Gazal himself, who said on 13 August this year at a committee hearing, "If you like we can bring all the leases under confidentiality. They are in commercial terms and you can look at them. "

But on 17 August he had a sudden change of heart. When you, Mr Chairman, asked him in that committee, "Can you tell us the situation regarding your undertaking concerning leases that was given to this committee last Friday", Mr Gazal responded by rewriting the transcript. He said, "There was no undertaking." So he changed his line. At one stage he was prepared to hand over the leases. Then he got some advice, reconsidered his position and said, "There was no undertaking."

The Hon. MELINDA PAVEY: This is our time for questions. How many displaced public servants have you paid in the past year?

Mr BOB CARR: Mr Chairman, you continually tried to ask Mr Gazal to provide the leases but so far he has resisted. The transcript reads as follows:

The Hon. PETER PRIMROSE: Can the Committee view those leases subject to their being made available only to members?

Mr GAZAL: I can give you a letter.

The Hon. PETER PRIMROSE: So you will not provide a copy of the leases for this Committee?

Mr GAZAL: Not the commercial condition of the leases.

In other words, not the leases. The transcript then reads:

The Hon. PETER PRIMROSE: Will you provide copies of the leases to this Committee, yes or no?

Mr GAZAL: No, not the commercial leases.

The Hon. PETER PRIMROSE: That is fine. You will not provide us with copies of the leases?

Finally, Mr Gazal said, "No." The Hon. John Ryan has presented numerous feeble arguments in committee hearings against the leases being made public. Now, this is an inquiry canvassing matters relating to zoning, leases and employment. On 17 August the Hon. John Ryan made this sterling contribution when the committee sought leases from Mr Gazal. He said, "They are not relevant to our terms of reference." It ought to be noted that Government members of the committee even said that they were prepared to sight the leases with the commercially sensitive parts—that is, the names and rental amounts—blacked out, and they were still not produced. Now we know exactly why. It is because the crucial issue here is the dates on which leases were executed. If the inquiry and the Save Orange Grove Bill were anything other than lame stunts and attempts to confer on Mr Gazal—

The Hon. MELINDA PAVEY: Premier, would you wind it up so that we can ask some other questions?

Mr BOB CARR: I want to answer this. The inquiry and the bill were attempts to confer on Mr Gazal a one-off windfall gain.

The Hon. GREG PEARCE: Which your Minister was going to give him, was she not? You had to send Mr Wedderburn along twice, did you not, to make sure that your Minister did not give him that \$5 million?

Mr BOB CARR: I say to Opposition members: If you were so quick to claim that you have never opposed a motion to make Mr Gazal produce the leases, stand up now on behalf of those small businesses and insist that Gazal do something that he first promised to do and then retreated from doing, that is, to hand over that documentation.

The Hon. MELINDA PAVEY: How much was spent paying displaced public servants in the past year?

Mr BOB CARR: I am happy to answer that question when I have the data. On 10 September 2004, 307 displaced employees were actively seeking permanent positions, which is 0.001 per cent of the work force. These employees are allocated to temporary assignments or to project work within their agency or across the sector while seeking permanent positions.

The Hon. MELINDA PAVEY: How much is that costing?

Mr BOB CARR: The total annual salaries of 307 employees amounts to \$18,605,000.

The Hon. MELINDA PAVEY: How many senior executive staff [SES] are on that list?

Mr BOB CARR: It is not SES.

The Hon. MELINDA PAVEY: There are no SES on the unattached list?

Mr BOB CARR: I am advised that there are no SES on that list.

The Hon. MELINDA PAVEY: Are there other public servants on an unattached list who are earning over \$100,000 and who may not fall within senior executive service guidelines but similar guidelines?

Dr GELLATLY: Are you talking about non-SES?

The Hon. MELINDA PAVEY: I am talking about non-SES, or whatever is the classification for senior public servants.

Dr GELLATLY: Any non-SES positions would be included in that number. They are all graded positions, if you are talking about senior officer 1 and 2. They are all the graded positions that are handled through the displaced employees policy.

The Hon. MELINDA PAVEY: What are the arrangements for New South Wales Government participation in AusAID projects overseas? For example, are some of these people on the unattached list on AusAID contracts?

Dr GELLATLY: There was a case of one former chief executive officer, Robyn Henderson, from the Department of Women who was engaged through and approached by the Commonwealth Government to undertake an overseas aid position. It funded her salary while she was on that contract with the foreign affairs department.

The Hon. MELINDA PAVEY: So any payment of public servants operating under AusAID projects would be made by the Commonwealth Government?

Dr GELLATLY: Whenever AusAID enters into a project with the New South Wales Government part of the contract involves the payment of the officer's time and travel commitments, any accommodation that is required and those sorts of aspects. That is part of the contract that we have with AusAID.

The Hon. MELINDA PAVEY: So there are no other unattached public servants working overseas in the Solomon Islands or anywhere else? It was only Robyn Henderson?

Dr GELLATLY: There is another person in my department but she is not unattached. I am not aware of any others.

The Hon. MELINDA PAVEY: Premier, do you receive official advice, briefings or correspondence on a regular basis from public relations company Hawker Britton?

Mr BOB CARR: No. It is not employed to give advice to the Government.

The Hon. MELINDA PAVEY: It does not offer any briefings or advice to you on a regular basis?

Mr BOB CARR: No.

The Hon. MELINDA PAVEY: None at all?

Mr BOB CARR: No.

The Hon. MELINDA PAVEY: How many meetings have you had with companies, developers and individuals that Hawker Britton has facilitated or initiated with you, your chief of staff, or with anyone else?

Mr BOB CARR: I do not have the remotest idea. I see companies if they are significant investors in New South Wales, if they are bringing jobs and investment into New South Wales, or if they are already part of the New South Wales investment landscape. That is one of my duties as Premier.

The Hon. MELINDA PAVEY: But they have to good chance to get in to see you if they go through Hawker Britton, have they not? That is the word on the street.

Mr BOB CARR: No. That is what you are alleging.

The Hon. MELINDA PAVEY: That is the word on the street.

Mr BOB CARR: You ought to clarify who is paying the salary of the chief of staff for your leader before you start throwing around allegations like that. We are still waiting for that clarification.

The Hon. MELINDA PAVEY: So you are not prepared to—

Mr BOB CARR: I would like to answer the question.

CHAIR: The Premier has the call.

Mr BOB CARR: I will see a private sector delegation if it is warranted in relation to its investment or its activity in this State. What Premier, locked in competition with other States and with other regions in the Pacific for investment and jobs, would do otherwise? I am not interested in who they are represented by. That is irrelevant. If they have a case to make in relation to their contribution to investment and jobs in New South Wales, and if there is a case for them seeing the Premier as opposed to one of my Ministers, I will see them. Government has not operated any differently, under either Coalition or Labor governments. It does not operate any differently around Australia. I regard as utterly irrelevant who they are represented by. I have seen companies that I happen to know have been represented in the public relations area by former employees of Ministers in the last Coalition Government. But if there is a case for them seeing—

The Hon. MELINDA PAVEY: What would the percentage be of seeing them as compared to—

CHAIR: Order!

Mr BOB CARR: I am not interested in who represents them. I see them because they are serious investors.

The Hon. MELINDA PAVEY: But it has an influence.

Mr BOB CARR: It does not. It has no influence whatsoever on them getting in.

Ms LEE RHIANNON: Premier, you commented earlier on a study conducted by the CSIRO?

Mr BOB CARR: Yes.

Ms LEE RHIANNON: Did you say that that study was commissioned by your Government?

Mr BOB CARR: Yes.

Ms LEE RHIANNON: Is it publicly available?

Mr BOB CARR: Yes. It was released last week or the week before.

Ms LEE RHIANNON: When will the second stage of that report be released?

Mr BOB CARR: The second stage of the report, which will deal with analysis of future changes in extreme weather, risk assessment approaches and recommendations for further research, will be released in December.

Ms LEE RHIANNON: Did the first stage look at the fossil fuel industry?

Mr BOB CARR: You can have a look at the report. It looked at the evidence of climate change. It was concerned with the evidence of climate change, the frequency of extremely high tides tripling since 1950, the average sea level of the Australian coastline rising 10 centimetres since 1920, the average temperature and its rise, the State's annual average rainfall and its decline. It looked at the data confirming—in the words of the report—"the most obvious explanation for warming in New South Wales since 1950 is the enhanced greenhouse effect".

<6>

It looked at impact rather than causes.

Ms LEE RHIANNON: Could you comment on your views on the impact of the fossil fuel industry on global warming?

Mr BOB CARR: Those figures are well known. Stationary sources of fossil fuel are the largest contributor to greenhouse emissions. That is followed by the impact of motor vehicles and land clearing. They are the biggest global causes of global warming.

Ms LEE RHIANNON: Considering that you have acknowledged that the fossil fuel industry is the largest contributor to greenhouse gas emissions, why is your Government allowing the expansion of the coal industry in New South Wales?

Mr BOB CARR: We cannot close down our coal industry. We have to do the following: place on electricity generators and retailers an obligation to source their energy from cleaner sources. That is precisely what we are doing by being the first government in Australia—the very first—to introduce mandatory greenhouse emission reductions. That puts an obligation on our electricity industry—electricity retailers—to go out there and find clean energy projects, to fund them and to source energy from them. There have been 113 projects accredited. That is equal to 6.5 megatonnes of greenhouse abatement in 2003—which, from memory, is equal to taking 1.5 million cars off the road. The bulk of our coal is exported—I think I am safe in saying—and we will continue to have a coal industry while the world makes the adjustment to cleaner sources and to renewable sources. But what are you suggesting as a Greens MLC? Are you suggesting that we close the coalmines before the world has made that adjustment? That only means that the overseas buyers of Australian coal will get it from Indonesia or South Africa.

Ms LEE RHIANNON: You talk about obligations, but there is minimal obligation when a few days before you made the announcement about the CSIRO report your Minister for Mineral Resources, Mr Hickey, was in Lithgow announcing that there would be a 20-year extension of the leases on coalmines north of Lithgow. Mining operations through the Hunter and the Illawarra will also be extended. At the moment it is open slather for the coal industry under your Government.

Mr BOB CARR: We have a coal industry. It is the State's biggest exporter because—

Ms LEE RHIANNON: Do you not see that, as Premier, you have a responsibility—

Mr BOB CARR: What are you suggesting? Through you, Mr Chair, what is Ms Lee Rhiannon suggesting? Is she suggesting that we decide as a matter of policy that we will close coalmines or deny them expansion? That means that an energy-hungry world will get its coal from other sources—in some cases, from dirtier coal than the coal we export. Nonetheless, the question raised by the honourable member is a very serious one. It makes the point that we are very carbon dependent. We are carbon dependent in two senses: first of all, our energy comes from carbon sources—overwhelmingly coal-fired power stations—and, second, our export income as a nation comes from the export of carbon. Hence the need, I think, for Australia to sign Kyoto, because Kyoto is actually quite generous to Australia, as a carbon-dependent exporter and energy producer. This is as good a deal as we will ever get from the international community. It gives us time to make the adjustment.

We will—this is where the question raised is a serious and not a flippant one—have to make that adjustment because of our international obligations. That raises questions about the pricing of power, whether our next power station will be coal fired or gas fired, whether we can accommodate a

gas-fired power station for all our loadings, and whether carbon sequestration will render coal-fired technology clean, or relatively clean. These are very tough questions that we have to face. The contradiction is that we recognise that eastern Australia is suffering from these manifestations of global warming but, yes, we have a big coal industry and we do generate the bulk of our stationary power from coal.

Ms LEE RHIANNON: You have talked about overseas markets. So much of that coal goes to low-income countries to the north of Australia. You are perpetuating a dirty industry that will contribute to global warming. That is bad for those countries and it is bad for the world in terms of greater greenhouse gas emissions. But New South Wales is also missing out on being at the forefront of exporting clean, green energy options. That is where you, as Premier, have a great opportunity but you seem to have given this away.

Mr BOB CARR: No. China and India are committed overwhelmingly to coal-fired power stations. You are right: that is what they are doing and that is where the bulk of their growth will come from. There is some diversification. The liquefied natural gas purchase by China, the biggest export deal in Australia's history, is evidence of that. The fact is that we need the discipline of an international agreement—one to which, before long, I hope China and India can subscribe; I hope Russia will subscribe to it soon and I hope Australia joins—that establishes world trading in carbon emissions. That is the way out here: to establish a world trading system. We ought to have an Australian trading system, as Federal Labor is advocating in this election campaign, in place by 2008.

I chaired a forum last Monday night, a week ago, at the Powerhouse Museum. It was a side event from the National Energy Forum being held in Sydney. There was a representative present from the World Wildlife Fund, people from power utilities, people from the international energy sector and a representative of a financial institution. The consensus was that we can make most impact, including in India and China, from efficiencies. The coal-fired power stations that India and China have, and that they will build, are very dirty compared with ours. By edging them towards greater efficiencies we will make more gains in abating greenhouse gas emissions than by any other means. It will take a lot of hard work and a lot of market-based innovation to wean the world off the acute carbon dependency it is locked into at the present time.

Ms LEE RHIANNON: Moving on to another issue, what is the connection between the Parliamentary Remuneration Tribunal and your office?

Mr BOB CARR: I do not know whether it has a connection.

Ms LEE RHIANNON: When you ring up the Parliamentary Remuneration Tribunal they say, "The Premier's office" when they answer the phone.

Mr BOB CARR: That could not be right.

Dr GELLATLY: No, the executive officer works in the Premier's Department.

Ms LEE RHIANNON: Can you explain the connection, please?

Mr BOB CARR: Dr Col Gellatly will have to; I cannot.

Dr GELLATLY: The executive officer who does the work for the tribunal—who is a judge—is located in the Premier's Department.

Ms LEE RHIANNON: Why?

Dr GELLATLY: An executive function, an administrative function, of the tribunal is that a judge is appointed.

Ms LEE RHIANNON: Considering how particularly Mr Egan and I imagine you, Premier, are at pains to talk about how the Parliamentary Remuneration Tribunal was set up to keep its distance from Parliament and from Executive Government—

Mr BOB CARR: As I understand it from Dr Gellatly's explanation, there has to be an officer servicing the tribunal. It would not have a full-time staff, for God's sake. Is that what you are saying?

Dr GELLATLY: Yes.

Mr BOB CARR: Therefore, the person carrying out the executive function is a public servant.

Dr GELLATLY: And also does the Statutory and Other Offices Remuneration Tribunal.

Mr BOB CARR: And has other functions.

Dr GELLATLY: And the Local Government Tribunal.

Mr BOB CARR: There you go: Everything is sinister if you want to render it sinister. But that is not—

Ms LEE RHIANNON: I am actually just trying to understand it—and it seems that you did not understand it yourself, Premier.

Mr BOB CARR: I did not. I certainly did not. I plead guilty on that score: I did not understand it.

Ms LEE RHIANNON: So a denial was turned around. So you have an executive officer there. Who within the Premier's Department interacts with that person, or do they just have an office by themselves and they come and go without talking to anybody? How does it work?

Dr GELLATLY: No. The person has an office, I think, on level 32 and they are part of the ministerial and parliamentary services division of the Premier's Department. They service those and that is part of their job as an officer in the Premier's Department—just as there are people who work in the Premier's Department who are members of the Governor's staff and so on. That has been going since 1975.

Ms LEE RHIANNON: Thank you. Is there a chain of command with other people in the Premier's Department or does it stop with that person?

Dr GELLATLY: No, when that person is doing work for the tribunal they are responsible to whoever is the tribunal head. In the preparation of draft determinations, when handling submissions and organising meetings and hearings, that person reports to the tribunal head.

Ms LEE RHIANNON: Thank you for explaining that. Premier, I would like to move on to another subject. Are you aware that the \$54-million South-east Asian rainforest enclosure at Taronga Park Zoo will house elephants, silvery gibbons, small-clawed otters, fishing cats and tapirs?

The Hon. AMANDA FAZIO: And if not, why not?

The Hon. GREG PEARCE: You can take that question on notice.

Mr BOB CARR: I am not aware, no.

Ms LEE RHIANNON: There is such an enclosure, for which your budget—which I am sure you are very proud of—has signed off \$54 million. Those animals will be housed in this enclosure that is being set up for elephants to come from Thailand. New enclosures were built for the tapir in 1996-97; for fishing cats—they are also called jungle cats—in 1993; and for small-clawed otters, which is known as the otter stream, in 1992. So those animals were all given these special enclosures not that long ago in the scheme of things. Can we take it as an admission that the enclosures built in the 1990s, without the advice of the keepers of those animals, were ill conceived and a waste of money and, therefore, you are building this enclosure? Or is it just more mismanagement at the zoo?

Mr BOB CARR: I do not accept the assumption that it is one or the other. I am happy to have this Committee enjoy a full briefing on the zoo's planning. Perhaps members can go over to the zoo and have a briefing by management. All I know—because it came up today at a media conference—is that something like \$225 million of private and public money is being invested in an enhancement of the zoo. The zoo is the number one or number two tourist attraction in Sydney. It has to be as attractive and as humane as possible. People make comparisons between our zoo and other zoos around the world when they go there so—to use that overworked expression—it has to be "world class". I am not defensive about it. I would be very, very happy to have this Committee crawl right over this project and satisfy yourself whether there is money being wasted.

Ms LEE RHIANNON: So there is nobody here who can give more details.

Mr BOB CARR: It is not in my portfolio; it is in Mr Debus's portfolio.

Ms LEE RHIANNON: I am aware of that but considering there has been such controversy about it and you do have responsibility for government—

Mr BOB CARR: I have not noticed the controversy; I would not have regarded it as an A-grade controversy.

Ms LEE RHIANNON: Did you not see the story in the *Daily Telegraph* today?

Mr BOB CARR: I saw that and I was asked questions about it today.

Ms LEE RHIANNON: So do you think the private zoo should go ahead at Darling Harbour?

Mr BOB CARR: It is not up to us to determine, except to make a decision on planning grounds, whether it could be—

Ms LEE RHIANNON: Precisely.

Mr BOB CARR: It would be, I think, illegal to reject a development application on the grounds that it is a zoo and will provide competition to Taronga Zoo. I do not think you could legally do that. If it passes planning tests—

The Hon. GREG PEARCE: Go ask Di Beamer or Joe Tripodi.

Mr BOB CARR: I was not aware that Mr Gazal was the proponent of the zoo. He has his finger in everything else, including the State Opposition, so I suppose a private zoo on the edge of Darling Harbour would not be beyond his capacity.

The Hon. GREG PEARCE: You would have to send Mr Wedderburn along again to make sure Ms Beamer doesn't—

CHAIR: Order!

The Hon. AMANDA FAZIO: Stop wasting Ms Rhiannon's time.

CHAIR: Ms Rhiannon has questions and the Premier is answering them. Please proceed.

Mr BOB CARR: If you want to persist with this, it is not, I believe, an option for the Government to reject a development application for a private zoo on the grounds that it will provide competition for the zoo we are responsible for.

<7>

If it passes other planning tests then I think it probably would be illegal and probably found to be illegal by the Land and Environment Court to say, "We are ruling you out because you are going to provide competition to a government-run zoo."

The Hon. GREG PEARCE: Can we take that as your instruction to Mr Wedderburn?

The Hon. AMANDA FAZIO: It is not your question, so you be quiet!

CHAIR: Does the Government have any questions?

The Hon. ERIC ROOZENDAAL: I have a follow-up question in relation to the excellent way the Governor has been performing her duties. Can you advise the Committee about the Governor's tenure?

Mr BOB CARR: Yes, members will be aware that Her Majesty Professor Marie Bashir was appointed as Governor of New South Wales—

The Hon. GREG PEARCE: You said "Her Majesty".

Mr BOB CARR: Members will be aware that Her Excellency Professor Marie Bashir was appointed as Governor of New South Wales by Her Majesty the Queen on 1 March 2001. Her Excellency was the first female to hold this office. Members will also be aware that by convention Governors are appointed at the pleasure of the Sovereign. It has been custom and practice in New South Wales for the initial appointment of Governors to be for four years. Members will be interested to hear that I will be recommending that the term of Her Excellency Professor Marie Bashir be extended for a further three years. I approached her Excellency Professor Marie Bashir on Friday to gain her concurrence for the reappointment. Under the existing custom and practice the Governor's initial period of office will conclude on 28 February 2005.

The current Governor has had a distinguished term as Governor of New South Wales and is highly regarded, I think, by all the community. Her Excellency has executed all duties and functions of the Office of Governor in an outstanding manner. That is why I met with the Governor to discuss the further term. I think members will join with me in welcoming the news that Her Excellency advised me that she would like to continue to serve the people of this States as Governor.

The Hon. MELINDA PAVEY: Hear! Hear!

Mr BOB CARR: Accordingly, I propose to recommend to Her Majesty the Queen that the Governor's term be extended for a further period of three years from 1 March 2005. This is good news from the people of New South Wales, I believe, and I take this opportunity to thank the Governor for her outstanding contribution, and the enormous number of hours she has invested in the oldest office of Governor in Australia.

The Hon. AMANDA FAZIO: My question relates to the Community Relations Commission. I am very disappointed that neither the Greens nor the Opposition has a genuine concern about this matter because they have ignored this issue. What is the latest information on initiatives that acknowledge volunteers in culturally diverse communities?

Mr BOB CARR: I can report that the Government, through the Community Relations Commission, will be introducing awards for volunteering in some of our communities. The awards seek to acknowledge the efforts of individual volunteers within our great and diverse range of cultures. We want to recognise and promote volunteering. Volunteering is a great part of the Australian way of life. Who can forget the volunteers in the Sydney 2000 Olympic Games? What patriotism stirs in all our breasts at the contemplation of the investment they made of their own time and effort in delivering the world's best Olympics. Volunteering—sneered at by some, it seems—is a great part of the Australian spirit. I can still remember walking down Central railway station and seeing people with badges saying "I speak Arabic" or "I speak Greek" talking to commuters and visitors.

Awards will be made in four categories. There will be a Community Service Award for distinguished volunteer community service in areas such as health, settlement, social and welfare services, aged, disability and youth services. There will be a Volunteer of the Year Award for the outstanding contributions of an individual through distinguished volunteer service in any area of community service. There will be a Young Volunteer Award to recognise the valuable role of young volunteers under 25 years of age. A Lifetime Achievement in Community Service for lifetime

commitment to voluntary community service within a migrant community, which has had a significant impact on the social or cultural wellbeing of the community.

This builds on volunteer initiatives for the Chinese community, which I launched two weeks ago. The annual Premier's Chinese Community Service Awards is in recognition of outstanding community service achievements of Chinese Australians. The awards honour the Government's pre-election commitment. The Chinese community has a very high level of volunteer involvement. In the past two years, I have conferred Premier's Community Service Awards on four outstanding Chinese organisations: the Way In Network, in recognition of its work with helping women and raising money for the New South Wales bushfire appeal; Can Revive, which helps cancer sufferers and their families; the Lion's Club of Sydney Pacific, a fundraising powerhouse; and the Australian Chinese Community Association, on the occasion of its thirtieth anniversary.

From now on such exceptional contributions by the Chinese-Australian community of New South Wales will be honoured by these special awards. The Chinese-Australian community has served this country with distinction in peace and war, has saved lives and pioneered in medical research, and become our prominent philanthropists and business people. The awards have been named after eminent Australians of Chinese heritage. They include: Dr Victor Chang, Australia's pioneer heart-transplant surgeon; Mr Jack Wong Sue, Australian World War II war hero; and Mr Quong Tart, noted businessman and philanthropist. There will also be an additional award category recognising young volunteers of Chinese backgrounds. I trust these awards will help motivate volunteers to do more good work in our community.

The Hon. AMANDA FAZIO: I congratulate you on what you have been doing in terms of regional arts strategies, even though I note that there was an attack on the amount of money spent in the Arts portfolio in the debate in the Legislative Council recently which I thought was a scurrilous thing to do. I note in Budget Paper No. 3, on pages 2-16, a reference to "a new strategy for arts education" being undertaken by the Ministry for the Arts. What is the strategy about? How is it being delivered?

Mr BOB CARR: It is about getting teachers and children in very remote schools involved in productions and exhibitions coming to the major regional cities through something we have vastly expanded—that is, the Regional Arts Touring Program. Yesterday I was in Griffith opening a new museum.

The Hon. MELINDA PAVEY: That was you at a distance in the *Daily Telegraph*?

Mr BOB CARR: I am very proud to have been with the Italian community of Griffith at an opening of a great museum, recognising the role of Italians in that community. I later went to inspect the theatre in Griffith which is a 550-seat performance space state-of-the-art building and a great tribute to the Griffith community. That community benefits from visits by Bangara, by the Bell Shakespeare Company and by the Sydney Symphony Orchestra, and reflects what is being done in relation to arts entertainment being funded by arts, often in very well-equipped theatres in regional New South Wales. We have allocated \$1.9 million for a four-year program called Arts Access, a partnership between the Ministry for the Arts and the Department of Education and Training. Last Friday in Gilgandra Minister Tony Kelly officially launched Arts Access. Arts Access provides assistance to enable students and teachers to come in from remote areas and see a performance. John Bell said:

I believe the plays of Shakespeare and other great classic works can have a profound and beneficial impact on people's lives, especially young people.

He presented a seminar on a work that was to be performed later that day so that teachers and students who were brought in by bus from small communities could have an extra insight into the performance of *Twelfth Night* or *Hamlet* or whatever was being performed in the theatre in the country centre. Some of the major elements are: a residential arts camp, a teacher work placement program and a performing arts touring program. In May this year Indigenous students from six high schools—including Nyngan, Wellington and Gilgandra—attended a residential visual arts camp held near Armidale. It was a huge success. The teacher work placement begins in a few weeks time. A visual arts teacher from one high school will spend a four-week placement at the New England Regional Art

Museum in Armidale and a music teacher from Coonabarabran will spend four weeks with the Australian Chamber Orchestra in Sydney.

This means that teachers from remote country high schools will have a chance to enrich themselves and communicate more excitement to the youngsters for whom they are responsible. The touring program has been a great success. Last Friday in Gilgandra there were two performances by the Australian Theatre of the Deaf—three deaf actors communicating through purely visual means—and I am advised that the kids loved it. This was the second production visiting Gilgandra this month. Earlier, the Monkey Baa Inc. Theatre company was in town with its adaptation of Andrew Daddo's hugely successful first book for young people, *Sprung*. Other towns on these tours were Nyngan, Walgett and Moree. Over the past two weeks about 2,500 years 5 and 6 students from 50 schools have attended performances.

I think all that members of the Committee have had contact with some of these remote communities and realise that can be a very enriching experience indeed for youngsters in these schools. Half of the schools involved travelled for more than one hour each way to attend the performance and return. Wanaaring Public School clocked up 4½ hours each way. This is arts policy at its best. We are very proud of it. Next year, schools in Mt Druitt, Granville, Blacktown, Bankstown, Penrith, Liverpool, Campbelltown, Fairfield and Parramatta will join the program. It will rope in the Belvoir Street Theatre, the Sydney Opera House and the Sydney Theatre Company. I applaud the officers of the Ministry for the Arts and the Department of Education and Training for making this a reality.

The Hon. AMANDA FAZIO: On behalf of Country Labor I thank you for the emphasis that the Ministry for the Arts places on the regional arts policy.

The Hon. ERIC ROOZENDAAL: Can you provide further detail on the issue of salaries paid to office holders such as the Leader of the Opposition and any concerns you have over possible breaches of the Public Sector Management Act?

Mr BOB CARR: Yes. Our work on an appropriate amendment to legislation will proceed as a matter of priority. The best way to require a Leader of the Opposition or, indeed, any other party leader in the Parliament to provide an accounting of who is topping up the salaries of staffers is by amendment to the Public Sector Management Act. I think the principle is very clear: the public is entitled to know whether money from the private sector, even circuitously routed through the party office, is funding staff in this Parliament.

The Hon. GREG PEARCE: The Labor Council? Did you have staff funded by the Labor Council when you were Leader of the Opposition?

Mr BOB CARR: If it is a developer, a tobacco company or a merchant bank it ought to be revealed. I think it begs believability that an Opposition Leader has a chief of staff being paid only \$31,500 per annum. The assumption has got to be that there is a topping up process taking place there.

The Hon. MELINDA PAVEY: Did you have staff topped up with the Labor Council?

Mr BOB CARR: An alternative explanation is that he is only working part time or he has got a diminished role: he is not doing what a chief of staff would be expected to do in a serious operation. These concerns, of course, follow the revelations in 2002 about the Leader of the Opposition and PricewaterhouseCoopers subsidising him directly and personally \$110,000—

The Hon. AMANDA FAZIO: Did we ever find out what he was doing?

Mr BOB CARR: The short answer through you, Mr Chairman, is that we never found out what was being done. It follows revelations about this matter in the book by the member for Lane Cove and how she was approached by members of the Opposition telling her about the PricewaterhouseCoopers subsidy and expressing its concerns when she was Leader of the Opposition. It also follows the revelations in the lower House of the Parliament recently about flagship communications: the member for Lane Cove, the former vice-chairman, providing the conduit for questions and speeches coming into the Parliament from Gazcorp, reaching the Parliament, suggested

questions, suggested speech notes, faxed to the Opposition members from Gazcorp. Here are the facts! And that ought to be spelled out. There is a clear public interest in knowing if there is a corporation or an individual subsidising staff in any party leader's office.

The Hon. MELINDA PAVEY: Or the union movement?

Mr BOB CARR: Of course, our legislation will apply to any outside organisation. That goes without saying.

<8>

The Hon. MELINDA PAVEY: So say it.

Mr BOB CARR: You will get excited when you see the legislation. It will accommodate all your legitimate concerns.

The Hon. MELINDA PAVEY: Transparency in government, mainly.

Mr BOB CARR: There will be absolute transparency. The amendment, I think to the Public Sector Management Act, will require party leaders in this place to reveal any topping up of salaries for their staff coming from any outside source.

CHAIR: The Government has five minutes. I propose, given that the Government and the crossbench have no further questions, to allow the extra time to be allocated to the Opposition. We will complete this session at 7.32 p.m. Please proceed.

The Hon. GREG PEARCE: Can I clarify something with, I think, Dr Gellatly. Was the piece of paper you handed to the Premier a little earlier in relation to displaced public servants tabled?

Dr GELLATLY: No.

The Hon. GREG PEARCE: Could we have it tabled?

Dr GELLATLY: I am advised by the Crown Solicitor that the standing committee does not have the power to require documents to be produced.

The Hon. GREG PEARCE: So you are relying on legal advice to try to keep that document secret?

Dr GELLATLY: I am just presenting the advice I have received from the Crown Solicitor in regard to the tabling of documents.

The Hon. GREG PEARCE: Then why did the Premier table the big folder earlier on in this hearing? Did he act illegally then?

Dr GELLATLY: No. He can volunteer.

Mr BOB CARR: I was not required to table it.

The Hon. GREG PEARCE: Well, you did table it.

Mr BOB CARR: I was not required to table it.

The Hon. GREG PEARCE: Premier, will you table the piece of paper?

Mr BOB CARR: Do you want me to withdraw it?

The Hon. GREG PEARCE: No. Well, there is nothing in it. I want you to table the piece of paper.

Mr BOB CARR: If you have got further questions about that matter, I am very happy to answer them.

The Hon. GREG PEARCE: I was asking you to table the piece of paper.

Mr BOB CARR: No, I will not table it. I am delighted to answer further questions on the subject.

The Hon. GREG PEARCE: Perhaps Dr Gellatly would be the one who should answer this question. Did that number of 307 include all public servants who are currently unattached, or was it a listing of a defined term of displaced persons? Do you have two lots?

Dr GELLATLY: It is displaced persons who were actively seeking permanent positions, and so they registered with our redeployment and relocation unit in the Premier's Department.

The Hon. GREG PEARCE: Are there further senior executives who are unattached?

Dr GELLATLY: How do you define "senior executives"? Those under SES contracts?

The Hon. GREG PEARCE: No. Over \$90,000 or \$80,000.

Dr GELLATLY: That is not a senior executive. There is a specific definition of "senior executive", and that is a person who is under a contract to the Senior Executive Service, and they are not included in that.

The Hon. GREG PEARCE: How many of them are there?

Dr GELLATLY: I do not know. They are under each department or agency's control, and we do not have a central register of the SES people who are unattached.

The Hon. GREG PEARCE: So you cannot tell us what it is costing to pay all these people. You cannot even tell us how many there are.

Dr GELLATLY: The number of Senior Executive Service—

The Hon. GREG PEARCE: Unattached.

Dr GELLATLY: No, I cannot.

The Hon. GREG PEARCE: So they are wandering around being paid, and you have no idea?

Dr GELLATLY: No. Can I explain the situation, Premier?

Mr BOB CARR: Yes.

Dr GELLATLY: When persons who are on a contract are no longer in their position, they then can become unattached for the remainder of the period of their contract, or they can then be terminated—because you can be terminated when you are under an SES contract, at a moment's notice, basically. So it is up to each of the chief executive officers how they handle their unattached SES staff.

The Hon. GREG PEARCE: So you are telling me you do not monitor how many are unattached?

Dr GELLATLY: No, I do not. We leave it up to each of the chief executive officers to run their own Senior Executive Service.

The Hon. GREG PEARCE: Are there any in the Premier's Department who are unattached?

Dr GELLATLY: There is one person who probably will be unattached. I should note that we have a reduction of seven positions in the Senior Executive Service within the Premier's

Department this year because of our adjustment to the budget situation. But we probably will have one coming up, I think, in the near future.

The Hon. GREG PEARCE: I am still astonished that you are telling me you do not monitor how many Senior Executive Service people are unattached, wandering around, collecting their hundreds of thousands of dollars of salaries.

Mr BOB CARR: They are allocated to new duties. They are given new jobs. Their old jobs have been abolished, and they are given new assignments.

The Hon. GREG PEARCE: And you do not monitor that?

Dr GELLATLY: We have a register of displaced employees in the graded structure, but as to the number in the Senior Executive Service, the CEOs make the decision about whether they have got work for them. If they want to terminate their work within the contract, they can be terminated. But while they have active work for them they will keep them employed.

Mr BOB CARR: The CEOs have got to work within their budgets. That is a decision they make.

The Hon. GREG PEARCE: Premier, is there currently a ministerial handbook which governs ministerial behaviour?

Mr BOB CARR: There is a standard ministerial handbook. I think you are referring to a code of conduct though.

The Hon. GREG PEARCE: Is there a code of conduct?

Mr BOB CARR: Yes, there is a code of conduct.

The Hon. GREG PEARCE: When was that introduced?

Mr BOB CARR: I think it was introduced in the second term of the Greiner Government.

The Hon. GREG PEARCE: So it is the same as that in the Greiner Government?

Mr BOB CARR: Yes.

Ms LEE RHIANNON: Is it separate from that for members of Parliament?

Mr BOB CARR: Yes.

Dr GELLATLY: There is a handbook that outlines the procedures for travel and leave and so on.

The Hon. GREG PEARCE: That is the second thing. So there is a code of conduct—which is the one introduced in Greiner's time. Is there a separate ministerial handbook which relates to travel and telephones and all that sort of thing?

Mr BOB CARR: Yes.

The Hon. GREG PEARCE: Are you prepared to table that?

Mr BOB CARR: I think so, yes. We are advised it is in the Parliamentary Library.

The Hon. GREG PEARCE: Has that been upgraded, or not?

Mr BOB CARR: It has not changed. It is the standard. There has never been any secrecy about it.

The Hon. GREG PEARCE: I am told that it is not in the library, actually. Could you find the reference for us, perhaps?

Mr BOB CARR: The head of the Cabinet Office was advised that it was in the library.

The Hon. GREG PEARCE: I think we already have your agreement to table it, anyway.

Mr BOB CARR: Yes.

The Hon. GREG PEARCE: So perhaps if we deal with it that way.

Mr BOB CARR: Yes.

The Hon. GREG PEARCE: Dr Gellatly, could you outline for us the cost of running each ministerial office under the current budget?

Mr BOB CARR: We will take that on notice and give you all the data.

The Hon. GREG PEARCE: The same data as we received last year?

Mr BOB CARR: Yes.

The Hon. GREG PEARCE: Accommodation and staff, salaries and so on?

Mr BOB CARR: Yes. The ministerial handbook, I am advised, that was tabled last year in estimates has not been amended.

The Hon. GREG PEARCE: No. The document that we received last year was a ministerial office handbook. Is that one and the same document?

Mr BOB CARR: I think it is synonymous.

The Hon. GREG PEARCE: There is only one document?

Mr BOB CARR: I am advised it is the same, yes.

The Hon. GREG PEARCE: We did have trouble with this year, and it would be useful if we could clarify that there is only one document or whether there are two.

Mr BOB CARR: We will do that. Could we provide you with that breakdown for ministerial offices, rather than read them out?

The Hon. GREG PEARCE: Yes.

Mr BOB CARR: I have been given some general comments. The budgets of ministerial offices have been subjected to global savings of 3 per cent. Ministers' budgets are determined by the budget subcommittee of Cabinet. Ministers' office budgets were also cut by \$15,000 in line with directives to cut expenditure in media monitoring. In 2004-05 a general escalation of 2,000 was applied after the savings, which resulted in the following movements: employee-related expenses, up 1.85 per cent; accommodation, down 1.06 per cent; other operating expenses, down 4.18 per cent; Ministers' total budget 2004-05, down 0.19 per cent. So the same savings regime has been applied to Ministers' offices in the public service alike. All Minister's office budgets were subject to global savings of 3 per cent, in line with the savings applied across the public sector, and are subject to a further cut of \$15,000 in line with directives to cut expenditure in media monitoring.

The Hon. GREG PEARCE: You mentioned media monitoring. Could we also have the breakdown on media monitoring expenditure?

Dr GELLATLY: Could we take that on notice?

The Hon. GREG PEARCE: Could I clarify something? On the ministerial expenses, you will produce those tomorrow or something, will you?

CHAIR: We will deal with the time frame at the end of the Committee hearing.

The Hon. GREG PEARCE: It is just that if it is going to take 35 days, I want them to be read out now.

CHAIR: Okay.

Mr BOB CARR: We can give you the information on media monitoring. The net cost of services in 2002-03 was \$782,000. In line with our savings measures, we have reduced that to \$582,000 in 2003-04. The reduction achieved under the Rehome contract was 15 per cent, with the total expenditure coming in at \$2,732,000, compared with \$3,210,000 the previous year. This reflects the savings we have taken to general public sector administrative outlays. It is a sadder picture, though, when you look at the Opposition performance on media monitoring, because they were over-budget by \$400,838, according to the advice I am given. The net cost of services budget was \$608,000, and the media monitoring was \$123,578 out of that. That was in 2003-04. But in the previous year, in media monitoring the leaders of the Opposition were over-budget by \$400,000.

The Hon. MELINDA PAVEY: What grants were made out of the Premier's Rural and Regional Miscellaneous Grants Fund in 2003-04?

Mr BOB CARR: In 2003-04 there were the following grants: to the 3rd Parkes Scouts Group, for an upgrade of the scout hall, \$13,687—

The Hon. MELINDA PAVEY: Excuse me, Premier. How many have you there? Is it a long list?

Mr BOB CARR: No.

The Hon. MELINDA PAVEY: Would you table it, because we have only got four minutes to go?

Mr BOB CARR: I was hoping to acknowledge the great work of the Broken Hill Rotary Club, the Inverell Girl Guides, the Batlow CWA. Why don't they get a mention in this estimates hearing? The Les Darcy Museum Committee got a boost with \$5,000. Our sponsorship of Surfest 2004 was \$50,000. That seems to have been the equal biggest grant with the donation of \$50,000 going to the Port Macquarie Triathlon Festival. But in all of this we should not overlook for a moment the Goonellabah Senior Citizens Social Club grant for repairs to hall of \$4,000, or the \$1,500 that went to the Burcher 75th Anniversary Celebrations.

The Hon. MELINDA PAVEY: Are you able to table that for us?

Mr BOB CARR: Yes. A full list is in the annual report, by the way.

The Hon. MELINDA PAVEY: How are applications for these grants prioritised?

Mr BOB CARR: With the following tests in mind: its relation to community building; possible contribution to crime prevention and alleviation of antisocial activities; and the third test is the unlikelihood of any private sector sponsorship, given the size of the community.

<9>

The Hon. MELINDA PAVEY: Any local organisation is able to apply for funding under the fund?

Mr BOB CARR: I will give you an account of any other guidelines, but they are the major ones.

The Hon. MELINDA PAVEY: How many staff—

Mr BOB CARR: They are usually small capital projects, ineligible for funding through more established program funding sources, like programs for the Aboriginal community or sporting capital works.

The Hon. MELINDA PAVEY: How many staff administer the fund?

Mr BOB CARR: The sort of programs, the sort of stuff that would fall through the cracks. Both sides of Parliament make nominations, I am advised by Dr Gellatly.

The Hon. MELINDA PAVEY: How many staff administer the fund, Dr Gellatly?

Dr GELLATLY: One staff.

The Hon. MELINDA PAVEY: So what is the total cost of administering this fund expected to be in 2004-05?

Dr GELLATLY: There are other funds that are administered. You would probably be looking at, just a rough guess, \$20,000 or something like that if you took a share of the salary and a percentage of the overheads. It is a relatively small amount.

The Hon. MELINDA PAVEY: What does the Strengthening Communities Unit in the Premier's Department expect to carry out in rural and regional New South Wales in this financial year, 2004-05?

Mr BOB CARR: It has been shifted to DOCS, but we can provide you with, or table, an account of their program for the next year.

The Hon. MELINDA PAVEY: Mr Premier, would you be able to provide information to the Committee showing the number of public servants employed in rural and regional New South Wales in 1995 and the number employed to today's date?

Mr BOB CARR: Since 1995 we are proud to have created approximately 2,890 jobs in rural and regional New South Wales. We have relocated approximately 1,940 more. By the end of 2005, around 2,500 government jobs will have been relocated to regional New South Wales. At the present time the following are under way: the Mineral Resources function of the Department of Primary Industries is relocating 200 positions to Maitland, to be completed in November, I am advised; Corrective Services is currently recruiting for staff in the gaol at Kempsey, employing 180 people—and we set up the gaol in Kempsey precisely to bring jobs into that region, which had very high unemployment; Corrective Services is committed to building a gaol at Wellington, employing 200 people upon becoming operational; juvenile justice centres front-line staff in regional areas will be increased by 71, and that means 14 in Dubbo, 14 in Grafton, 15 in Wagga Wagga, 16 in Wollongong and 12 on the Central Coast. So they are the current major relocations under way.

The Hon. MELINDA PAVEY: So the definition of regional New South Wales includes Newcastle and Wollongong, does it?

Mr BOB CARR: Regional New South Wales, yes.

CHAIR: Thank you, Premier. Our time has expired.

Mr BOB CARR: Thank you, Chairman.

CHAIR: Just a couple of procedural things. Can I have a motion to accept the documents that have been tendered in evidence?

The Hon. AMANDA FAZIO: I move that way.

CHAIR: Can I advise, Premier, that the Committee has resolved to seek the return of answers to questions taken on notice at the hearing within 35 calendar days? I understand there have been a number of things tabled by the Premier tonight—two things, I think, tabled—and the remainder

have been taken on notice. That will be returned within 35 calendar days. I thank you, Premier, and your staff for coming this evening.

Mr BOB CARR: I welcome the opportunity to appear before the Committee. It is a good way of keeping us on our toes. I am serious about the offer for a full briefing on the zoo, over there at the zoo.

CHAIR: I think we all look forward to visiting the zoo.

The Hon. GREG PEARCE: You will be leading the way, will you, Premier?

Mr BOB CARR: What is that?

The Hon. GREG PEARCE: You will be leading the way?

CHAIR: Thank you.

Mr BOB CARR: It is a long time since I have had a good look at it.

The Committee proceeded to deliberate.

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