

# PORTFOLIO COMMITTEE NO. 4 - CUSTOMER SERVICE AND NATURAL RESOURCES

Friday 2 September 2022

Examination of proposed expenditure for the portfolio area

## LANDS AND WATER, HOSPITALITY AND RACING

**CORRECTED**

**The Committee met at 09:25.**

### MEMBERS

The Hon. Mark Banasiak (Chair)  
Ms Abigail Boyd  
Ms Cate Faehrmann  
Mr Justin Field  
The Hon. Courtney Houssos  
The Hon. Emma Hurst (Deputy Chair)  
The Hon. Taylor Martin  
The Hon. Mark Pearson  
The Hon. Peter Poulos  
The Hon. Mick Veitch

### PRESENT

**The Hon. Kevin Anderson**, *Minister for Lands and Water, and Minister for Hospitality and Racing*

\* Please note:

[inaudible] is used when audio words cannot be deciphered.

[audio malfunction] is used when words are lost due to a technical malfunction.

[disorder] is used when members or witnesses speak over one another.



## **CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS**

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

**Budget Estimates secretariat  
Room 823  
Parliament House  
Macquarie Street  
SYDNEY NSW 2000**



**The CHAIR:** Welcome to the initial public hearing of the inquiry into budget estimates 2022-2023. I acknowledge the Gadigal people of the Eora nation and the traditional custodians of the lands on which we are meeting today. I pay respects to Elders past, present and emerging, and celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of New South Wales. I also acknowledge and pay my respect to any Aboriginal and Torres Strait Islander people joining us today. I welcome Minister Kevin Anderson and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolios of Lands and Water, Hospitality and Racing.

Before we commence, I would like to make some brief comments about procedures for today's hearing. Today's hearing is being broadcast live via the Parliament's website. Proceedings are also being recorded and a transcript will be placed on the Committee's website once it becomes available. In accordance with the broadcasting guidelines, media representatives are reminded that they must take responsibility for what they publish about the Committee's proceedings.

All witnesses in budget estimates have a right to procedural fairness according to the procedural fairness resolution adopted by the House in 2018. There may be some questions that a witness could only answer if they had more time or with certain documents to hand. In these circumstances, witnesses are advised that they can take a question on notice and provide an answer within 21 days. If witnesses wish to hand up documents, they should do so through the Committee staff. Minister, I remind you and the officers accompanying you that you are free to pass notes and refer directly to your advisers seated at the table behind you. All witnesses will be sworn prior to giving evidence. Minister Anderson, I remind you that you don't need to be sworn as you have already sworn an oath to your office as a member of Parliament. Finally, could everyone please turn their mobile phones to silent for the duration of the hearing.

**Dr JIM BENTLEY**, Chief Executive Officer, NSW Water Sector, Department of Planning and Environment, sworn and examined

**Mr LEON WALKER**, Deputy Secretary, Homes, Property and Development, Department of Planning and Environment, affirmed and examined

**Mr STEVE GRIFFIN**, Chief Executive Officer, Greyhound Welfare Integrity Commission, sworn and examined

**Ms MELANIE HAWYES**, Deputy Secretary, Crown Lands and Local Government, affirmed and examined

**Ms INGRID EMERY**, Executive Director, Project Interfaces and Program Management, Water Infrastructure NSW, Department of Planning and Environment, affirmed and examined

**Mr GRANT BARNES**, Chief Regulatory Officer, Natural Resources Access Regulator, affirmed and examined

**Mr ANDREW GEORGE**, Chief Executive Officer, Water NSW, affirmed and examined

**Mr ROCH CHEROUX**, Managing Director, Sydney Water, affirmed and examined

**Mr DARREN CLEARY**, Managing Director, Hunter Water, affirmed and examined

**Ms JEN HICKEY**, Chief Executive Officer, Cemeteries & Crematoria NSW, affirmed and examined

**Mr PHILIP CRAWFORD**, Chief Commissioner, Independent Casino Commission, sworn and examined

**Mr ANTHONY KEON**, Chief Executive Officer, Hospitality and Racing, affirmed and examined

**The CHAIR:** Today's hearing will be conducted from 9.30 a.m. to 5.30 p.m. We are joined by the Minister for the morning session from 9.30 a.m. to 12.15 p.m. with a 15-minute break at 11.00 a.m. In the afternoon, we will hear from the departmental witnesses from 2.00 p.m. to 5.15 p.m. with a 15-minute break at 3.30 p.m. During these sessions, there will be questions from Opposition and crossbench members only. If required, an additional 15 minutes is allocated at the end of the morning and afternoon sessions for Government questions. We thank everyone for their attendance today. We will begin with questions from the Opposition.

**The Hon. MICK VEITCH:** Good morning, Minister.

**Mr KEVIN ANDERSON:** Good morning, Mr Veitch.

**The Hon. MICK VEITCH:** How are we?

**Mr KEVIN ANDERSON:** Well, and yourself?

**The Hon. MICK VEITCH:** Minister, do you still intend to merge the four Crown Land Managers Crown cemetery operators that are currently under administration under the OneCrown banner into one single operator that will operate all of Sydney's cemeteries?

**Mr KEVIN ANDERSON:** Thanks for your question, Mr Veitch. This is a very sensitive and important issue when it comes to taking care of loved ones when they have passed. It's a very important issue, particularly when it comes to taking care of loved ones. People are at their most vulnerable point when their family is looking to bury a loved one. The development of cemetery space in New South Wales was under threat; hence the reason why a report and inquiry were undertaken in terms of finding new land to ensure that we have adequate burial space in New South Wales. At this point in time work is still being done. Consultation is still being had with religious and faith-based organisations to ensure that we get that balance right. The Government has not made a decision on the operating model yet.

**The Hon. MICK VEITCH:** Do you still intend to merge the sole remaining independent Crown cemetery operator, Catholic Metropolitan Cemeteries, into the new single OneCrown arrangement?

**Mr KEVIN ANDERSON:** Mr Veitch, those discussions are ongoing and, as yet, the Government hasn't made a decision on the operating model in terms of OneCrown.

**The Hon. MICK VEITCH:** I guess what everyone's concerned about is, are you intending to privatise Sydney cemeteries?

**Mr KEVIN ANDERSON:** Mr Veitch, what we are focused on is ensuring that we develop and have significant space, and it's now a really important part of the Government's focus to ensure that we have enough land; that we can take care of those who pass, well into the future. That's why the report was initially instigated, so we haven't made that decision.

**The Hon. MICK VEITCH:** Either you are or you aren't going to privatise them, Minister.

**Mr KEVIN ANDERSON:** Mr Veitch, we haven't made a decision in terms of the model yet.

**The Hon. MICK VEITCH:** So that could be a yes for privatisation of Sydney cemeteries?

**Mr KEVIN ANDERSON:** Mr Veitch, we haven't made a decision yet.

**The Hon. COURTNEY HOUSSOS:** You said that the consultation is ongoing, Minister. What's the time frame?

**Mr KEVIN ANDERSON:** Well, significant work is being undertaken, Ms Houssos, and we would like to continue to progress those discussions. They are very complex. They are very detailed, particularly in relation to faith-based organisations because each one is unique and each one needs to be respectful in terms of their cultural approach. As you would expect, each religious-based organisation, faith-based organisation, has specific rites and interments when it comes to burials.

**The Hon. COURTNEY HOUSSOS:** I am well aware of that, Minister. I'm asking if you have a time frame that you are interested in in drawing this process to a conclusion; in making a decision. Do you have a time frame?

**Mr KEVIN ANDERSON:** It takes time, Ms Houssos. It is a complex process. The Government has not yet made a decision on the operating model.

**The Hon. COURTNEY HOUSSOS:** When is that decision likely?

**Mr KEVIN ANDERSON:** Ms Houssos, that process is ongoing and the Government is very keen to ensure that they get it right, to cover all of those aspects that we were just talking about.

**The Hon. COURTNEY HOUSSOS:** Yes, and you made the announcement suddenly. You shocked a range of religious groups as a result of it. I understand that it needs to be done slowly and carefully, but we are interested in if there is a time frame for this coming to a conclusion? Surely you have an idea in your mind of when this is going to be drawn to a conclusion.

**Mr KEVIN ANDERSON:** It's a very complex process, Ms Houssos, as you rightly pointed out, but the Government has not yet made a decision on the operating model.

**The Hon. COURTNEY HOUSSOS:** Okay. Can you say if you will do it before the election?

**Mr KEVIN ANDERSON:** Ms Houssos, again, discussions are ongoing in terms of OneCrown and what that looks like.

**The Hon. COURTNEY HOUSSOS:** You don't need to keep repeating the same answer, Minister. I'm interested to know whether it will occur this year.

**Mr KEVIN ANDERSON:** Again, Ms Houssos, it is a very complex process. Rather than rush the decision, there are a lot of moving parts to ensure that we get it right and we respect cultural organisations. So that process will continue and when we land on the right spot, then we'll be in a position to make further announcements, but the Government has not yet made a decision.

**The Hon. COURTNEY HOUSSOS:** You're setting the parameter for these discussions. Can you rule out today that you will privatise OneCrown?

**Mr KEVIN ANDERSON:** Ms Houssos, those discussions are ongoing and the Government has not yet made a decision in relation to the operating model of OneCrown.

**The Hon. COURTNEY HOUSSOS:** I want to be really clear, Minister. I want to give you the opportunity—this is an issue that is causing serious concern in the community—that the reason your Government announced the merging of these particular trusts is in order to privatise it. Can you rule that out? Can you give the community that undertaking today?

**Mr KEVIN ANDERSON:** It is a serious issue, Ms Houssos. That's why the search for space has now been made State significant. So we are very keen to ensure that those around the table are being heard, being respectful, and culturally this is a very delicate situation. So we are making sure that we are doing the right thing. We will land on the right position and we will make an announcement when we finalise the operating model of OneCrown.

**The Hon. COURTNEY HOUSSOS:** Okay, but I am giving you one final opportunity. As you finalise that operating model, will you rule out a privatised model?

**Mr KEVIN ANDERSON:** Ms Houssos, the Government has not yet made a decision on the operating model of OneCrown.

**The Hon. MICK VEITCH:** Minister, you haven't tasked Ms Lee Shearer, as the administrator, with preparing the cemeteries for privatisation?

**Mr KEVIN ANDERSON:** That's not my understanding, but I will ask my deputy secretary to provide further information in relation to the operation of OneCrown, the way it's moving forward, and your question.

**MELANIE HAWYES:** Thank you.

**The Hon. MICK VEITCH:** It's pretty straightforward. Either you have or you haven't tasked Ms Shearer with that job.

**MELANIE HAWYES:** The administrator, Ms Shearer, has been tasked with overseeing the operation of the four metropolitan Crown cemetery operators. She's focused on working to identify and realise efficiencies in ensuring the operators work well together. That is the extent of her remit at this point—to manage the four operators that have been placed under administration.

**The Hon. MICK VEITCH:** Does that include preparing them for privatisation?

**MELANIE HAWYES:** I have had no such discussion or instruction.

**The Hon. MICK VEITCH:** Okay.

**MELANIE HAWYES:** She is managing the four entities that have been placed under administration.

**The Hon. COURTNEY HOUSSOS:** Minister, you met with Ms Shearer, according to your ministerial diaries, on 23 March. Is that correct?

**Mr KEVIN ANDERSON:** If that is in my ministerial diary. They are on public record, Ms Houssos.

**The Hon. COURTNEY HOUSSOS:** Did you discuss privatisation with Ms Shearer on that date?

**Mr KEVIN ANDERSON:** No, we did not discuss privatisation. We discussed a range of things, particularly ensuring that we kept the focus on looking after those most vulnerable in our community at that particular time, plus the search for new space.

**The Hon. COURTNEY HOUSSOS:** We've just heard that her job is to ensure efficiencies. Did you instruct her to say privatisation is not an option or privatisation is an option? Did you discuss either of those with Ms Shearer?

**Mr KEVIN ANDERSON:** Ms Houssos, I've just indicated that the discussions were particularly around the search for new space, which is a priority. It is the reason why OneCrown was set up. We talked about looking after those most vulnerable in our community at their time of need when they need to bury a loved one.

**The Hon. MICK VEITCH:** Minister, Ms Shearer's appointment under the Crown Land Management Act, you actually haven't appointed Ms Shearer herself. It's her private company, Leedar Investments Pty Ltd, as the administrator of the four Crown land managers, Crown cemetery operators. Is that correct?

**Mr KEVIN ANDERSON:** That's correct.

**The Hon. MICK VEITCH:** Under sections 82, 83 and 84 of the Cemeteries and Crematoria Act, as the administrator of the four Crown land managers, Crown cemetery operators, Leedar Investments and Ms Shearer are subject to number of statutory requirements around care and diligence; around not improperly using their position to gain advantage; and around not improperly using information they may obtain while acting in the position to gain advantage. Is that correct?

**Mr KEVIN ANDERSON:** If that is the operational component, and I will confirm that with the deputy secretary, Mr Veitch.

**MELANIE HAWYES:** Ms Shearer was appointed on the basis of her experience in the sector and in the role of administrator. If there are specific questions about the terms and conditions of the administration appointment, I'd probably need to take those on notice. I don't have them all to hand here today.

**The Hon. MICK VEITCH:** That's okay. I note that according to ASIC records the directors of Leedar Investments Pty Ltd are Ms Shearer and her partner, Mr Darren Shearer, and that the company is owned by another private company called Lee Shearer Pty Ltd, which is owned by Ms Shearer and Mr Darren Shearer personally. Do you agree, Minister, that this means the statutory requirements I've just mentioned apply to both Leedar Investments and to Ms Shearer as a director of that company? It's ultimately the beneficial owner of the company. Would that be correct?



**Mr KEVIN ANDERSON:** Mr Veitch, I will ask my deputy secretary to provide further information in relation to that.

**MELANIE HAWYES:** Ms Shearer is operating within the remit of being the administrator for these entities. If there are specific concerns or questions, I might need to take that on notice. I don't have the full terms and conditions of her appointment to hand today.

**The Hon. MICK VEITCH:** Mr Chair, I'd like to hand up some documents for the Minister, if I could? There's a copy for each member of the Committee too. Minister, as you look at those documents, you will see that they are drawn from ASIC. Can you think of any good reason why Leedar Investments Pty Ltd—a private company of Ms Shearer, the administrator, ultimately owned and directed by her—would have recently registered business names relating to the operation of cemeteries and crematoria in Greater Sydney?

**Mr KEVIN ANDERSON:** I've just received these documents, Mr Veitch. If you would give me some time to read them then I can comment appropriately, if you wish?

**The Hon. MICK VEITCH:** I'm happy to give you a minute. But is there any reason why that would occur?

**Mr KEVIN ANDERSON:** I can't answer your question at this time. I'd need further information in relation to that question, Mr Veitch. I'm happy to read these documents, if you wish.

**The Hon. COURTNEY HOUSSOS:** Perhaps we can explain what's in the documents to you.

**Mr KEVIN ANDERSON:** Sure.

**The Hon. MICK VEITCH:** What you will find there, Minister, is a document from ASIC for a company that's been registered in the name of Ms Shearer, Leedar Investments Pty Ltd. The name of the company is Greater Sydney Cemeteries and Crematoria. There is also a further registration. Have you got those, Minister?

**Mr KEVIN ANDERSON:** I'm just working my way through those documents at this point in time.

**The Hon. COURTNEY HOUSSOS:** Let's be clear: The person who you have charged with leading the OneCrown process has registered a private company with the name of Sydney Cemeteries and Crematoria. Are you concerned by that, Minister?

**Mr KEVIN ANDERSON:** That's new information to me at this point in time. But as you heard earlier from Ms Hawyees, Lee Shearer was appointed for her expertise in being able to conduct this particular process. But I will ask—

**The Hon. MICK VEITCH:** Minister, do you think it's appropriate? This is the administrator that you've appointed to OneCrown for the purposes of managing the cemeteries and crematoria in Sydney. We've asked you questions about whether or not they will be privatised. The administrator has registered private companies clearly titled "Sydney Cemeteries and Crematoria" in their own name. Is that appropriate?

**Mr KEVIN ANDERSON:** Mr Veitch, I'll ask Ms Hawyees to—

**The Hon. MICK VEITCH:** But you don't know whether it's appropriate or not, Minister? I can't ask the public servants for opinions. I can ask you for an opinion. Do you think that is appropriate, Minister?

**Mr KEVIN ANDERSON:** Mr Veitch, I've just received these documents. I'll take that question on notice and further investigate it. I'm happy to take the time to look at them now, if you wish, but I'm happy to take that on notice.

**The Hon. MICK VEITCH:** Minister, seriously, this is a pretty straightforward question. Is it appropriate for the administrator, in light of the terms upon which the administrator—the Act that you're responsible for makes clear what the administrators can and can't do. One of those terms is about using information for their own purposes. Is it appropriate, Minister, for these companies to have been registered in the name of Ms Shearer when Ms Shearer and her company are the administrators of the very same cemeteries and crematoria that she's responsible for?

**Mr KEVIN ANDERSON:** Mr Veitch, I'd need to get further detail and a full briefing on that before I can provide an opinion for you on that. I'm happy to take that on notice.

**The Hon. MICK VEITCH:** Minister, members of this Committee will know that I quite like reading ministerial diaries. It's something I take quite seriously, as one of your former ministerial colleagues discovered. On 23 March, as my colleague Ms Houssos has said, you met with Ms Shearer. Did Ms Shearer flag with you at that meeting her intentions to register private companies?

**Mr KEVIN ANDERSON:** As I outlined earlier, Mr Veitch, when I met with Ms Shearer we talked about the complex process that needs to take into account faith-based organisations and the search for new space.

**The Hon. MICK VEITCH:** Maybe we need to ask Ms Hawyes. Were any of these approved?

**MELANIE HAWYES:** This is new information. I'd like to take the time and also have the ability to have a discussion with Ms Shearer. There may be a range of reasons to do with the operations of Rookwood. I don't have that information to hand so I'd prefer to take that on notice before we potentially infer that there are things amiss, which is arguably not the case. This is new information.

**The Hon. TAYLOR MARTIN:** There's no context.

**The Hon. MICK VEITCH:** Can you see, though, that these are currently vested in the responsibility of the Minister? Via the legislation and the administration of Acts, these are currently publicly owned and they are vested in the responsibility of the Minister. Why would an individual who is the administrator on behalf of the Minister be registering companies clearly with the names Greater Sydney Cemeteries and Crematoria and Sydney Cemeteries and Crematoria? That registration took place on 4 April, a handful of days after you met Ms Shearer, according to your diaries, Minister.

**Mr KEVIN ANDERSON:** In relation to those discussions, Mr Veitch, it was about the complex process of providing new burial space and the search for new burial space. This information has just been brought to light. I'll need a full briefing and further information to be able to provide a response to you—

**The Hon. MICK VEITCH:** Are you concerned?

**Mr KEVIN ANDERSON:** —and I'm happy to take that question on notice.

**The Hon. MICK VEITCH:** Can you think of any reason that Ms Shearer would have for registering such business names for use by her private company?

**Mr KEVIN ANDERSON:** Mr Veitch, again, that information has just come to light. I'm happy to get a full briefing before I can provide an opinion in relation to why that was set up.

**The Hon. MICK VEITCH:** Do you believe that the actions of Ms Shearer may indicate an intention to breach the statutory requirements of the Cemeteries and Crematoria Act around not gaining advantage?

**Mr KEVIN ANDERSON:** Mr Veitch, again, I will need a full briefing in terms of the information that has just been provided in relation to the document that you have just sent up.

**The Hon. MICK VEITCH:** Minister, if you're going to get a briefing, when?

**Mr KEVIN ANDERSON:** Mr Veitch, that will be as soon as practicably possible. But to come back to your original question and the discussions that we have had, privatisation has not been part of those discussions. In terms of my view, we won't be privatising OneCrown. But in terms of this particular document that you've just furnished me with—again, it's new information to Ms Hawyes as well—we'll get a briefing before I can form an opinion.

**The Hon. COURTNEY HOUSSOS:** It's all very well for you to say it's not part of your plans, Minister, but let's just look at the time line. Ms Shearer met with you on 23 March. A week later, or slightly longer, she registers a private company with the same title that would be running these organisations. This would be a dramatic shift in Government policy. Can you confirm that you did not direct her to do this?

**Mr KEVIN ANDERSON:** Ms Houssos, the discussions were around the need for more cemetery space and that complex process of looking after those most vulnerable in our community. We did not discuss privatisation.

**The Hon. COURTNEY HOUSSOS:** And you did not discuss the need to set up a private company to administer these existing trusts; is that correct?

**Mr KEVIN ANDERSON:** No.

**The Hon. COURTNEY HOUSSOS:** That was not part of your discussion with Ms Shearer?

**Mr KEVIN ANDERSON:** No.

**The Hon. COURTNEY HOUSSOS:** Can you rule out your office discussing that with Ms Shearer?

**Mr KEVIN ANDERSON:** I will take that on notice.

**The Hon. COURTNEY HOUSSOS:** Perhaps you might want to confer with your staff behind you to confirm that this was not a direction provided by your office.

**Mr KEVIN ANDERSON:** Not to my knowledge.

**The Hon. COURTNEY HOUSSOS:** Ms Hawyes, are you the person in the bureaucracy who Ms Shearer reports to?

**MELANIE HAWYES:** She is appointed as administrator, so there is a relationship, but she doesn't report in to me in that traditional sense as a line manager. She is the administrator for the four operators. There may be a range of reasons why Ms Shearer secured that name in her remit as administrator, and I don't want to make comment on that in this forum. But we will take on notice any questions you may have about that.

**The Hon. COURTNEY HOUSSOS:** I would just like to be clear, though, Ms Hawyes, you and no-one in the department provided her with a direction to set that up?

**MELANIE HAWYES:** No, I did not.

**The Hon. COURTNEY HOUSSOS:** Minister, how do you feel about Ms Shearer freewheeling and setting up private companies that are linked to her own private interests when she is supposed to be acting in the public interest as an administrator of OneCrown?

**Mr KEVIN ANDERSON:** Ms Houssos, the Government's focus is clearly on looking at the operating model of OneCrown and development of more land space as we search for land. It is a complex process. Ms Shearer has done a great job, in my view, in terms of the complex nature in which this environment presents itself. The document that you have just presented, as we said, we will get a brief on that and we will ultimately form an opinion, but I can't do that at this point in time. I would like further information in relation to that.

**The Hon. COURTNEY HOUSSOS:** It is complex. It is incredibly delicate, as you said at the outset. We are dealing with people's loved ones and their burials, which is incredibly delicate and difficult, yet the person that you have charged with this seems to be going around behind your back, behind the bureaucrats' backs, and setting up private companies.

**MELANIE HAWYES:** I don't think that's the case. I think that she secured the name for Rookwood, which she is the administrator. But we'd like the opportunity to confirm that. I don't think it's the case that there is an assertion here of freewheeling in a personal capacity; I think it's in relation to her remit as an administrator. We would like to take that on notice and get back to you.

**The Hon. COURTNEY HOUSSOS:** Can you explain then why the holder name is her personal company?

**MELANIE HAWYES:** She has a personal company, but she was appointed as an administrator because of her experience in the sector.

**The Hon. MICK VEITCH:** So it is okay then for a private company to register these names when they are the administrator on behalf of the Government?

**MELANIE HAWYES:** That is an assertion you are making. We want to—

**The Hon. MICK VEITCH:** No, I'm asking the question, is it okay for that to happen?

**MELANIE HAWYES:** I am not making a comment on that because I am not even clear that that is the case. I understand your concern, and we will look into that and come back to you.

**The Hon. COURTNEY HOUSSOS:** If you can provide that back to us today, I think that would be quite helpful.

**MELANIE HAWYES:** Yes.

**The Hon. EMMA HURST:** Good morning, Minister.

**Mr KEVIN ANDERSON:** Good morning.

**The Hon. EMMA HURST:** I just want to start with some questions around greyhound racing. Exactly how much money was allocated to the greyhound racing industry in the latest New South Wales Government budget?

**Mr KEVIN ANDERSON:** In terms of funding that has been allocated to the greyhound racing industry, Ms Hurst, we provide funding in relation to capital grants. As part of the reform of the greyhound racing industry we committed \$30 million in conditional capital grants to improve animal welfare, including initiatives to improve safety and track facilities for greyhounds. At this juncture, around \$11 million has been spent on providing those welfare initiatives to ensure that tracks are continually upgraded.

**The Hon. EMMA HURST:** Sorry, Minister, the total number of money that was allocated to the greyhound racing industry in the last New South Wales Government budget was \$30 million, in total?

**Mr KEVIN ANDERSON:** That's not what I just said.

**The Hon. EMMA HURST:** That was my question. My question was, how much money was allocated to the greyhound racing industry in the last New South Wales Government budget, in total?

**Mr KEVIN ANDERSON:** That was your question, but my answer in relation to funding for greyhounds is \$30 million in capital grants. In relation to funding, that would be—

**The Hon. EMMA HURST:** How much money from the New South Wales Government was put forward to the greyhound racing industry, in total?

**Mr KEVIN ANDERSON:** It was \$30 million for the capital grants, yes.

**The Hon. EMMA HURST:** Can you also give me a breakdown of how much was actually given to the horseracing industry and the harness racing industry?

**Mr KEVIN ANDERSON:** In terms of the regional grants, the racing for the regions for thoroughbreds, there was \$67 million allocated to Racing NSW. They have worked up a statewide project plan to upgrade facilities right across the regions, including right across regional New South Wales. So \$67 million has been allocated in that space.

**The Hon. EMMA HURST:** So it is \$67 million in total for both horseracing and harness racing?

**Mr KEVIN ANDERSON:** No, that was a separate budget bid for thoroughbred racing that came out of the budget process.

**The Hon. EMMA HURST:** How much in total was given from the New South Wales Government budget towards horseracing and towards harness racing?

**Mr KEVIN ANDERSON:** In terms of what came out of the budget for both, I will take that on notice so I don't mislead you. But in terms of thoroughbred racing, there was \$67 million, which was for the racing for the regions fund.

**The Hon. EMMA HURST:** Can you also confirm on notice that the total amount that was given to the greyhound racing industry was \$30 million?

**Mr KEVIN ANDERSON:** No, the \$30 million, Ms Hurst, was part of the capital grants fund that the New South Wales Government has committed.

**The Hon. EMMA HURST:** Yes, you have explained that. I am just double-checking that that is the total amount of money that was given to the greyhound racing industry as part of the New South Wales Government budget?

**Mr KEVIN ANDERSON:** No, that \$30 million was part of the capital grants fund. That was not given in this last round of budget; it was a sum of money that was given to Greyhound Racing NSW some time ago.

**The Hon. EMMA HURST:** That's fine, but my question is: How much money from the New South Wales Government budget was given to the greyhound racing industry? If you don't have that number on hand, could you please take it on notice?

**Mr KEVIN ANDERSON:** Sure, but just by way of background, Ms Hurst, the point of consumption tax, which I'm sure you are familiar with, is part of that process where funding goes to those three codes. But just to be clear, I am happy to take that on notice for you and come back to you.

**The Hon. EMMA HURST:** What about tax exemptions? Were tax exemptions given from the New South Wales Government to the greyhound racing industry or the harness and horseracing industries in the last budget?

**Mr KEVIN ANDERSON:** No. If you are talking tax, it revolves around the point of consumption tax. Is that what you are referring to, Ms Hurst?

**The Hon. EMMA HURST:** I am just referring to general tax exemptions across the board because we have had a lot of animal protection organisations that are very interested in this space. When they are looking at the New South Wales budget it is not clear exactly the total amount of taxpayers' money that is going towards those racing industries and what kind of tax breaks, in total, are going to those racing industries. I was wondering if we could get clear figures that the public can then use to understand and have some more transparency around what tax breaks are given to these industries and what tax money is given to these industries as a total figure?

**Mr KEVIN ANDERSON:** I am not sure that "tax breaks" is the right word, Ms Hurst. What happens is that the racing industry generates about \$3.3 billion for the New South Wales economy and sustains more than 27,500 full-time jobs. Outside of recent funding commitments, it shows how valuable this industry is to the New South Wales economy. Some 2 per cent of total taxable non-wagering revenue would be provided to the industry, but commitments from the introduction of the point of consumption tax—and that's where they get their funding from—includes that 2 per cent. So for thoroughbreds in the 2021-22 period, that delivered more than \$47.8 million to the three codes, and that was split up—

**The Hon. EMMA HURST:** Sorry, Minister, I will just take you back to the question.

**Mr KEVIN ANDERSON:** Sure.

**The Hon. EMMA HURST:** The question was around what tax exemptions are given to the industry. The question that is coming from a lot of groups that are working in this space is: Are there tax exemptions given to these industries, what are they and for how much?

**Mr KEVIN ANDERSON:** On the funding methodology for the racing industry in New South Wales across those three codes, Treasury has the primary responsibility for wagering and taxation, so that's a question for Treasury. That led to the implementation of the point of consumption tax and the dividends that go back to those three codes. It would be a question for Treasury in terms of tax exemptions, but the point of consumption tax is the main source of funding for those codes.

**The Hon. EMMA HURST:** So you're not aware of any tax exemptions. I want to ask about the Greyhounds as Pets program. In April this year the project ran a story on the failings of industry rehoming organisations and the number of greyhounds that are rejected or refused to be taken on by the rehoming organisations for reasons as small—it is reported—as a broken toe. As the racing Minister, do you find this acceptable that the industry rehoming body is actually rejecting greyhounds for rehoming reasons such as a broken toe?

**Mr KEVIN ANDERSON:** Ms Hurst, if you have got specifics in relation to that then we would be very interested to take a look at those. But I think there's a very good story to tell in terms of rehoming of greyhounds that are exiting the industry.

**The Hon. EMMA HURST:** Minister, with respect, my question is: Do you find it acceptable that the industry rehoming body that is funded by the Government is actually rejecting animals, such as having a broken toe?

**Mr KEVIN ANDERSON:** I'm unaware of the operating procedure in terms of the rehoming bodies. If there is an injury to the dog you would expect that the greyhound would receive the appropriate treatment, which they would and do, and that they are fit—

**The Hon. EMMA HURST:** Who would they receive that treatment from if the rehoming organisation is rejecting them?

**Mr KEVIN ANDERSON:** Well, it's not a case of rejecting the dog. I think that Greyhound Racing NSW and the Greyhound Welfare Integrity Commission do a very good job in ensuring that the rehoming pathway for retired greyhounds who are exiting the industry is very clear. We are seeing more—

**The Hon. EMMA HURST:** What happens to the dogs if they've got a broken toe?

**The CHAIR:** I will have to stop you. We will have to go to Ms Boyd now and then Mr Field.

**Ms ABIGAIL BOYD:** Just on that line of inquiry, I am also aware of this happening on a regular basis. Also, GAP are refusing to take back greyhounds that they've placed and are putting the onus on those who have opened their homes to a greyhound to euthanase a dog. Are you aware of this refusal by GAP to take back dogs that have been inappropriately rehomed?

**Mr KEVIN ANDERSON:** I'm not sure of your question, Ms Boyd. There was a little bit in that right at the start. Can you just be clear? Are you talking about euthanasia? Are you talking about rehoming? I'm just not quite clear.

**Ms ABIGAIL BOYD:** Are you aware of GAP refusing to take back dogs that have been placed with people and then have been brought back?

**Mr KEVIN ANDERSON:** Are you saying the dog has gone to someone and then—

**Ms ABIGAIL BOYD:** —brought back because the dog has—

**Mr KEVIN ANDERSON:** —brought back to the Greyhound as Pets program?

**Ms ABIGAIL BOYD:** Perhaps the dog has a behavioural issue or there's some other issue with the dog, and then GAP basically says, "Too bad."

**Mr KEVIN ANDERSON:** No, I'm unaware of that.

**Ms ABIGAIL BOYD:** Minister, recently a Greyhound Racing NSW participant was charged with 27 serious offences by GWIC and was disqualified for a total of 30 months. The charges that were found to have been made out included failing to provide information on the location of over 37 greyhounds, providing insufficient kennelling and welfare facilities, lying to officials and on official documents. The GWIC decision gives details that are incredibly grim about so, so many puppies being killed, squashed, neglected, not taken to the vet when they should have been et cetera, et cetera. This same person has recently had a DA approved for what was previously an illegal greyhound housing and breeding facility by Port Stephens Council. How can that be? How can a person within the industry who has had those sorts of charges against them then receive approval for another intensive greyhound boarding and training facility? Does that make sense to you, Minister?

**Mr KEVIN ANDERSON:** No, it doesn't make sense to me, Ms Boyd. I think the Greyhound Welfare Integrity Commission has done the right thing. We have zero tolerance for any form of animal abuse or mistreatment in terms of the welfare of the greyhound racing industry. We've come a long way over the last couple of years to rub those people out of the industry. They don't belong, shouldn't belong. The 30-month suspension of this particular gentleman—obviously, the Greyhound Welfare Integrity Commission is doing its job, as they should. In terms of that application for further training facilities, I'd like to ask Mr Griffin, who is from the Greyhound Welfare Integrity Commission and who is familiar with this case, to provide further information in relation to that last bit of your question.

**Ms ABIGAIL BOYD:** Yes, and I'd like to know specifically why there are no rules for council to have to consult with GWIC before they approve something like this.

**STEVE GRIFFIN:** The latter part of your question is a matter of government policy but, regardless of the DA approval, I can assure you that the participant under disqualification will not be permitted to run a greyhound facility, regardless of being given the DA approval by that council. So, council aside, he certainly will not be permitted by the Greyhound Welfare Integrity Commission to run a greyhound kennelling facility at that location.

**Ms ABIGAIL BOYD:** Presumably he will set that up and have it ready for when his suspension is lifted, or his disqualification is lifted, and then he's free again to be responsible for hundreds of greyhound puppies?

**STEVE GRIFFIN:** A participant who is disqualified has to reapply at the end of their disqualification period. There's no guarantee that they'll be reissued with the same licence and registration at the end of their disqualification.

**Ms ABIGAIL BOYD:** This person has been in the greyhound racing industry for over 20 years. They were part of the McHugh inquiry admitting to euthanising dogs without taking them to a vet. They have a long history, and they were referred to by people within the greyhound industry as a bad apple. Yet this person has until quite recently been a person still in the industry. How does that happen? How did this person not get disqualified a long time ago?

**STEVE GRIFFIN:** There was some suspension of the participant back in 2020. I agree, the actual process has been protracted in relation to these 27 charges, not on behalf of the commission but by the fact that due process needed to be applied, and given the participants alleged ill-health during the period that we were taking the prosecution through. But I can assure you at the end of the day all of those factors, Ms Boyd, will be taken into consideration, particularly the historical factors, once that participant applies for re-entry into the industry after the period of disqualification.

**Ms ABIGAIL BOYD:** At the end of the GWIC decision it does say—I'm trying to find the bit—that in mitigation of penalty, the particular person's experience in the industry, including the large number of greyhounds bred and reared at his property, was taken as a mitigation of penalty. How does that work? Why is his experience in the industry—given his particular history of neglect of puppies, in particular, how did that mitigate his penalty?

**STEVE GRIFFIN:** That's based upon precedent and based upon feedback from the Racing Appeals Tribunal and precedent cases, that the controlling body is required to take onboard in the context of making the decision, the participant's length of time in the industry and the volume of greyhounds that they've had in their care during that time.

**Ms ABIGAIL BOYD:** Minister, are you prepared to take on this issue, this disconnect between a council DA being approved and, at the moment, there being no requirement to go to GWIC? Are you prepared to take that on as policy issue and speak with your counterparts in local government?

**Mr KEVIN ANDERSON:** We take all animal cruelty issues seriously. The Greyhound Welfare Integrity Commission, as Mr Griffin has rightly pointed out, is paramount—once it leaves the industry it's part of a Local Government Act. But it does concern me, and I would expect that the Greyhound Welfare Integrity Commission would provide all information required to the local government authority in that regard in terms of any particular greyhound racing facilities into the future.

**Mr JUSTIN FIELD:** Good morning, Minister. I want to move onto water if we could. The Environment Heritage Group advising Minister Griffin on the recent amendments to water sharing plans to include floodplain harvesting rule stated that they consider the proposed in-catchment targets to be too low, do not consider the long-term health of environmental assets, and do not support the water management principles in the Act. Can you explain why you think the rules for floodplain harvesting comply with the priority of use provisions set out in the Water Management Act?

**Mr KEVIN ANDERSON:** This has been an issue that's been kicking around for quite some time, particularly in relation to bringing floodplain harvesting under the compliance and the rules that are required within the take. Significant work has been done on floodplain harvesting. We believe that while some may think the targets are never high enough, others believe that they are.

**Mr JUSTIN FIELD:** I'm not asking for a belief, Minister. I'm asking for you to explain how the rules comply with the water management principles in the Act. This can't be a subjective test; clearly it's a statutory obligation.

**Mr KEVIN ANDERSON:** Mr Field, the process has concluded and the water sharing plans have been made. There has been advice from the department. It is lawful, and it's consistent with the principles of the Water Management Act.

**Mr JUSTIN FIELD:** What's that advice? The fundamental test in regard to water sharing as set out in the Act is that the sharing of water from a water source must protect the water source and its dependent ecosystems, and that sharing or extraction of water under any other right must not prejudice those dependent ecosystems. So explain to me how you've made the judgement that the rules for floodplain harvesting haven't prejudiced dependent ecosystems, because that's certainly the advice of EHG.

**Mr KEVIN ANDERSON:** Mr Field, the advice from the department is that it is lawful—

**Mr JUSTIN FIELD:** What's the advice?

**Mr KEVIN ANDERSON:** —and it is consistent with the principles of the Water Management Act.

**Mr JUSTIN FIELD:** Is that advice published?

**Mr KEVIN ANDERSON:** And the environment Minister, Mr Griffin, has provided concurrence. They are in place now. They are lawful and within the principles of the Water Management Act.

**Mr JUSTIN FIELD:** I'm sorry, Minister, I'm not going to take your word for it because ICAC found that the department, historically, has failed to deliver on the principles of the Water Management Act. Can you please provide the document that lays out how you're fulfilling the priority-of-use provisions of the Water Management Act?

**Mr KEVIN ANDERSON:** Mr Field, I will take you back to the ICAC report on water matters. It released its report into water management issues in November 2020. It found no findings of corrupt conduct.

**Mr JUSTIN FIELD:** I wasn't suggestion corruption. It found you hadn't complied with the requirements of the Act.

**Mr KEVIN ANDERSON:** Mr Field, if I can reiterate—I don't know how clear I need to be for you.

**Mr JUSTIN FIELD:** In fact, it described a "lengthy history of failure in giving proper and full effect to the objects, principles and duties of the WMA". Minister, can you explain how the rules for floodplain harvesting meet the requirements of the Act?

**Mr KEVIN ANDERSON:** Mr Field, that process has concluded. There has been significant work done in this particular space. I know you like to play games in the upper House with this, but when I travel around regional New South Wales in relation to floodplain harvesting, it is consistent with the principles of the Water Management Act and there is concurrence—

**Mr JUSTIN FIELD:** How? Show me how.

**Mr KEVIN ANDERSON:** —from Minister Griffin. In terms of this particular process, the water sharing plans in relation to floodplain harvesting—

**Mr JUSTIN FIELD:** Because you said so and because Minister Griffin said so is not an answer to the question, Minister. In response to ICAC, the Government undertook to do a section 10 review. Are you aware of what a section 10 review is?

**Mr KEVIN ANDERSON:** Yes, I am, Mr Field.

**Mr JUSTIN FIELD:** What is it?

**Mr KEVIN ANDERSON:** Mr Field, I'm not going to get into the detail in terms of what that—

**Mr JUSTIN FIELD:** Section 10 states:

- (1) The Minister is to ensure that the work and activities of the Department are reviewed at intervals of not more than 5 years for the purpose of determining whether they have been effective in giving effect to the water management principles of this Act ...

When was the last section 10 review done?

**Mr KEVIN ANDERSON:** Mr Field, I'll have to take it on notice, but—

**Mr JUSTIN FIELD:** Has this Government ever done a section 10 review?

**Mr KEVIN ANDERSON:** —I can't make it any clearer for you that it is in the principles of the Water Management Act and Minister Griffin has given his concurrence. The advice from the department is that it has been made lawfully. I don't know what you don't understand about that.

**Mr JUSTIN FIELD:** Can you please publish the advice that shows or describes how you think the rules for floodplain harvesting are consistent with the water management principles of the Act?

**Mr KEVIN ANDERSON:** Mr Field, I'm sure that, through the SO 52s and the games that you've been playing upstairs, you would have that information. So, please, you will have that information that they are made lawfully.

**Mr JUSTIN FIELD:** Let's go to the SO 52. Let's go to the email from Dan Connor to Dr Bentley on 11 February, where he's describing pathways forward for floodplain harvesting. This is after the disallowance late last year. He describes, "Downstream flow targets—one idea could be to include rules to prevent floodplain harvesting access when there are downstream critical human and environmental needs." Strangely enough, that looks like it's about trying to meet the requirements of the Act. At the end of that section, he says, "It will strengthen the case that the Minister is taking reasonable steps to comply with the Act. A legal challenge on these grounds is considered likely." Why would he think there's a legal challenge likely?

**Mr KEVIN ANDERSON:** Mr Field, as you know, water in any space is very, very complex. When you introduce a particular rule, for us, it's a very challenging situation to be in. You've got to find that right balance. We believe we found the right balance in terms of they are consistent with the principles of the Water Management Act and that they've been lawfully made. That's the position they're in now. We're cracking on with making sure that we ensure healthy rivers, healthy farms, healthy communities and that floodplain harvesting is now being carefully managed and with the metering systems that have been rolled out across the State. I think the Murray-Darling Basin is in a good position with the significant work that has been done. Floodplain harvesting was the last unregulated water take. That has now been brought into line. We're cracking on with ensuring we have healthy rivers, healthy farms and healthy communities.

**The Hon. MICK VEITCH:** Minister, at last budget estimates in March, you would not commit to publishing a public response to the now retired Commissioner Bush's report or evaluation of the Crown Land Management Act 2016 implementation. I see on the departmental website that you are now going to consider his recommendations as part of the five-year statutory review of the Act that doesn't start until at least July 2023, which is two years after Commissioner Bush's really good work. Why are you not providing a separate and timely response to the comprehensive evaluation report provided by Commissioner Bush?

**Mr KEVIN ANDERSON:** Mr Veitch, thanks for your question. I think Crown Lands have been doing a very, very good job in relation to making sure that we look after those lands right across New South Wales, particularly the trusts that manage those lands; they are volunteers. We thank them for their service. We're doing everything we possibly can to support them.



**The Hon. MICK VEITCH:** But, Minister, they all participated in Commissioner's Bush's evaluation, and they did so in good faith. The longer you push out the Government's response, aren't you breaching that faith of all those really hardworking trusts you just spoke about?

**Mr KEVIN ANDERSON:** Not at all. I'd like again to reiterate and take the opportunity to thank Professor Bush, who took the evaluation of the Crown Land Management Act 2016, and the guiding role that he played in bringing to life the strategic directions outlined for Crown lands to 2031.

**The Hon. MICK VEITCH:** He did a very good job.

**Mr KEVIN ANDERSON:** He did do a good job. That good work is now being take up and being progressed thoroughly, and I think we're in a good space in Crown lands under the direction of Ms Hawyes.

**The Hon. MICK VEITCH:** If it's such good work, Minister, why are you taking so long to respond to his findings?

**Mr KEVIN ANDERSON:** In the early days of the 10-year strategy and the initial three-year action plan, they were looking at better ways as there always is a continuous improvement exercise process, and some of those options are being taken into consideration now. I will ask Ms Hawyes if she would like to further elaborate for you, Mr Veitch.

**MELANIE HAWYES:** Thanks, Minister. We recently launched the first implementation piece under the State plan. It takes forward a number of the themes that were covered in Commissioner Bush's report, including better access to information for communities who are interested in Crown lands. We launched a pilot of reforms to commercial leasing from arenas, which involved a close partnership with one of the former members of the task force. The work is heavily switching into implementation mode, and the other recommendations that came through from that report are being considered as we prepare for our statutory review, which is obviously a really important opportunity to think about improvements to the legislation.

**The Hon. MICK VEITCH:** As someone who spent fair bit of time on my feet talking about this legislation in the New South Wales upper House with my then opponent, the Hon. Niall Blair, I've got a fair interest in this. The commissioner's role was a significant part of the debate. That work was critical. People from all sides of politics wanted that work to be done. Commissioner Bush, we all applauded his appointment. He did a very good job, and I think we all agree that he did a very good job. I can't see why you're saying some of the recommendations are underpinning and the others will wait until we commence the five-year statutory review. That review isn't starting until 2023, Minister. By then, the excellent work of Commissioner Bush will have started to date, surely.

**Mr KEVIN ANDERSON:** No, not at all, Mr Veitch; 2023 is only a few months away. So significant work has been done on the back of Professor Bush.

**The Hon. MICK VEITCH:** Compared to when Commissioner Bush handed his report in.

**Mr KEVIN ANDERSON:** But we are approaching 2023, and there is significant work that has been done as part of the recommendations of Professor Bush, and Ms Hawyes and her team under Crown Lands are doing an exceptional job. There are many, many highlights. Part of that is looking at what we do need to do with partnering with councils and local Aboriginal lands councils to look at housing opportunities to address the critical social and affordable housing crisis in New South Wales. Like, we're working proactively with councils to open up unused Crown land and repurposed Crown land, so significant work.

**The Hon. MICK VEITCH:** But this is about the commissioner's role and that very good report. The statutory review—as you would appreciate, Minister—focused on bigger questions around the Act since its commencement. Commissioner Bush's review was slightly different; it was around the implementation. If you've already started responding to some of the recommendations, as Ms Hawyes has said, why are we not doing all of his report in one go? Where's the public response from the Government to the recommendations on that very good body of work?

**Mr KEVIN ANDERSON:** It is a big body of work. You're right, Mr Veitch. To roll it all out in one hit would take significant resources. We are ensuring that Crown Lands is continuing to meet its strategic plan objectives. I'll ask Ms Hawyes if she'd like to elaborate a little bit further on some of that work.

**MELANIE HAWYES:** I think it's important to note that many of those recommendations are live and being implemented on the ground right now—the reforms to leasing, reforms to enhance the way we broker cut-through on Aboriginal land claims and have negotiated outcomes with Aboriginal stakeholders, and improvements to customer service. Part of the thinking that the task force and Commissioner Bush really pioneered was about step reforms that will lift the performance of the whole agency. Those things are certainly

not sitting on a shelf. They are live. They are being implemented on the ground. And any remaining, residual recommendations from that work will be picked up in our review of the statute, which has already commenced. We're not waiting for 2023. We're already planning for that now.

**The Hon. MICK VEITCH:** Minister, part of Commissioner Bush's work was around communication. But people don't know what the Government is doing with regard to these recommendations. We hear today that there is some work being undertaken. Surely, if communication was an issue, wouldn't you communicate as Government what you are doing? Wouldn't the Government say, "Actually, we've got to tell people what we're doing here"? People don't know. They engaged in this process, Minister, in good faith, and they actually don't know what the Government's response is. We find out today that some things are being undertaken. Communication, then, must still be a problem, because you haven't communicated with people, Minister, what is happening to each of the recommendations of Commissioner Bush.

**Mr KEVIN ANDERSON:** I think that communication process is underway, Mr Veitch. What we are doing is cracking on with getting onto the frontline work and providing for the communities that we serve across regional New South Wales that have touchpoints within Crown land. The information that matters to them, whether it be through marinas or whether it be through Reflections Holiday Parks—

**The Hon. MICK VEITCH:** But have you told them what you're doing with Commissioner Bush's recommendations?

**Mr KEVIN ANDERSON:** I'll just check. I'm pretty sure we are.

**MELANIE HAWYES:** We do have very active communication with all the previous task force members. We launched our action plan in a public way. It's online. We recently refreshed our website because, to be frank, it was a little dated and clunky, and now it's much more accessible for people. We regularly update stakeholders on the progress that we're making with our State Plan.

**The Hon. MICK VEITCH:** The report, as you and I both agree, was a really good body of work by Commissioner Bush, and he's highly respected. Why are we not appointing a new commissioner?

**Mr KEVIN ANDERSON:** I don't think we need a new commissioner, Mr Veitch. I think the work that has been done by Crown Lands—and obviously Professor Bush did a great job. You've got to continue to look at professional organisations and evaluate their progress and what they need to do to deliver the services and outcomes of our communities. I think the model that we've got now under Ms Hawyes here is achieving those strategic outcomes with the plan going forward. Crown Lands are doing a great job. We're seeing a lot of progress in a lot of different areas. I'll just highlight, on the North Coast, when we talk about immediate actions, we are able to do this great work like open—

**The Hon. MICK VEITCH:** Yes, but this is about the commissioner's role.

**Mr KEVIN ANDERSON:** We don't need it.

**The Hon. MICK VEITCH:** So it has now changed. You don't need the commissioner. Have you conveyed that sentiment to stakeholders across the State who are still ringing all of our offices saying, "They haven't replaced Commissioner Bush. When are they going to replace Commissioner Bush"?

**Mr KEVIN ANDERSON:** Yes, that communication in terms of what Crown Lands is doing on a much broader scale is certainly out there. Ms Hawyes and her team are doing a great job.

**The Hon. MICK VEITCH:** Have you told people, quite simply, you are not going to replace Commissioner Bush? You feel the role is no longer required. Have you told people that?

**Mr KEVIN ANDERSON:** I haven't had any personal questions or requests in relation to what we are doing with the commissioner, but Ms Hawyes may have received some.

**The Hon. MICK VEITCH:** It's okay. I have to share the time with my colleague. We work to a clock. So if you don't mind, I'll leave it there. Thank you.

**The Hon. COURTNEY HOUSSOS:** I wanted to come back to this issue of the Sydney cemeteries and crematoria—the registration of this new private company by Ms Shearer. If the cemeteries were to be privatised, would you be comfortable with the current administrator taking a financially profitable role or having a financially profitable arrangement with a new privatised operator? What's your opinion on that?

**Mr KEVIN ANDERSON:** Ms Houssos, I'll take you back. I said earlier in my testimony that the Government has no intention—to my knowledge, and I'm the Minister responsible—of privatisation. The discussions that we've had with Ms Shearer are all in relation to the search for new space. It's now State significant. In terms of the document that was presented by Mr Veitch earlier, we will get advice on that and come back to

you with a more formal response when we are briefed. But I'll ask Ms Hawyes if she would like to add anything further.

**MELANIE HAWYES:** My understanding is that it's the registration of a business name, not a private company. We will take on notice the questions you have raised about that. But that is something that Ms Shearer has been clearly actioning in the capacity as an administrator. If there is a further decision to further amalgamate the four operators, that would be accompanied by the appointment of a board.

**The Hon. COURTNEY HOUSSOS:** Minister, I understand that it might be the registration of a business name, but a private company is a very different operating model for our cemeteries to the current arrangements under a trust. There are very different obligations; there are very different rules. Even if there is a board, there are very different rules for members of a board of a private company versus members of a board of a trust. Are you comfortable with that kind of arrangement and with Ms Shearer progressing that kind of arrangement by registering a private business name?

**Mr KEVIN ANDERSON:** Ms Houssos, my dealings with Ms Shearer have been all around progressing OneCrown. And the document that you've provided, and Ms Hawyes has provided further commentary for you—my view is that we will continue to progress trying to stand up the model of OneCrown. The Government has not yet made a decision. If there are other, further matters in relation to Ms Shearer and the document that was produced earlier, we'll come back to you with further clarification on that this afternoon.

**The Hon. COURTNEY HOUSSOS:** If it was OneCrown and not Ms Shearer that wanted to register those business names for the operation, why didn't they do it through one of the existing four operators like they did for the OneCrown business name when it was registered?

**Mr KEVIN ANDERSON:** Again, Ms Houssos, the discussions that we've been having as a government with Ms Shearer are looking to progress OneCrown and looking to land on an operating model so that we can provide the security—

**The Hon. COURTNEY HOUSSOS:** Minister, you're not answering my question. My question is that when OneCrown, the business name, was registered, it was done through one of the existing four operators. Why wasn't that done? Why was this registration process done by a private company and not through one of those existing trusts?

**Mr KEVIN ANDERSON:** Again, Ms Houssos, I wasn't party to those discussions back then. But I'm sure that Ms Hawyes would be able to provide you further information if you need it.

**MELANIE HAWYES:** It's something that we'll ask the administrator. The administrator has a degree of independence in that role and is not here to answer the question. So we'll take that on notice.

**The Hon. COURTNEY HOUSSOS:** Do you believe these actions may indicate an intention to breach the statutory requirements of the Cemeteries and Crematoria Act around not gaining advantage?

**Mr KEVIN ANDERSON:** Ms Houssos, again, my dealings with Ms Shearer are in relation to providing the services that loved ones want across regional New South Wales. I've not had discussions with her in relation to the matter that's been brought forward.

**The Hon. COURTNEY HOUSSOS:** My question is not about the discussions you've had with her. My question is about the perceived—or it may be an intention to breach the statutory requirements that govern Ms Shearer's activities. She is not allowed to gain personal advantage from doing the work that she's doing, and yet she has registered a business name through her private company—a private company that I understand she and her partner own that also undertakes landscaping opportunities. Minister, are you concerned about Ms Shearer breaching her statutory requirements?

**Mr KEVIN ANDERSON:** Ms Houssos, as we've said, we will get further clarification and briefings on that document that you've brought forward. We'll have that information for you, in relation to Ms Shearer's intentions and what that document represents, later this afternoon.

**The Hon. COURTNEY HOUSSOS:** Let me be very clear. After the lunch break we are expecting a considered response from the department about these perceived conflicts of interest and how they are being addressed. Minister, you've had a chance to look at the documents now and you've had a chance to digest them. Do you think that these indicate plans on the part of Ms Shearer to gain a personal advantage?

**Mr KEVIN ANDERSON:** Again, Ms Houssos, the documents were presented to me this morning. We'll have those discussions with Ms Shearer and get an explanation as to why she went down that pathway. Ms Hawyes will do the same. And we will come back to you this afternoon with further information. Ms Hawyes would like to further comment.

**MELANIE HAWYES:** Just to be clear, it's a registered business name at this point, and my understanding is that it has been transferred to Rookwood. So there is no personal interest, but we will clarify this afternoon.

**The Hon. COURTNEY HOUSSOS:** When was it transferred to Rookwood?

**MELANIE HAWYES:** I'll need to get that on notice.

**The Hon. COURTNEY HOUSSOS:** Are you able to provide that—

**MELANIE HAWYES:** This afternoon, hopefully. Yes, absolutely.

**The Hon. COURTNEY HOUSSOS:** Excellent, and the date on which it was transferred?

**MELANIE HAWYES:** This afternoon.

**The Hon. COURTNEY HOUSSOS:** Thank you very much. Minister, would you be concerned if Ms Shearer had made an agreement with another party that involved the purchase or the operation of any future privatised Sydney Crown cemetery operators?

**Mr KEVIN ANDERSON:** Ms Houssos, they're hypotheticals in relation to the intentions of Ms Shearer. My dealings with her have been about standing up OneCrown and working through those complex issues, particularly around finding further ground so that we can provide further burial spaces for people to bury their loved ones into the future. We will have that information for you in relation to Ms Shearer's intentions later this afternoon.

**The Hon. COURTNEY HOUSSOS:** This is very important, as you say, because there is an extreme shortage of space and there is no doubt that we are going to run out of space. But this goes to the integrity of the person that you have appointed to administer these trusts. You spoke earlier about Ms Shearer's expertise in the area, yet here we see Ms Shearer is registering private business names without any assistance, without any direction from you or from the department, and we are deeply concerned about this. What is the expertise that you talk about, that you are comfortable with Ms Shearer taking these decisions?

**Mr KEVIN ANDERSON:** I'll ask Ms Hawyes to further elaborate in a moment. That appointment predates me in terms of her expertise in terms of administration, but she clearly demonstrates qualities that are able to bring together very complex, very delicate, culturally sensitive, faith-based organisations to try to find a way forward in relation to OneCrown.

**The Hon. COURTNEY HOUSSOS:** How has she done that previously? Can you explain that, Minister?

**Mr KEVIN ANDERSON:** Yes, I will ask Ms Hawyes to do that.

**The Hon. COURTNEY HOUSSOS:** No, Minister, I'm asking you about your discussions with Ms Shearer and about why you are confident that she is the best person to do this. What's her previous experience that has done this?

**Mr KEVIN ANDERSON:** Again, the previous experience predates me, but the discussions that I've had with Ms Shearer relate to that very complex matter of standing up OneCrown.

**The Hon. COURTNEY HOUSSOS:** Ms Hawyes?

**MELANIE HAWYES:** Thanks. Mr Shearer is an independent appointment as an administrator. She doesn't report to me.

**The Hon. COURTNEY HOUSSOS:** I understand that.

**MELANIE HAWYES:** The decision to bring her on was prior to my current portfolio. What I know is that she was interim CEO for Rookwood and had strong standing in the sector as someone who understood the different faith-based groups and had experience in the interment industry. That was obviously a strong part of the decision as to her suitability for the administrator role.

**The Hon. COURTNEY HOUSSOS:** Can you explain, Ms Hawyes—and I understand that predates you—why, if it's her specific experience, her private company was appointed as the administrator and not she herself?

**MELANIE HAWYES:** I think we're conflating—she is operating as an administrator. If there is anything substantiated in the things you are raising today, of course we would look into that. But she has registered a business name and my understanding is that that has been transferred to Rookwood. It has nothing to do with her other interests.

**The Hon. COURTNEY HOUSSOS:** But my question to you, Ms Hawyes, is: If she is the one that is undertaking the role as an administrator, why is it that her company was appointed as the administrator, a company that I understand also trades as a landscaping design business?

**MELANIE HAWYES:** I'll take on notice the specifics of her appointment, but your question was about why she was selected for the role. My understanding is that it was her prior experience in the sector.

**The Hon. COURTNEY HOUSSOS:** That was my previous question. My next question was: Why was her company appointed? Why wasn't it her in an individual capacity, when my understanding is that the company also trades as a landscaping and design business?

**MELANIE HAWYES:** I'll take that on notice because I'm not privy to the specific rationale, but I'll get that for you.

**The Hon. COURTNEY HOUSSOS:** Thanks very much, Ms Hawyes.

**The Hon. MICK VEITCH:** And that information will be back after the lunchbreak?

**MELANIE HAWYES:** Hopefully, yes. I'll do my best.

**The Hon. MICK VEITCH:** That would be really good if you could get that back to us at the start. Minister, I want to talk about the proposed Interment Industry Scheme, particularly as, you would be aware, this relates to rural and regional councils. You published in June that Crematoria NSW has essentially dropped the perpetual maintenance of cemeteries' capital fund provisions. There was a draft version earlier this year. However, it still treats regional councils that operate cemeteries exactly the same as private operators. Minister, as someone from the regions, you would know. Why aren't we recognising that councils are fundamentally different to private cemetery operators? Why aren't we doing that?

**Mr KEVIN ANDERSON:** It's a good question, Mr Veitch, and thank you for asking, particularly in relation to councils in regional New South Wales, not only in regional New South Wales but the renewable interment rights right across New South Wales.

**The Hon. MICK VEITCH:** It's causing some angst.

**Mr KEVIN ANDERSON:** Yes, it is. You're right. That's why we're making sure that we're trying to get it right going forward. As you know, renewable interment rights entitle a person to 25 years when it comes to looking at finding a space for their loved one into the future. Look, New South Wales—at this point in time, we are working on looking up and working with councils and addressing their issues in relation to the costs, particularly around maintenance going forward. It's a body of work that we are aware of and that we are moving forward on.

**The Hon. MICK VEITCH:** Okay, thank you. My time is up.

**The CHAIR:** I might start before I pass to my Deputy Chair. Minister, I might start with the Yarric Lake trust. To recap your memory, there were some concerns around failure to lodge financial returns and produce accounts for around a decade. The former Minister committed to doing a review, which we found out last estimates was done by Deloitte, and your department was expecting that report within a couple of weeks of estimates. Has that report been delivered?

**Mr KEVIN ANDERSON:** Thanks, Mr Banasiak. My understanding is that report has been delivered. I can ask Ms Hawyes for further details, if she wishes.

**MELANIE HAWYES:** Yes, thank you. The board has been re-established. The report was delivered. It had no substantiated findings of anything inappropriate or improper, but we do have a new board. It held its annual general meeting in July. A strong part of that meeting was making it very clear to the new board that they are required to complete the annual report for 2022 and that it's due in October, so we're onto a new start with that board.

**The CHAIR:** Are you able to table that report for the Committee to have a look?

**MELANIE HAWYES:** The Deloitte report?

**The CHAIR:** Yes.

**MELANIE HAWYES:** I think we previously did provide that, but I can confirm that.

**The CHAIR:** No. At last estimates you said you were waiting for it in a couple of weeks.

**MELANIE HAWYES:** Yes, we can certainly provide some elements of it. I'm not sure if there's anything that's sensitive in there in a personal, identifying way, but absolutely.

**The CHAIR:** I'd happily accept that you de-identify any personal information. That's fine. How much did we pay Deloitte for this report?

**MELANIE HAWYES:** I'd need to take that on notice. I don't have it to hand, and it was quite some time ago.

**The CHAIR:** How many people were interviewed or consulted by Deloitte to produce this report? Was it just the one person who was the subject of concern?

**MELANIE HAWYES:** No, no, no. They were looking at the records and the information held by the board members. I don't know exactly how many people they interviewed because the process was quite some time ago now.

**The CHAIR:** Can you take that on notice? Also perhaps take on notice how far back Deloitte did go in terms of unrepresented financials to establish that there were no substantiated findings.

**MELANIE HAWYES:** Can do, but we do have annual returns for the 2017, 2018 and 2019 years, so it was really 2021 that was missing. The new board has been set up. Clearly they're aware of the need to provide these reports.

**The CHAIR:** But they had missing financials for over a decade. I accept there was 2017, 2018 and 2019, but that doesn't excuse 2015 and back.

**MELANIE HAWYES:** No. We can take that on notice. But I also do note that many of the Crown land boards are volunteer based, and that has been a factor in the past in terms of getting them up to speed with more contemporary reporting requirements as legislation has changed. They are volunteer-based boards in many cases.

**The CHAIR:** Like any not-for-profit association, they're all volunteer, but they still do have a legislative responsibility to follow incorporations Acts and associations Acts.

**MELANIE HAWYES:** They do.

**The CHAIR:** Any more information you could get on that would be great.

**MELANIE HAWYES:** Yes, certainly.

**Mr KEVIN ANDERSON:** Just on that, Mr Banasiak, what Crown Lands do is work very closely with trusts and volunteers to ensure that they have all of the information required and that they are upskilled in terms of their obligations and requirements. That's part of what Crown Lands is doing in terms of looking after those volunteers who do put their hand up and say, "Yes, we'll work with you on these particular areas."

**The CHAIR:** Yes, sure. I accept that this may be an exceptional case where things have gone a little awry over time. Minister, before my time runs out, can I start looking at the Sustainable Diversion Limit Adjustment Mechanism projects? We delved into a fair bit of this last time around. You're aware of the annual assurance report from December last year which indicated that pretty much all of the New South Wales projects are at risk of not being completed by 2024. They're at extreme or severely high risk of not being completed. Are you aware of that report by the Murray-Darling Basin Authority?

**Mr KEVIN ANDERSON:** Yes, I am.

**The CHAIR:** Does that concern you?

**Mr KEVIN ANDERSON:** It does concern me, purely because I don't believe that it's taken into consideration all of the good work that has been done in relation to—again, it comes back to, Mr Banasiak, that the overarching theme that I work under is healthy rivers, healthy farms and healthy communities. When you look at the work that's been done around SDLAMs, if you look at the Off-farm Efficiency Program, if you look at some of the Reconnecting River Country work that's been done and the Northern Basin Toolkit to ensure that we are getting enough water in the system to meet the needs.

**The CHAIR:** Minister, I'm not denying that work has been done—or, in your description, good work has been done. But it seems that the good work hasn't necessarily delivered good outcomes in terms of progressing these projects. As we outlined in estimates last time, many of them are still stuck in design phase and we are 18 months away from a 2024 deadline. For the benefit of the Committee and Hansard, what happens when we hit that deadline and those projects aren't delivered? Where does the water come from?

**Mr KEVIN ANDERSON:** New South Wales has done the heavy lifting when it comes to the SDLAM projects.

**The CHAIR:** That's not my question, Minister. Where does the water that has to be saved come from if we can't deliver those projects at the end of 2024? It comes from farmers, doesn't it? They cop it again in the neck because the department's potentially dropped the ball. If we don't get these projects, where does the water come from?

**Mr KEVIN ANDERSON:** The water will come from—

**The CHAIR:** Farmers.

**Mr KEVIN ANDERSON:** —a significant number of measures. Mr Banasiak, are you referring to buybacks when you say that it comes from farmers?

**The CHAIR:** What other option do you have? You have to meet those water saving targets. If you don't deliver those projects, where does the water come from? You can't click your fingers and make it appear out of nowhere.

**Mr KEVIN ANDERSON:** What I think we need to take into consideration here is the broader concept of water recovery and making our rivers healthy right across the basin, from the north right through to the south. Whether that be through the rescope SDLAM projects—Better Baaka and Better Bidgee—whether that's the off-farm efficiencies or whether that's looking at the better way that people are managing their water, it's something that we are very focused on. I'm asking for the basin plan to be reviewed. I think that the volumetric number that was set 10 years ago doesn't reflect the environment that we are now in. We went through how many years of drought? Those numbers are based on this State going through significant drought.

The work that's been done—the volumetric number—doesn't represent the heavy lifting that New South Wales has done. Mr Banasiak, it's a good point you raise. It's something that I will be raising at the next MINCO in October. I'm asking for more time on the plan. We won't meet that deadline of 2024. That's why we need flexibility to take into consideration the work that's being done to recover water and to ensure we have healthy rivers, healthy farms and healthy communities.

**The Hon. EMMA HURST:** Minister, we were talking before about the industry rehoming body rejecting greyhounds for rehoming for reasons like a broken toe, as reported on *The Project*. What happens to the greyhounds that are rejected by the industry rehoming body?

**Mr KEVIN ANDERSON:** I'll have to take it on notice, Ms Hurst. But I can tell you that in terms of the numbers in relation to rehoming—

**The Hon. EMMA HURST:** I'm not looking at the number that they have rehomed. What I would like, though, is maybe a percentage of the dogs that GAP has actually rejected. If you don't have that on hand, I'm happy for you to take that on notice.

**Mr KEVIN ANDERSON:** Yes, I will take that on notice. But what I would also like to pass comment on, particularly in relation to the rehoming numbers, is that those numbers are strong. They are strong. The amount of work that is going into rehoming greyhounds, particularly right across New South Wales—and you, yourself, Ms Hurst, when you move around you will see more and more greyhounds as pets being walked on the streets. We are seeing more of those greyhounds.

**The Hon. EMMA HURST:** How much of that work is coming from the industry rehoming organisation and how much of that is being done by private charities, external to that industry rehoming body?

**Mr KEVIN ANDERSON:** The rehoming policy is working well.

**The Hon. EMMA HURST:** Sorry, the question was: How many greyhounds are coming from the industry rehoming body and how much of that work is being done by private charities, like Greyhound Rescue, for example? You talked about a number of greyhounds that are living in people's homes as companions.

**Mr KEVIN ANDERSON:** I think the heavy lifting is being done by everybody, Ms Hurst. Everybody plays a part when it comes to looking at what they need to do to protect greyhounds when they exit the industry. We are seeing more and more greyhounds. The farm that Greyhound Racing NSW is looking to implement—

**The Hon. EMMA HURST:** I have some questions on that. But you did mention that there's a lot of heavy lifting being done by these other charities outside of the industry rehoming body. Do those charities get any New South Wales Government funding to help the amazing work that they are doing that you pointed out?

**Mr KEVIN ANDERSON:** I will have to take that on notice, but I can come back to you on that.

**The Hon. EMMA HURST:** I also wanted to know what it would cost per dog on average for GAP to actually rehome them. In other words, on average, how much does it cost per dog to rehome from the industry rehoming body? I'm happy for you to take that on notice, if you need to.

**Mr KEVIN ANDERSON:** We have some numbers here. I was tracking them down, particularly in relation to rehoming. The numbers are solid. They are going up.

**The Hon. EMMA HURST:** I haven't asked anything about rehoming.

**Mr KEVIN ANDERSON:** I would just like to update you because I know you have an interest in rehoming.

**The Hon. EMMA HURST:** My interest is in the number of dogs that are being rejected from the industry rehoming body, where those dogs are ending up and who is helping to fund the rehoming of those animals.

**Mr KEVIN ANDERSON:** Sure. I'm happy to take that on notice. But I would also like to place on record the good work that's being done and the numbers of dogs that have been rehomed privately by an owner or a trainer, particularly in relation to the years 2020 and 2021. There were 1,448 greyhounds that were rehomed. That's a significant number.

**The Hon. EMMA HURST:** What is that as a percentage of the entire number of greyhounds that would be coming out of the industry in that year?

**Mr KEVIN ANDERSON:** We can take that on notice. But in terms of those that are retired for export, zero; accepted by another animal rescue or adoption agency, 477; and accepted as greyhounds as pets, 339 greyhounds have entered people's homes across New South Wales. That's a good thing. We are seeing more and more of those dogs enter into that environment.

**The Hon. EMMA HURST:** Minister, what sort of government oversight is there on the Greyhounds As Pets program? Is there some kind of annual reporting or inspection or protocol or is it a self-governing body?

**Mr KEVIN ANDERSON:** Just to provide some context for you, Ms Hurst, in relation to that particular process, significant work is being done by GWIC in terms of tracking. This comes down to tracking the greyhound through its life.

**The Hon. EMMA HURST:** I understand the process of that.

**Mr KEVIN ANDERSON:** Yes, so they are tracked right from when they are whelped all the way through. In fact—

**The Hon. EMMA HURST:** Sorry, my question was just in regards to the GAP program—the Greyhounds As Pets program. I'm wondering what sort of government oversight there is specifically on that program, rather than on greyhounds generally.

**Mr KEVIN ANDERSON:** Once a greyhound leaves the racing industry, per se, it then crosses over into another jurisdiction, which is local government and the prevention of cruelty to animals. While they are still microchipped, they are then into that system where they can be looked after

**The Hon. EMMA HURST:** You are suggesting that any greyhound that ends up in the GAP program would then no longer be under your portfolio? Once they are in the GAP program, that would go under local government.

**Mr KEVIN ANDERSON:** Once they go into private ownership, they then come under prevention of cruelty to animals.

**The Hon. EMMA HURST:** And that includes GAP—the Greyhounds As Pets program?

**Mr KEVIN ANDERSON:** I will check on the GAP because there might be some transitional requirements there, Ms Hurst. I'm happy to provide that information for you. If you like, we can provide that answer for you now. I will pass to Mr Griffin from the Greyhound Welfare Integrity Commission.

**STEVE GRIFFIN:** Any greyhound that is in the custody and control of the Greyhounds As Pets program is still a registered greyhound. It's not taken off the NSW Greyhound Register until we place it on the Companion Animals Register.

**Mr KEVIN ANDERSON:** Which is that transition we were just talking about.

**The Hon. EMMA HURST:** Are you aware if there is any annual reporting, inspection or protocol that is done on that body, given the concerns that were raised by *The Project* around the number of greyhounds that



are being rejected by that program? Is there any government oversight on that particular program, particularly given that it receives government funding?

**STEVE GRIFFIN:** I'm not aware of it receiving government funding, per se. My understanding is that the industry sets aside money for the Greyhounds As Pets program from its own revenue streams. Essentially, the commission oversights in terms of the rehoming numbers, and the Minister has referred to a few just a while ago. In answer to your original question about the percentage, Greyhounds As Pets actually places about one-third of those 1,400 greyhounds it rehomed. But they do provide financial support to other pet rehoming organisations. They fund them to desex and do dental work for those greyhounds.

**The Hon. EMMA HURST:** Do you know how much funding they provide to other rescue groups, or can you take that on notice?

**STEVE GRIFFIN:** My understanding is it is somewhere in the vicinity of around \$750 to \$900 per greyhound that they provide.

**The Hon. EMMA HURST:** Is that for every single greyhound that they reject taking, that they would then give the charity \$750?

**STEVE GRIFFIN:** It's not that they reject, no. It's the fund that they provide to those—rather, rehoming organisations actually do the desexing and the teeth cleaning. That's a requirement before they rehome the greyhound privately.

**The Hon. EMMA HURST:** Thank you.

**Ms CATE FAEHRMANN:** Morning, Minister.

**Mr KEVIN ANDERSON:** Good morning, Ms Faehrmann.

**Ms CATE FAEHRMANN:** Given the scathing evaluations by Infrastructure Australia, Infrastructure NSW and the Productivity Commission and the reluctance of the Federal Government to fund the Dungowan dam project, do you think handing out "Get dam ready!" guitar picks at the Tamworth Country Music Festival was a little premature?

**Mr KEVIN ANDERSON:** Ms Faehrmann, in relation to water security for Tamworth, the Namoi Regional Water Strategy clearly outlined that Dungowan dam was the best option. We are proceeding and committed to providing water security for Tamworth.

**Ms CATE FAEHRMANN:** Did you say the Namoi water strategy—

**Mr KEVIN ANDERSON:** Regional water strategy highlighted—

**Ms CATE FAEHRMANN:** —said Dungowan dam was the best option?

**Mr KEVIN ANDERSON:** Dungowan dam was included in those options.

**Ms CATE FAEHRMANN:** Are your advisers telling you that, or have you read the strategy yourself?

**Mr KEVIN ANDERSON:** In relation to the regional water strategy as well as the executive summary of the business case, which we furnished to you, Ms Faehrmann, it clearly outlined, particularly in the executive summary of the business case, that Dungowan dam was still the best option to provide that water security.

**Ms CATE FAEHRMANN:** Had you read the business case by the time you were handing out the "Get dam ready!" guitar picks at the Tamworth Country Music Festival? Had you received the business case by then?

**Mr KEVIN ANDERSON:** Ms Faehrmann, what we have done is looked at all of the information that has been provided to us.

**Ms CATE FAEHRMANN:** Had you received the business case or not, Minister—

**Mr KEVIN ANDERSON:** No, not at that point.

**Ms CATE FAEHRMANN:** —before you handed out the "Get dam ready!" guitar picks?

**Mr KEVIN ANDERSON:** Not at that point.

**Ms CATE FAEHRMANN:** Had you read the business case that essentially said that the cost-benefit analysis ratio was 9c for every dollar spent, which is an appalling cost-benefit analysis—terrible. Had you read it?

**Mr KEVIN ANDERSON:** Ms Faehrmann, in terms of the cost-benefit analysis, you're putting a price on people having water security in regional New South Wales. I think that's disgraceful. You know, this is a city

of 60,000 people that nearly ran out of water in 2019. We were bucketing water to try to keep the environment alive. It looked like a lunar landscape and you're trying to stop people—

**Ms CATE FAEHRMANN:** Back to Dungowan dam—

**Mr KEVIN ANDERSON:** You're trying to stop people.

**Ms CATE FAEHRMANN:** No, because we have the business case now—the business case summary—and, essentially, the business case summary doesn't really say that the new Dungowan dam and pipeline is the best option, does it?

**Mr KEVIN ANDERSON:** It says it is the preferred option in terms of going forward because the other options are unreliable. And I will take you to those other—

**Ms CATE FAEHRMANN:** It doesn't say that the other options are unreliable.

**Mr KEVIN ANDERSON:** It does. It does say that the best form of option would be Dungowan dam, increasing your water supply. One of those options would be a pipeline from Lake Keepit. I know you're familiar, and if you'd like to come to Lake Keepit, I'll take you there in the middle of a drought when there was 0.01 per cent of water there.

**Ms CATE FAEHRMANN:** I do have in it front of me, Minister. That's okay. I don't need to do that, thank you. I've got the business case summary here and it states that the increased urban reserve—and this is about Chaffey Dam. Basically, Infrastructure Australia stated that the increased urban reserve option was underscored in the strategic merit test—this is in relation to the business case—and suggests it would actually be the more effective option to secure Tamworth's water supply. That's Infrastructure Australia. In the business case summary, it states that the increased urban reserve does not deliver on the same level of performance, nor levels of performance consistent with the target benchmarks. I put to you today, Minister, that the Dungowan dam option, in this business case, also failed the same benchmarks, didn't it?

**Mr KEVIN ANDERSON:** I put it—

**Ms CATE FAEHRMANN:** If you look at the benchmarks and the way in which this was analysed, Dungowan dam failed it as well. And then it seems as though, in the summary, somehow Dungowan dam appeared as the best option.

**Mr KEVIN ANDERSON:** Well, it is the best option.

**Ms CATE FAEHRMANN:** But not according to the actual analysis.

**Mr KEVIN ANDERSON:** I will take you back, Ms Faehrmann, to the urban reserve that you talk about in Chaffey Dam. Let's be clear what that urban reserve means. That means holding more water in Chaffey Dam for the town supply, taking water off farmers. That means all the water that would be allocated to farmers to grow their crops, to create the jobs, which—

**Ms CATE FAEHRMANN:** Yes. I'm glad you're talking about farmers—

**Mr KEVIN ANDERSON:** That's right. That's right because you want to shut them down.

**Ms CATE FAEHRMANN:** —because, Minister, the investment decision behind finding the best option to provide water security to the people of Tamworth—it's not about that, is it? It's about irrigators in the Peel Valley. Which one is it?

**Mr KEVIN ANDERSON:** Let me tell you that farmers in the Peel Valley would completely disagree with you. This is a much broader scope in terms of providing water supply for the city and the broader region. So when you talk about an urban reserve, you want to shut down the farming community. You want to shut down irrigation. You want to shut down the lucerne industry in the Tamworth Peel Valley, which provides jobs, which provides the food for cows and cattle and sheep, which go to our abattoirs, which provides in excess of around 1,500 jobs. So, you want to shut down the farming sector.

**Ms CATE FAEHRMANN:** With Dungowan dam—

**Mr KEVIN ANDERSON:** Is that your intention? Is that your intention?

**Ms CATE FAEHRMANN:** Minister, I'm asking questions to you.

**Mr KEVIN ANDERSON:** I am asking you: Is that your intention?

**Ms CATE FAEHRMANN:** I am asking the questions to you. So, with Dungowan dam, are you saying, essentially, that you're happy to subsidise Peel Valley irrigators at the expense of the taxpayer and the people of

Tamworth, who are going to have to pay more for Dungowan dam? Essentially what this is about is security for Peel Valley irrigators, isn't it? It's not about security for Tamworth.

**Mr KEVIN ANDERSON:** This is for the future growth and regional economic development of Tamworth—a growing city that has a population projection of 100,000 in years to come. You are basing this on providing no water for growth whatsoever. You want to shut down this city. You want to shut down farmers. I ask you to come to Tamworth and a town hall meeting. Tell them you don't want us to have more water. I come from Tamworth. I lived through the drought and you want to put a pipeline from Lake Keepit to Chaffey Dam. You want to pipe dust—0.09 per cent of water in Lake Keepit? Chaffey Dam still had 14 per cent while we did the hard yards. That community did the hard yards while you had your tap running in North Sydney—in your greening space environment. This city was running out of water. People were desperate. That city looked like a moonscape. We did the hard yards and you don't want them to have clean, fresh running water? Come and tell that to the people of Tamworth.

**Ms CATE FAEHRMANN:** We'll come back for more questions later.

**The CHAIR:** Thank you. That concludes crossbench questions. I am reluctant to go to the Opposition for five minutes so we'll break early for morning tea and return at 11.15. Ms Hurst, I'll give you an extra five minutes then.

**(Short adjournment)**

**The CHAIR:** After that brief break, we welcome everyone back and we go straight to the Opposition for questions.

**The Hon. COURTNEY HOUSSOS:** I have some documents that I'd like to provide to the Minister, and perhaps to Ms Hawyes as well. Minister, I come back to this question about the ASIC registration of the name Sydney Cemeteries and Crematoria. The evidence that was provided to us this morning was that this name has been transferred to Rookwood. I checked just before the break—in fact, you'll see at the bottom of the page that this document was printed at 10.45 a.m. today; indeed, that was when it was accessed from ASIC's database. This name is still registered to Leedar Investments. It is not with Rookwood cemeteries. Can you please explain why that is the case?

**Mr KEVIN ANDERSON:** Thank you, Ms Houssos, for your question. As we said earlier, this is new information to us. We will get a full brief in relation to the activities that Leedar Investments are undertaking and we will come back to you later this afternoon with the information as we would understand it. But I'd ask Ms Hawyes if she has anything further she would like to add.

**MELANIE HAWYES:** We are trying to get some further information to provide the Committee this afternoon. The advice I had was that the intent is certainly to have it transferred to Rookwood. I'm not clear whether it has actually been transacted at this point, but I will get that clarified for this afternoon and take anything on notice if we need to follow up and get further information for the Committee.

**The Hon. COURTNEY HOUSSOS:** Let's be clear, though, that that is a change in answer from what we received this morning. We were told that it had been transferred. We went and checked—

**MELANIE HAWYES:** That was my understanding, but it was new information presented to me with five minutes to scramble, so my apologies. We do intend to completely get to the bottom of this and give you the correct answer.

**The Hon. COURTNEY HOUSSOS:** Ms Hawyes, in no way do I want to say that you are misleading the Committee. I just want to say that it's different, that initially we were told it had been transferred—

**MELANIE HAWYES:** My understanding was that it had been transacted but it may not have finally completed. The intent is certainly that it is a transferred name, but I will take that on notice so that we do provide completely up-to-date information.

**The Hon. COURTNEY HOUSSOS:** Let's turn the page. First of all, we've got "Sydney Cemeteries and Crematoria". The next business name that is registered is "Greater Sydney Cemeteries and Crematoria". Again, this is to Leedar Investments, which is the private company that is owned by Ms Shearer and operated by herself and her partner. To be clear, the registration and the renewal date is the same on each of these—sorry, it is 4 April for Sydney Cemeteries and Crematoria and then, the next day, 5 April for Greater Sydney Cemeteries and Crematoria. Ms Hawyes, perhaps you can provide us on notice why it has taken so long to do the transfer?

**MELANIE HAWYES:** Yes, I'm happy to. As I say, Ms Shearer is the administrator, so I can't really speak for her acting in the remit of that role and I wouldn't want to. We will certainly look into it now that it has been raised with us and get the Committee the up-to-date understanding of where those business names are.

**The Hon. COURTNEY HOUSSOS:** I will take you to page 3 of the document I have provided you, which shows the current details for the ABN listed. This is the ABN for Rookwood General Cemeteries Reserve Land Manager—that is, the organisation that is charged with running Rookwood. You will notice that underneath there are a number of business names listed. One of them is "ONECROWN SYDNEY CEMETERIES". The second one is "ONECROWN". The third one is "ONECROWN CEMETERIES". You can now see, Minister, that this is a fundamentally different approach to the one on the first two pages, where these business names have been registered to a private company linked to the administrator that you have appointed.

**Mr KEVIN ANDERSON:** Again, Ms Houssos, once I get a brief and a greater understanding of the actions undertaken by Leedar Investments then I will be able to provide an opinion for you. But we will get the information in relation to the activities of Leedar Investments and come back to you with clarification this afternoon.

**The Hon. COURTNEY HOUSSOS:** But, Minister, you can see these documents show that it has been a fundamentally different approach. This is not being done under the auspices of Rookwood in the way that they are currently operating. This has been done by a private company. One of the people who runs that private company has been appointed an administrator by you, and instead of registering these organisations—they were registered nearly six months ago, Minister. They've been sitting there under the auspices of this private company instead of sitting under Rookwood, which is where they should—as they should on the third page. Do you understand that, Minister?

**Mr KEVIN ANDERSON:** Thanks, Ms Houssos. Again, we will get clarification for you in relation to the activities of Leedar Investments and their intentions. From where I sit, as the Minister responsible for Crown lands—and looking at providing that additional burial space under OneCrown, and looking to stand up the operating model—I have no intention, and the Government at this point in time has no intention, to privatise OneCrown. In terms of the intent of Leedar Investments, as we said earlier today we will get some clarification on that and we will come back to you this afternoon as to the reasons why.

**The Hon. COURTNEY HOUSSOS:** But, Minister, you said that this appointment predated your time. Is that correct?

**Mr KEVIN ANDERSON:** That's correct.

**The Hon. COURTNEY HOUSSOS:** But you renewed Ms Shearer as the administrator. Isn't that correct?

**Mr KEVIN ANDERSON:** That's correct.

**The Hon. COURTNEY HOUSSOS:** On 28 May?

**Mr KEVIN ANDERSON:** I'll have to check that date to confirm that, Ms Houssos.

**The Hon. COURTNEY HOUSSOS:** It is 28 May this year until 27 May 2023. Does that sound about right to you?

**Mr KEVIN ANDERSON:** That sounds about right, but I can triple-check that. I would not want to mislead you.

**The Hon. COURTNEY HOUSSOS:** What checking did you do before you reappointed the administrator?

**Mr KEVIN ANDERSON:** On the basis of the experience that Ms Hawyes outlined earlier, it was the recommendation that Ms Shearer be reappointed to continue the work that she had undertaken and look to stand up the operating model of OneCrown and continue those discussions. Her experience, obviously, the previous appointment predated. I had no preconceived predisposition to change the course of progress in relation to looking after those most vulnerable in our community, and she was reappointed.

**The Hon. COURTNEY HOUSSOS:** But, Minister, you signed off on the reappointment, and the experience that you talk about was that she had spent one year and three months as the interim CEO of Rookwood General Cemetery. After one year in the role she is reappointed for another year as your administrator. You didn't do a check before signing off on her reappointment on 28 May that just six weeks earlier she had registered these private business names in her own private company instead of doing them, as we see here on the third page, under the auspices of the Rookwood General Cemeteries Reserve Land Trust. What checks did you take, Minister, before you signed off on that appointment? Even a basic check on ASIC would have told you that this is what your administrator, who you just reappointed to the role, was up to while she was supposed to be administering the trusts of cemeteries in this State.

**Mr KEVIN ANDERSON:** Ms Houssos, we will, as we have stated earlier, get further information and be briefed on the direction, the plans, the reasons and understanding as to why Ms Shearer has gone down this path. We will come back to you later this afternoon.

**The Hon. COURTNEY HOUSSOS:** How much is Ms Shearer being paid in her role as the administrator?

**Mr KEVIN ANDERSON:** I don't have that in front of me, but I can take it on notice.

**The Hon. COURTNEY HOUSSOS:** Can you provide that to us this afternoon?

**Mr KEVIN ANDERSON:** Yes, of course.

**The Hon. COURTNEY HOUSSOS:** How much she is being paid for the previous year of her appointment and how much she is slated to be paid for the next year of her appointment.

**Mr KEVIN ANDERSON:** Sure.

**The Hon. COURTNEY HOUSSOS:** Minister, I am going to ask you again, what checks did you do before you appointed Ms Shearer? Did you do even a basic ASIC or company check on what her private business was up to while she was administering the fund?

**Mr KEVIN ANDERSON:** Ms Houssos, as I stated earlier, the recommendations particularly in relation to progressing the standing up of the operating model of OneCrown and working with those faith-based organisations, particularly in relation to the culturally sensitive nature of this particular project—Ms Shearer had had carriage of that issue, and it was recommended and there was no predisposition or anything that was brought to my attention as to any red flags there. But, having that document brought forward this morning, we will come back to you this afternoon with a clarification.

**The Hon. COURTNEY HOUSSOS:** Just to be clear, Minister, though, you got a brief from the department that said, "We recommend that you reappoint Ms Shearer," and you did no other checking. Part of that brief did not involve a check of what her private company, that you were appointing to this role, had been doing whilst she was already the administrator.

**Mr KEVIN ANDERSON:** I was going on the advice and the briefings and the fact that she was undertaking this work. She was right in the middle of trying to do what she had been asked to do in terms of standing up OneCrown, and that work was ongoing. The recommendation was to reappoint. But in relation to what you are saying now, Ms Houssos, and the document that you have produced, we will get further clarification in a briefing for you.

**The Hon. COURTNEY HOUSSOS:** But, Minister, it was your signature that reappointed her to this lucrative role. It was your signature that said, "Yes, she could continue the work for another 12 months." Did you do any additional checking other than to say, "I've got a brief here that says, 'Yes, we should keep her going'?" What were the KPIs that you were looking for if she was going to be implementing your policy over the next 12 months?

**Mr KEVIN ANDERSON:** As I do on many occasions, I act on the advice and recommendations that are brought before me, and on this case I acted on that advice and recommendations and the work that was being done particularly around—and Ms Shearer's experience has been highlighted again by Ms Hawyes. But I'm happy to ask Ms Hawyes if there was any indication that there may or may not have been something that we were unaware of at that time.

**The Hon. COURTNEY HOUSSOS:** I respect Ms Hawyes and I'll have some more questions for her this afternoon. But, Minister, I am interested in what KPIs you had before you signed off on her reappointment?

**Mr KEVIN ANDERSON:** I am happy to provide information to you, but I act on advice and recommendations from the departments and information that has been brought forward to me. The recommendation and advice was that—and I was unaware of any issue that may or may not have affected her reappointment, and she was reappointed.

**The Hon. COURTNEY HOUSSOS:** I understand you are acting on the advice. What were the KPIs for her? What were the things that she was required to do in order to get this reappointment?

**Mr KEVIN ANDERSON:** I act on the advice of the department, particularly this—

**The Hon. COURTNEY HOUSSOS:** No, Minister, you can't just say, "I act on the advice." What was it that was the basis for the recommendation? Why did you put your signature on the bottom? Do you remember what was in the brief?

**The Hon. MICK VEITCH:** Were there KPIs?

**Mr KEVIN ANDERSON:** Ms Shearer's appointment was predated to my appointment.

**The Hon. COURTNEY HOUSSOS:** No, Minister, you reappointed her to the role. I can table the gazettal where you reappointed her to the role. It is on you, Minister. She might have been in the role already, but it was well within your rights to appoint someone else.

**Mr KEVIN ANDERSON:** I am just providing some clarification, Ms Houssos.

**The Hon. COURTNEY HOUSSOS:** What was the basis for you appointing Ms Shearer?

**Mr KEVIN ANDERSON:** I am just providing some clarification, Ms Houssos. Ms Shearer's appointment predated my appointment as Minister. When the recommendation, the advice, came up, that process of standing up OneCrown was already well underway and there was nothing to say that she should not be reappointed. In fact, there were glowing reports in terms of her work, and the advice, as recommended, was to reappoint her.

**The Hon. MICK VEITCH:** Minister, I am glad you spoke about taking the advice and heeding the advice of public servants. I would just take you to another issue now around Torana Estate in Austral. Earlier this year you advised the Legislative Assembly the following:

I am pleased to inform the House that the New South Wales Government has facilitated a solution with Sydney Water that will avoid sunset clauses being activated in the Torana Estate land purchases. Sydney Water is working with the Torana Estate developers to fast-track a temporary solution for those land purchases.

Minister, as you would be aware, the developer has refused to install the interim solution. I would like to know, what do you say to the residents of the Torana Estate in Austral who are still waiting for their houses to be built due to the consistent delays from Sydney Water? Why do they have to wait until June 2023?

**Mr KEVIN ANDERSON:** It is a challenge, Mr Veitch, and thank you for your question. We have been working with Sydney Water to look at what options are available to them to ensure that they are able to progress and get those services delivered, particularly around sewer. I would like to ask the CEO of Sydney Water to provide further updates on the progress in the services to that—

**The Hon. MICK VEITCH:** Minister, I am going to raise this with the CEO this afternoon. This morning I just get some limited time with you as the Minister.

**Mr KEVIN ANDERSON:** Sure.

**The Hon. MICK VEITCH:** Essentially the Government has failed the people of Torana Estate, have they not?

**Mr KEVIN ANDERSON:** No, work is being done with Torana Estate. There were significant concerns particularly around the size of the development and the scope of the development and the distance that—and you will hear further, more technical this afternoon, Mr Veitch, in terms of the distance that part of that development was being progressed from the services that were available at the time. That work is being done, an offer has been made and negotiations are at foot with the developer. We understand now that the developer needs to engage with Sydney Water to progress those options that Sydney Water are putting forward.

**The Hon. MICK VEITCH:** Are you going to meet with the residents out there, the people who are involved in this unfortunate set of circumstances?

**Mr KEVIN ANDERSON:** At this point in time this is a matter between the developer and Sydney Water, and those discussions are ongoing. My understanding again, Mr Veitch, is that the developer now—

**The Hon. MICK VEITCH:** What are your conversations with Sydney Water then? What are you saying to Sydney Water? As the Minister, what are you saying?

**Mr KEVIN ANDERSON:** We are saying that they need to look at every option available to them to fast-track what they need to do to provide those services. My understanding is that options have been put to the developer, and I'm happy to ask the CEO of Sydney Water to provide that clarification for you now, if you wish.

**The Hon. MICK VEITCH:** No, this afternoon will be fine, thank you.

**Mr KEVIN ANDERSON:** Sure.

**The Hon. MICK VEITCH:** I've got the Minister this morning. Minister, wherever you go in New South Wales there is a housing crisis. These people are trying to build a house and they have struck an impediment. Are you saying to Sydney Water to date, "This has been unsatisfactory and it needs to be resolved ASAP"?

**Mr KEVIN ANDERSON:** The CEO of Sydney Water and I have had discussions in relation to the progress of this particular project. There are challenges in relation to delivering those services. My understanding and expectation is that Sydney Water are doing everything they can to facilitate that process. There are challenges. They are talking to the developer. The developer has been provided with options and a pathway forward. Sydney Water are waiting to hear back from the developer in relation to those pathways.

**The Hon. MICK VEITCH:** Do you have a time frame for that, Minister?

**Mr KEVIN ANDERSON:** I can get that now for you, Mr Veitch, if you wish, because Sydney Water's CEO is right here.

**The Hon. MICK VEITCH:** I am certain we can do that this afternoon.

**Mr KEVIN ANDERSON:** All right.

**The Hon. MICK VEITCH:** So long as I can be provided with some kind of time frame this afternoon, that would be good.

**Mr KEVIN ANDERSON:** Sure.

**The Hon. MICK VEITCH:** Minister, the *Greater Sydney Water Strategy*, or GSWS, was released just recently, in August 2022. It is a major piece of work. It has been years in the making, and its delivery comes after a number of delays. Minister, Sydney is pretty much behind in terms of delivering more resources of rainfall-independent water—so not a reliance on rainfall. You and I know there is going to be another drought. The rain may be here now, but—we can put money on this—there is going to be a dry time. What are we doing, what is the Government doing, to increase the number of rainfall-independent water sources for Sydney?

**Mr KEVIN ANDERSON:** You are right, Mr Veitch, and thank you again for the question. The *Greater Sydney Water Strategy* clearly outlines the process and what options will be needed when we are back in drought. Part of that, for a start, was improving the network by improving the water efficiency and leakage management and reuse programs to save up to \$49 billion a year, every year, until 2040. That is one—you have to stop the leaking for a start. Then there are new flexible operating rules around the desalination plant and greater options around treated reuse programs. I agree, you shouldn't use potable water—water that comes out of your tap—to water your garden or green spaces or, in that space, developing those green spaces. So effective stormwater management—the new aerotropolis is going to be using that methodology about using stormwater, so using less drinkable water.

**The Hon. MICK VEITCH:** How does Sydney compare with other cities in Australia when it comes to independent rainfall water sources?

**Mr KEVIN ANDERSON:** Again, Sydney Water will be able to provide that—

**The Hon. MICK VEITCH:** You're the Minister. Surely these are questions that are exercising your mind, I'm certain.

**Mr KEVIN ANDERSON:** They are, but I was just about to say, Mr Veitch, that Sydney Water will be able to provide that detailed jurisdictional comparison. But in terms of where we sit, I think the Sydney Water Strategy—and regional New South Wales as well—

**The Hon. MICK VEITCH:** I have got some questions about that too. But let's keep going.

**Mr KEVIN ANDERSON:** Thank you. They all look at what they've got to do to be more efficient in terms of our water management. It's a precious resource. You just heard the exchange about providing more water security for regional New South Wales towns and cities. Sydney is no different. To be able to be more efficient, particularly around reusing that water on green spaces—and we're not talking Sydney's drinking water; we're talking outside.

**The Hon. MICK VEITCH:** Is water security for Sydney a priority for you, Minister?

**Mr KEVIN ANDERSON:** Water security for New South Wales is a priority, I think, Mr Veitch.

**The Hon. MICK VEITCH:** I am going to talk a bit more about that as well. There is a mix of potential ways of sourcing water other than rainfall. One of those things flagged was recycled water for drinking. Is that something you are going to talk to the community, the people of Sydney, about as a part of your Greater Sydney Water Strategy?

**Mr KEVIN ANDERSON:** There are no plans to recycle Sydney's water for drinking at this point in time.

**The Hon. MICK VEITCH:** Just so you know, I support that. That's not a party position; that's just my position.

**Mr JUSTIN FIELD:** Minister, are you aware that the Natural Resources Commission completed its review of the New South Wales border rivers unregulated river water sharing plan, published in June 2022?

**Mr KEVIN ANDERSON:** I am aware of that Mr Field. Thank you.

**Mr JUSTIN FIELD:** The NRC found—and I'm quoting from their executive summary:

The Plan creates inequities between users, which is inconsistent with the Act.

It also found:

Access rules are not based on an assessment of environmental flow or basic landholder needs. Further, the level of entitlement significantly exceeds the Plan's extraction limits. Despite this, assessment of compliance with these limits has not been undertaken to determine appropriate available water determinations ... creating a considerable risk that planned environmental water may be extracted.

When will the Government respond to this review and implement recommendations to fix this mess?

**Mr KEVIN ANDERSON:** Firstly, Mr Field, I'd just like to let you know—and I'm sure you do as well, particularly in relation to when water sharing plans are changed they are publicly available on the website. Compliance with water management principles, amending water sharing plans—they are in line with the principles of the water Act.

**Mr JUSTIN FIELD:** That's not what the NRC is suggesting here.

**Mr KEVIN ANDERSON:** The difficulty around water, Mr Field, is that it's very complex.

**Mr JUSTIN FIELD:** Yes, indeed.

**Mr KEVIN ANDERSON:** The balance is trying to find that middle ground.

**Mr JUSTIN FIELD:** Can you point to me the section of the Act that requires you to provide balance?

**Mr KEVIN ANDERSON:** Mr Field, in terms of getting that balance right, there are always going to be those organisations that don't agree with certain numbers set and there are those who will agree.

**Mr JUSTIN FIELD:** That would be the statutory body responsible for reviewing water sharing plans in New South Wales. I asked for the NRC to appear at today's hearings. Minister, did you ask them to appear?

**Mr KEVIN ANDERSON:** I can take advice on that, Mr Field, if you wish. It is not to my knowledge. That request doesn't come to me.

**Mr JUSTIN FIELD:** I confirmed that it actually does come to you through the secretariat. All requests for witnesses go through the Minister's office. Dr Bentley, can you confirm? Was the NRC invited?

**JIM BENTLEY:** It is not relevant to me, Mr Field.

**Mr JUSTIN FIELD:** Who would have made that request? If that request came through to your office, who would have followed that up with the NRC?

**Mr KEVIN ANDERSON:** I can check with my office if you wish, Mr Field. But what's the point of your question?

**Mr JUSTIN FIELD:** I wanted to ask the NRC questions about their review. You're making the case that you're compliant with the Act. They are making the case that you're not. I thought it would be an interesting exchange at the very least.

**Mr KEVIN ANDERSON:** Well, I'm sure it would be an interesting exchange in the bubble of Parliament but in terms of getting on with what we are trying to do—

**Mr JUSTIN FIELD:** Well, I suspect that the people of the border rivers would be interested in it as well.

**Mr KEVIN ANDERSON:** I can tell you that the work that we're doing in the border rivers and the northern half of the State—and I will take you, Mr Field—

**Mr JUSTIN FIELD:** Can you confirm, Minister, before the end of today, whether or not the NRC, as I had requested, were invited to appear at today's hearing?

**Mr KEVIN ANDERSON:** Mr Field, they're not in my portfolio.



**Mr JUSTIN FIELD:** They have a statutory role reviewing water sharing plans.

**Mr KEVIN ANDERSON:** No.

**Mr JUSTIN FIELD:** They appeared at the environment Minister's hearings. They're not in his portfolio either.

**Mr KEVIN ANDERSON:** Well, they're not in my portfolio and they were not invited.

**Mr JUSTIN FIELD:** So you didn't invite them?

**Mr KEVIN ANDERSON:** They are not in my portfolio and they are not invited.

**Mr JUSTIN FIELD:** That's convenient, isn't it? How would I engage with the NRC on questions of water?

**Mr KEVIN ANDERSON:** If you wish to engage with the NRC, please feel free to do so. Can I just bring you back to the northern basin in terms of—

**Mr JUSTIN FIELD:** No, actually. If you don't have any other answers about that then I'd like to move on. The MDBA's recent quarterly report—it was May 22—indicated that New South Wales has formally submitted just two of their water resource plans. I think recent media showed that it is up to six. Is that still accurate?

**Mr KEVIN ANDERSON:** I think we're doing a little bit better than that, Mr Field, in terms of where we're up to. Mr Bentley, if you would like to update Mr Field in terms of where we're at, I think—

**Mr JUSTIN FIELD:** Just on the number to start with, Dr Bentley. That would be great.

**JIM BENTLEY:** It's eight.

**Mr JUSTIN FIELD:** It's eight now. We've got 20?

**JIM BENTLEY:** Yes, and the plan is to have all 20 in by the end of the September.

**Mr JUSTIN FIELD:** They were originally provided, I think, back in 2020. They were handed back "insufficient" by the MDBA. You would be aware the former Leader of The Nationals, former Deputy Premier Troy Grant said on 22 June that the New South Wales Government's failure to produce water resource plans is "the most critical failure of the Murray-Darling Basin Plan to date". Do you have a response to his comments?

**Mr KEVIN ANDERSON:** Mr Field, I think New South Wales is doing the heavy lifting, particularly around making sure that we have healthy rivers, healthy farms, healthy communities.

**Mr JUSTIN FIELD:** You're the only State that hasn't had your water resource plans accredited.

**Mr KEVIN ANDERSON:** Those resource plans there are now eight going in. We are confident of having those resource plans accredited. Ultimately, that will set the benchmark for the remainder to go through. But what I am asking for in terms of the Murray-Darling Basin Plan is the fact there needs to be flexibility and more accurate modelling to highlight the great work that New South Wales has done, not only achieving just those numbers but it's about the broader environmental income. I will add, Mr Field, the MDBA, the Productivity Commission, the NSW Chief Scientist and Engineer, and the Murray-Darling Basin Ministerial Council have all acknowledged the importance of natural resource management interventions, including complementary measures that the heavy lifting that New South Wales is doing to maximise outcomes from an environmental water—

**Mr JUSTIN FIELD:** I think that's an entirely different answer to an entirely different question. Some of those recent SO 52 documents went to this point. The EHG again in a document titled *Water Sharing Plans status and issues* stated:

The Lachlan Water Resource Plan (WRP) was re-submitted to the MDBA for accreditation on 31 March 2022. EHG is concerned that the submission proposes that under this Water Resource Plan—

I am quoting now from the plan. I don't think is on the public record, but they are obviously aware of it. The document states:

" ... there is no planned environmental water preserved or protected by NSW legislation or statutory instruments based on the Commonwealth Water Act 2007's definition ... "

This interpretation ... of PEW undermines the intent of the Basin Plan protecting the volume and effectiveness of PEW.

Do you have any comments on why New South Wales is approaching PEW in a different way and trying to change the definition of planned environmental water?

**Mr KEVIN ANDERSON:** Discussions are underway in relation to the planned environmental water definition. It's quite different to Victoria. I've had discussions in relation to a PEW to ensure that New South Wales is not disadvantaged by a definition that would ultimately hinder the outcome that we are looking for in those broader environmental—a spectrum of healthy rivers, healthy farms, healthy communities. We have a meeting next week to determine and work through the issue in relation to the definition of PEW. Once that is sorted, that is the only point left in relation to working up those water resource plans. I'm confident that we can work collaboratively and respectfully to land a definition that will be beneficial to all.

**Ms ABIGAIL BOYD:** Moving on to something a little different, Minister, are you aware of the increase in both drink and needle spiking in licensed venues across the State?

**Mr KEVIN ANDERSON:** I am aware of an incident not so long ago, Ms Boyd, but I will ask my CEO who has been following this issue as part of harm minimisation and looking after patrons when they do enter particular venues—

**Ms ABIGAIL BOYD:** I'll come back in the afternoon. I just wanted to check you were aware of the issue before I move on, particularly needle spiking. It is a relatively new thing—it's quite concerning. From the beginning of this year we began to see, particularly in Newcastle, reports of women being spiked in clubs with needles containing a range of different things.

**Mr KEVIN ANDERSON:** Just in relation to drink spiking, Ms Boyd, the numbers that I have here—alcohol-related, it has been steady, particularly in relation to looking after patrons, and making sure that the role of management in alcohol-related venues—they do take it very seriously, as we do. Again, if you have incidences of specifics that we are unaware of, please bring them forward and we'll investigate.

**Ms ABIGAIL BOYD:** We're hearing of cases where multiple people are spiked, either drink spiking or needle spiking, in one night at the same venue, and that no action is taken by the venues after the first case happened to prevent further cases. Does that concern you if there's not a protocol in place for venues to proactively prevent people from being spiked?

**Mr KEVIN ANDERSON:** I am aware that the police commissioner was asked this on Wednesday in relation to this particular issue. While drink spiking allegations are treated very seriously, they are difficult to prove, as you know. But we are exploring ways to enhance industry guidance and how licensees should deal with patrons that are removed from the premises if there's a reasonable belief that a person's drink has been spiked.

**Ms ABIGAIL BOYD:** Have you considered having screening measures available to patrons at venues, such as having free breath drink or urine test kits for people who think they may have been spiked?

**Mr KEVIN ANDERSON:** It's a continuous improvement exercise, Ms Boyd, in relation to keeping patrons safe. As we said, we're exploring industry guidance on how we deal with those situations, particularly when it comes to involving police and the incidents and reporting and responsibilities associated with drink spiking.

**Ms ABIGAIL BOYD:** Venues in Queensland have been trialling initiatives such as having reusable silicon lids to place over your drink so that there's a physical barrier and it can't be spiked as easily. Have you explored the possibility of having a trial like this at selected venues in New South Wales?

**Mr KEVIN ANDERSON:** Again, Ms Boyd, we are looking at options in terms of guidelines. It's a live issue. I certainly want patrons to be safe when they enter clubs, pubs and venues in New South Wales. Harm minimisation and the enjoyment, in terms of where they go, is paramount. So welfare and safety, we place a lot of emphasis on that. We will continue to monitor that. My CEO, Anthony Keon, and I are in discussions with the industry about it and they don't want that to occur as well.

**Ms ABIGAIL BOYD:** Of course not.

**Mr KEVIN ANDERSON:** So we will continue to look at that.

**Ms ABIGAIL BOYD:** But will you commit to work with industry and police on this issue specifically so that we get on top of it and we can make these venues safe?

**Mr KEVIN ANDERSON:** Well, they are safe; let's be clear.

**Ms ABIGAIL BOYD:** But they're not safe if someone is getting spiked.

**Mr KEVIN ANDERSON:** Ms Boyd, venues, pubs, clubs, hotels, cafes and restaurants focus on patron safety. There are sometimes incidences where this occurs, police are called, and it's a very disturbing problem when that does occur.

**Ms ABIGAIL BOYD:** Yes.

**Mr KEVIN ANDERSON:** Every effort is made to make sure that does not occur.

**Ms ABIGAIL BOYD:** Sure.

**Mr KEVIN ANDERSON:** So we're looking at guidelines to be able to prevent that.

**Ms ABIGAIL BOYD:** The question is: Will you commit to work on this issue specifically? Will you take this on as an issue that you will work on specifically with industry and the police so that we can get on top of it?

**Mr KEVIN ANDERSON:** Absolutely, as we will with other issues that we work on to keep our people safe when they do venture out and have a good time.

**Ms ABIGAIL BOYD:** Coming back to greyhounds, you would be aware that the industry is still breeding six times more greyhounds than it can rehome. Breeding in New South Wales has actually increased by 50 per cent since 2017, and the industry and community rehomingers simply can't cope with that number of dogs being discarded every year. Will you advocate for New South Wales to introduce caps on greyhound breeding?

**Mr KEVIN ANDERSON:** No, I won't.

**Ms ABIGAIL BOYD:** Why not?

**Mr KEVIN ANDERSON:** What we will do is ensure the welfare and safety and the monitoring of those pups—or whelping, as the industry calls it—when those pups are born and the tracking of those greyhounds throughout their life. In terms of that, I will ask Mr Griffin from the Greyhound Welfare Integrity Commission to—

**Ms ABIGAIL BOYD:** With the greatest respect, I will come back to Mr Griffin. But this is a massive problem. We have at the moment GAP going around and trying to get 400 dog facilities in remote places and things to store these discarded greyhounds. We have six times as many being bred as can be rehomed. This is an industry that since the so-called reforms has increased breeding by 50 per cent. Putting all of these greyhounds into this limited funnel that goes back into rehoming, at what point do you take action to try and limit that?

**Mr KEVIN ANDERSON:** I will take you back to your first point, Ms Boyd, where you talked about remotely where—what did you say, 500 dogs or something? What did you say?

**Ms ABIGAIL BOYD:** Yes, in Martindale, 400 dogs in a remote area away from the public eye so that people don't see all of these dogs being discarded by the greyhound industry.

**Mr KEVIN ANDERSON:** I'm unaware of that, but if that's the case, we'll definitely take action on that. The Greyhound Welfare and Integrity Commission, as well as Greyhound Racing NSW, want people to act appropriately; they are. There is a general culture shift within greyhound racing in New South Wales that people are doing the right thing. Those people who don't do the right thing are not wanted, and they will be found out and they will be removed, as we heard earlier today.

**The Hon. MARK PEARSON:** Minister, I'm sure you will be thrilled to learn that the Swedish and Norwegian horseracing industries have invited me to go to horserace meetings in Stockholm and in Oslo, and at those meetings there will be no use of the whip on the horses at all. This has been the case for almost 10 years in Norway and for about four years in Sweden. I've approached Mr V'landys from New South Wales to talk to me about the bill that I've introduced, and one of those bills is to stop or prohibit the whipping of horses, except in extreme circumstances. Minister, will your Government support the bill that I will be bringing on for debate in October, which will prohibit the whipping of horses? If it is possible to have a legitimate horserace—I mean, that's a question in itself for another day—in these two countries for so many years without any consequences of harm or danger for either a horse or a jockey, surely your Government would support a bill to do the same thing? Whipping is whipping, Minister. That's my question.

**Mr KEVIN ANDERSON:** What's your question, Mr Pearson?

**The Hon. MARK PEARSON:** Will your Government support the bill, which will come before you shortly, in October, to prohibit the whipping of horses, because many experts say that this is an unnecessary act of cruelty?

**Mr KEVIN ANDERSON:** What we are committed to, Mr Pearson—and thank you for your question. It's good that you're being invited to go and have a look at other options in other jurisdictions.

**The Hon. MARK PEARSON:** Unfortunately, other countries seem to be more willing to talk about these matters than our own State.

**Mr KEVIN ANDERSON:** No, we're very keen to talk about welfare because we have a very, very high level of animal welfare to support a responsible, sustainable and competitive horse industry.

**The Hon. MARK PEARSON:** We're not talking about competition; we're talking about animal welfare. Whipping a horse for no justifiable reason, would your Government allow that to continue to occur?

**Mr KEVIN ANDERSON:** We are talking about welfare. When it comes to welfare, we have a very, very high standard. In fact, Mr Pearson, you might know that Racing NSW was the first jurisdiction to introduce an equine welfare fund. Just recently, with the point of consumption tax, further funding was boosted for the equine welfare fund.

**The Hon. MARK PEARSON:** Surely, Minister, a real measure of the Government turning its mind to welfare would be to actually do something to prevent unnecessary harm to an animal. I'm asking: Will the Government at least seriously consider my bill?

**Mr KEVIN ANDERSON:** Racing NSW takes very, very seriously the point you make in relation to unnecessary harm to animals, rules and regulations. You will see it on the track, or whether they're being stabled—or any interaction with a racehorse—they are treated with the utmost respect, and the welfare sits at the top of everything that they do. If anybody is mistreating an animal, they are held to account and the appropriate penalty applies.

**The Hon. MARK PEARSON:** So you're saying whipping is acceptable?

**Mr KEVIN ANDERSON:** No, they're your words, Mr Pearson, not mine.

**The Hon. MARK PEARSON:** Whipping an animal for entertainment is acceptable.

**Mr KEVIN ANDERSON:** No.

**The Hon. MARK PEARSON:** I will just move on to another issue, which is an extremely serious one that has become apparent in the industry. A 2010 study published by the University of Sydney researched the "careers" of 146,000-plus thoroughbred horses over 10 years. Although the horses have a life span of 25 to 30 years, the median career length and number of career starts for the population were 14.7 months and 10 starts. That amounts to 4.9 per cent of their lives. Do you think it's realistic for Racing NSW to be able to rehome ex-racehorses for 95 per cent of their expected life span? When you crunch the numbers, the time that these animals are training on the track and have a career is only 4.9 per cent of their lives, and then they're spent—unwanted.

**Mr KEVIN ANDERSON:** So in terms—

**The Hon. MARK PEARSON:** Is that acceptable, Minister?

**Mr KEVIN ANDERSON:** Mr Pearson, could you just reiterate those numbers? How long did you say their racing career—how many years did you say? Four years or something?

**The Hon. MARK PEARSON:** Horses have a lifespan of 25 to 30 years by average. The median career length and number of career starts for the population of 146,000 horses was 14.7 months and 10 starts. That was the average. That amounts to 4.9 per cent of their lives. Really? Is that acceptable?

**Mr KEVIN ANDERSON:** When I go through a race book—and I enjoy the races. I attend a number of racecourses and I have a look at horses.

**The Hon. MARK PEARSON:** The horse is only in a race for 4.9 per cent of its life. We're not interested in what you enjoy, Minister. We're talking about the welfare of living beings.

**Mr KEVIN ANDERSON:** I'm just bringing you back to the numbers. You're quoting numbers there, Mr Pearson. So I'm looking at those numbers, and you're saying 10 starts on average. There are horses that enjoy a long racing career. They are well looked after, and some of them have more than 10 starts.

**The Hon. MARK PEARSON:** I'm sorry, Minister, but this research over 10 years of 146,000 horses does not support that position.

**Mr KEVIN ANDERSON:** The last time I checked the race book, Mr Pearson, there were many, many horses in there who have long careers and many more than 10 starts. They enjoy what they do, and when they are retired, they are then rehomed. There is a very clear pathway to manage the welfare of those horses, and many of them end up in showjumping and enjoy a second career.

**The Hon. MARK PEARSON:** How do we measure enjoyment, Minister?

**The CHAIR:** A question for another time. We now move to the Opposition.

**The Hon. MICK VEITCH:** Minister, I wouldn't mind taking you now to the NSW Independent Casino Commission, or NICC as we will continue to refer to it. I note that Wexted Advisors has been appointed the independent monitor for Star casino, and we also note that Kroll were appointed as monitors at Crown. Who is responsible for appointing these independent monitors?

**Mr KEVIN ANDERSON:** I will ask Mr Crawford for his comments in relation to that so we make sure that we get a clear line of sight on that, Mr Veitch.

**The Hon. MICK VEITCH:** Before we go there—and we'll probably explore this this afternoon a bit more, Mr Crawford, in detail. But, Minister, you're not sure of the process? Is that why you're going to Mr Crawford?

**Mr KEVIN ANDERSON:** No, I don't want to mislead the panel, Mr Veitch. I will ask Mr Crawford to be clear in terms of that process for you.

**The Hon. MICK VEITCH:** Are you not consulted in this process?

**Mr KEVIN ANDERSON:** I will ask Mr Crawford, Mr Veitch. I don't want to mislead—

**The Hon. MICK VEITCH:** But are you consulted? You must know whether you're consulted.

**Mr KEVIN ANDERSON:** In terms of?

**The Hon. MICK VEITCH:** Are you involved at all in the appointment of these independent monitors?

**Mr KEVIN ANDERSON:** What do you mean by independent monitors?

**The Hon. MICK VEITCH:** Wexted Advisors have been appointed the independent monitors for Star casino. Kroll were appointed as monitors at Crown. I just want to know what is your role in the appointment process for those independent monitors?

**Mr KEVIN ANDERSON:** I'm unsure of the independent monitors that you're referring to and the appointment process there. So I will ask Mr Crawford, just to get some clarity. And then we can bring it back to me, and then I'm happy to go down that path for you.

**The Hon. MICK VEITCH:** Okay—very quickly, Mr Crawford.

**PHILLIP CRAWFORD:** Insofar as Kroll is concerned, there's a tripartite agreement. They were retained by Crown and they report to us. So they've got a role in this interim period of conditional gaming that we've allowed Crown to do for the next 18 months to two years. In terms of Wexted, they've been appointed by ILGA/NICC and they report to us. We started that process some weeks ago because of the obvious issues that have been uncovered by Bell. Until we review Bell and work out what we're going to do, we want to make sure we're in there looking at what's happening and getting someone independent reporting back to NICC. That cost is being borne by Star.

**The Hon. MICK VEITCH:** Minister, what's the rationale for the selection behind these independent monitors?

**Mr KEVIN ANDERSON:** Mr Veitch, my understanding is that they don't come under my control. I don't want to be vague with you, but I don't have a role to play in that. And I'll ask my CEO to confirm that that's the case.

**ANTHONY KEON:** In terms of the Independent Liquor & Gaming Authority and now the Independent Casino Commission, which comes into effect from Monday, they don't come under the Minister's control in relation to any of their compliance or enforcement decision-making. The appointment of an independent compliance auditor or compliance monitor is purely at the discretion of ILGA or the NICC.

**The Hon. MICK VEITCH:** Minister, are you at any point appraised of this? You mightn't appoint them, but is there any point in the process where the Minister is told?

**Mr KEVIN ANDERSON:** In terms of?

**The Hon. MICK VEITCH:** Who is appointed.

**Mr KEVIN ANDERSON:** We would be advised as per normal process, I would suspect.

**The Hon. MICK VEITCH:** You seem very vague.

**Mr KEVIN ANDERSON:** It's not under my control, Mr Veitch. They're independent. I'm not trying to be evasive.

**The Hon. MICK VEITCH:** At some point the Minister must be advised, surely.

**ANTHONY KEON:** We're advised after the relevant authority makes those decisions, but they operate completely independently.

**The Hon. MICK VEITCH:** That's okay, but I just want to know when the Minister is involved in the process. Minister, who is responsible for approving the appointment of commissioners to NICC?

**Mr KEVIN ANDERSON:** That would be an appointment that would come through Cabinet. They would be appointed and Cabinet would sign off on those.

**The Hon. MICK VEITCH:** So the process is generated through your department and you are the Minister that carries that brief to Cabinet. Is that correct?

**Mr KEVIN ANDERSON:** That's correct.

**The Hon. MICK VEITCH:** So you have an involvement in that process at some point.

**Mr KEVIN ANDERSON:** It's an independent process, Mr Veitch.

**The Hon. MICK VEITCH:** No, but at some point, someone has got to take this into the Cabinet room.

**Mr KEVIN ANDERSON:** That's right.

**The Hon. MICK VEITCH:** So you do have a role at some point, and then the Cabinet has got to make a decision.

**Mr KEVIN ANDERSON:** That's right.

**The Hon. MICK VEITCH:** Under the Casino Legislation Amendment Bill 2022, commissioners are appointed directly on your recommendation. Is that correct?

**Mr KEVIN ANDERSON:** The commissioners that were appointed—are you now talking about for the NSW Independent Casino Commission?

**The Hon. MICK VEITCH:** That's it. The NICC.

**Mr KEVIN ANDERSON:** Yes, NICC. The NSW Independent Casino Commission.

**The Hon. MICK VEITCH:** They're appointed on your recommendation.

**Mr KEVIN ANDERSON:** The recommendations that were provided to me in relation to those commissioners that were brought up were recommended and then taken through to Cabinet.

**The Hon. MICK VEITCH:** You recommend to Cabinet, though.

**Mr KEVIN ANDERSON:** I recommend to Cabinet on the advice of those that have been brought forward.

**The Hon. MICK VEITCH:** Under legislation, as I understand it, you're provided with a list of persons recommended for appointment as commissioners. Who actually prepares the list?

**ANTHONY KEON:** Mr Veitch, I can probably help you out here. That's correct. There has been new legislation brought in which requires a panel and then a list to the Minister. But there were also transitional provisions put into this legislation that allow the Minister to appoint the existing members of the Independent Liquor & Gaming Authority across to new Independent Casino Commission.

**The Hon. MICK VEITCH:** As a transitional arrangement?

**ANTHONY KEON:** Purely as a transition to stand it up on Monday. The most recent appointments were utilised using those transitional arrangements. Then, going forward, any appointments will need to comply with those new legislative requirements, which is a panel to be set up and a list provided to the Minister that contains more applicants than the vacant roles.

**The Hon. MICK VEITCH:** How long are those transitional arrangements? What's the time frame for the appointment?

**ANTHONY KEON:** It's based on their existing appointments to the Independent Liquor & Gaming Authority.

**The Hon. MICK VEITCH:** So when that term ends, that ends their term on NICC as well?

**ANTHONY KEON:** That's correct.

**The Hon. MICK VEITCH:** As I understand it, Stephen Parbery has been appointed. Is that correct?

**ANTHONY KEON:** That's correct.

**The Hon. MICK VEITCH:** He's already on ILGA. So this is a part of that transitional arrangement?

**ANTHONY KEON:** Those new commissioners have resigned from the Independent Liquor & Gaming Authority with the exception of Mr Crawford—under the legislation he remains as an ordinary member on ILGA. And their existing terms from ILGA have transferred over to NICC. So whatever their terms were under ILGA continue under the NICC.

**The Hon. MICK VEITCH:** Prior to the appointment of ILGA, there would have been the usual due diligence undertaken around probity checks and the like for the individuals, and that would have been carried across to this transitional appointment to NICC.

**ANTHONY KEON:** Yes, that's correct.

**The Hon. MICK VEITCH:** Minister, did you apprise yourself of all this before the recommendations were made to you about this transitional arrangement?

**Mr KEVIN ANDERSON:** In terms of those transitional arrangements, Mr Veitch, and the recommendations that came forward, they had already had all those checks, as you've just rightly pointed out, and the transitional arrangements were agreed to.

**The Hon. MICK VEITCH:** Minister, a bit earlier, I think Mr Crawford mentioned Bell. As I understand it, that's with Mr Crawford at the moment. Is that correct?

**Mr KEVIN ANDERSON:** Yes.

**The Hon. MICK VEITCH:** Minister, have you received a briefing yet on the Bell report?

**Mr KEVIN ANDERSON:** No.

**The Hon. MICK VEITCH:** When is that to take place? Are you seeking a briefing on Bell?

**Mr KEVIN ANDERSON:** It's not appropriate for me to comment further, Mr Veitch. I haven't received a copy of the Bell review or the report. It's with Mr Crawford. He'll do his due diligence, and then it will come to me.

**The Hon. MICK VEITCH:** I'm not asking you to comment on the Bell report. I understand that. I just want to know when are you going to be briefed?

**Mr KEVIN ANDERSON:** When Mr Crawford has completed his processes, and then he will inform me.

**The Hon. MICK VEITCH:** Within the next month? Before Christmas? Prior to February 2023?

**Mr KEVIN ANDERSON:** It's a matter for Mr Crawford. I'm happy to ask Mr Crawford how long his process will take. I'm not going to rush him. This is a significant piece of work.

**The Hon. MICK VEITCH:** I just want to know, though, as the Minister—because at some point under the Westminster system this is coming back to your desk.

**Mr KEVIN ANDERSON:** Yes, it will.

**PHILLIP CRAWFORD:** I can probably help out there. I have a copy of the report. The other commissioners received copies last night. We're meeting next week, and we're trying to set up a time for a briefing with the Minister at the moment. I think it'll be Thursday or Friday of next week, but those arrangements are currently being made as we speak.

**The Hon. MICK VEITCH:** Okay. Thank you, Mr Crawford. Minister, like the Bergin report, will the Bell report be released immediately after you receive it?

**Mr KEVIN ANDERSON:** Again, Mr Veitch, we will take into consideration the recommendations from the commissioner and the process and time lines of that report. We don't know what's in it, so I can't comment any further.

**The Hon. MICK VEITCH:** Minister, you can see where I'm going with this. The Bergin report, quite rightly, was released pretty much straightaway. I think people would be expecting that Bell may well be treated in the same manner.

**PHILLIP CRAWFORD:** I can probably answer that. Our plan would be to put it up on our website fairly shortly after the ministerial briefing, I would hope by the beginning of the week after next. It will go on our noticeboard and be available to everybody.

**Mr JUSTIN FIELD:** Just to confirm, if I could, Mr Veitch, that's your call, isn't it, Mr Crawford, to put it up?

**PHILLIP CRAWFORD:** That's correct.

**The Hon. MICK VEITCH:** Thank you. Minister, can you provide an update on the status of the new Independent Casino Commission which recently passed the Parliament? When does it become operational? There's a process we've been talking about here, but when does it actually become operational?

**Mr KEVIN ANDERSON:** On Monday—this Monday.

**The Hon. MICK VEITCH:** So as of—

**Mr KEVIN ANDERSON:** Monday 5 September.

**The Hon. MICK VEITCH:** Thank you. There are a number of workers in the industry. What are we doing here around discussions with workers around job security, protections et cetera?

**Mr KEVIN ANDERSON:** In terms of standing up the NSW Independent Casino Commission, it will be a standalone, independent body. There will be support provided in the transition phase from ILGA and the department, and ultimately Mr Crawford will set that up. Ultimately, it will be completely independent and standalone and get on with what it needs to do to keep casinos free from criminal activity in New South Wales.

**The Hon. MICK VEITCH:** What's going to happen with the workforce? These are the current questions.

**Mr KEVIN ANDERSON:** It's a new workforce.

**The Hon. MICK VEITCH:** Yes. So the current workforce—what happens? Do they transfer across? Are all those discussions taking place with the relative workplace representatives and the like?

**ANTHONY KEON:** Yes, yes. They've been occurring for some time now. We've been building up for this in anticipation. Including other vacancies and other organisational redesign, we're currently going out to market for in the vicinity of about 68 roles uplifting. We've had discussions with the Public Service Association through that. Through the reforms, we've also been able to convert a lot of temporary roles to ongoing—added job security—as well as creating additional career development pathways for staff. It has been a very positive outcome. The NICC will be stood up, as the Minister said, on Monday, so the commissioners are already effectively in place and already working on that. And then, once we have the appropriate systems and arrangements in place, the administrative orders will transfer those existing staff over to both the NICC and ILGA staff agencies.

**The Hon. MICK VEITCH:** Yes, okay. I might leave that there. Very quickly, Minister, I want to go back to a couple of water questions, and then I'm going to hand over to my colleague. As you would be aware, Dubbo was put on a boiled-water alert for about a month recently. Do you think it's acceptable that residents of Dubbo and surrounding towns were on boiled-water alerts for a month?

**Mr KEVIN ANDERSON:** Significant work was being done to rectify that issue, Mr Veitch. That also falls under the Safe and Secure Water Program, where we are providing the 92 water utilities across New South Wales with funding to upgrade their aging infrastructure, and that includes water treatment plants.

**The Hon. MICK VEITCH:** I'm glad you've mentioned that particular program. Maybe take it on notice and get back to us, but I wouldn't mind knowing how much has been spent and how much is remaining in that fund?

**Mr KEVIN ANDERSON:** Certainly.

**The Hon. MICK VEITCH:** How many other towns in regional New South Wales had to go on boiled-water alerts?

**Mr KEVIN ANDERSON:** To the best of my knowledge, around the Blue Mountains there were some issues when roads were damaged and homes were inundated. For the most part, water treatment plants, particularly up around the Northern Rivers, were placed under extreme duress with flooding. Water treatment plants, as well as sewage treatment plants, were damaged. Significant work—there was about \$140 million provided up north in the Northern Rivers to help those councils. WaterNSW and the department are quickly on any areas that suffer water challenges in relation to the failure of their water treatment plants or their sewerage treatment plants.



**The Hon. MICK VEITCH:** I'm not saying that towns don't go on boiled-water alerts. They have to from time to time; I understand and appreciate that. I quickly want to go back to the probity work that was undertaken around the appointments of commissioners to NICC. I understand that we transferred people across from the board of ILGA. Did we do any new probity checks at that point or did we just carry over the ones that were previously conducted?

**Mr KEVIN ANDERSON:** They were carried over from the previous, Mr Veitch.

**The Hon. MICK VEITCH:** So there were no new probity checks conducted at all?

**Mr KEVIN ANDERSON:** Those probity checks would have already been in place, and they would have already been cleared at the highest level for them to come across.

**The Hon. MICK VEITCH:** We've appointed Mr Murray Smith, as well, as a commissioner for NICC. Is that right? So he's been carried across as part of the process? I think ILGA might have appointed McGrathNicol, of which he is a partner, to conduct probity on Blackstone prior to them acquiring Crown. Did you know that, Minister? Is that correct?

**Mr KEVIN ANDERSON:** I'll get some detail on that, Mr Veitch. That's operational in terms of what needs to happen there, but I'm happy to provide that detail for you, if you wish.

**The Hon. MICK VEITCH:** That would be good. What I want to know is, in light of that, what probity was conducted on Mr Smith's appointment to the NICC in light of that work which occurred after his appointment to ILGA?

**Mr KEVIN ANDERSON:** Sure.

**The Hon. MICK VEITCH:** Can you see what I'm saying here? We've carried over the probity checks, but there may have been circumstances that have changed the way in which people interact in this environment. Did we not do new probity checks?

**Mr KEVIN ANDERSON:** I can assure you, Mr Veitch, that the clear and transparent process and the control measures that are now in place around casinos in New South Wales, particularly with the Star and Bell and Crown with Bergin—and we also have another inquiry into money laundering. We want to ensure that our venues, including casinos, are free from crime and free from money laundering. That's why New South Wales has taken the most stringent and the highest ground in terms of making sure that we—

**The Hon. MICK VEITCH:** Which is why I'm asking about the probity checks for people who are being appointed to the NICC. You can guarantee, Minister, that if we haven't got this right Mr Field is going to be chasing everyone through the hallways of Parliament. I just want to make sure we've got this right. I'm going to hand over to my colleague, Ms Houssos.

**The Hon. COURTNEY HOUSSOS:** Thanks very much, Mr Veitch. I wanted to come to the Greyhound Racing NSW survey. This was a survey that was conducted of its members late last year. My understanding is that you became aware of it during November last year. This was a survey that asked political questions, including the voting intention of individuals and the individuals' views on the party leaders at the time.

**Mr KEVIN ANDERSON:** I was aware of that, yes.

**The Hon. COURTNEY HOUSSOS:** Okay. When were you first briefed about that?

**Mr KEVIN ANDERSON:** I can't remember the exact date, Ms Houssos. I think it was about the same time everybody else was, if you've got that date handy. Otherwise I can come back to you with when we first found out about it.

**The Hon. COURTNEY HOUSSOS:** Well, no. I've asked you some questions on notice about this. I've done a call for papers on this. My understanding is that it was around 12 November. I don't think it's the time that everybody else was made aware of it, Minister. My understanding was that you were made aware of it on 12 November. How did this notification occur?

**Mr KEVIN ANDERSON:** I think that in relation to that question, Ms Houssos, I became aware of it when everyone else did because it was a public survey. People were asking questions and I became aware when everyone else did.

**The Hon. COURTNEY HOUSSOS:** No, Minister. It was a survey that was sent to greyhound racing participants, a survey that was sent by Greyhound Racing NSW. Amongst the other questions about the future of the industry, there were some voting intention questions at the end. Do you recall this, Minister?

**Mr KEVIN ANDERSON:** Yes, I do.

**The Hon. COURTNEY HOUSSOS:** Okay. So, in an answer to question on notice, you said you were first notified on 12 November. That would be correct?

**Mr KEVIN ANDERSON:** If that's the response, then yes—the exact date.

**The Hon. COURTNEY HOUSSOS:** Okay. So how were you notified about that?

**Mr KEVIN ANDERSON:** Again, I was notified like everybody else, where I received a phone call or—

**The Hon. COURTNEY HOUSSOS:** No, no, Minister. You can't say "like everybody else". This was not a public document. This was a survey that was specifically sent to greyhound racing participants.

**Mr KEVIN ANDERSON:** Greyhound racing participants are public people. It was in the public arena, so everybody knew about it as well.

**The Hon. COURTNEY HOUSSOS:** No, Minister, not everybody was aware of it. It was sent to several thousand greyhound racing participants. Minister, according to your ministerial diaries, you met with Greyhound Racing NSW on 15 November. Did you discuss the survey at this meeting?

**Mr KEVIN ANDERSON:** I would have discussed the survey because, like everyone else, it was a public survey. That was common knowledge that a survey was being undertaken. If you know the greyhound racing industry, Ms Houssos, it's a pretty strong grapevine. When things like that happen, people start talking. I was notified like everybody else. We were tipped off. GWIC were aware of it, Greyhound Racing NSW was aware of it and participants were aware of it, as my office was.

**The Hon. COURTNEY HOUSSOS:** What did you do when you discovered that Greyhound Racing NSW was surveying the voting intention of its members, despite receiving government funding?

**Mr KEVIN ANDERSON:** I think we had a discussion with the CEO at the time and deemed it to be inappropriate in terms of operating outside their licence.

**The Hon. COURTNEY HOUSSOS:** You deemed it to be inappropriate?

**Mr KEVIN ANDERSON:** It just stands to reason that it did not fit, I think, the pub test, in terms of an organisation like racing doing that. So, yes, we had discussions about that.

**The Hon. COURTNEY HOUSSOS:** The chair of Greyhound Racing NSW is former National Party Senator John Williams. Is that correct?

**Mr KEVIN ANDERSON:** That's correct.

**The Hon. COURTNEY HOUSSOS:** What consequences were there for Greyhound Racing NSW for this inappropriate action?

**Mr KEVIN ANDERSON:** They gave the undertaking to me that they had stepped out of line and they wouldn't do it again.

**The Hon. COURTNEY HOUSSOS:** That's it? That was the end of the conversation?

**Mr KEVIN ANDERSON:** That was about it.

**The Hon. COURTNEY HOUSSOS:** Minister, you talk about greyhound racing having a pretty strong community and a pretty strong grapevine. One of the issues that was raised on this grapevine were some rumours saying that Mr Barilaro was being approached to be the new CEO of Greyhound Racing NSW. Did you ever have discussions with Mr Barilaro?

**Mr JUSTIN FIELD:** Plan C or D.

**Mr KEVIN ANDERSON:** Discussions with Mr Barilaro about what?

**The Hon. COURTNEY HOUSSOS:** About being the new CEO of Greyhound Racing NSW.

**Mr KEVIN ANDERSON:** No.

**The CHAIR:** I feel another inquiry coming on.

**The Hon. COURTNEY HOUSSOS:** Did you ever discuss that possibility with the chair, former National Party Senator John Williams?

**Mr KEVIN ANDERSON:** No.

**The Hon. COURTNEY HOUSSOS:** Did any of your colleagues approach you to advocate on behalf of Mr Barilaro that he should be the new CEO?

**Mr KEVIN ANDERSON:** No.

**The Hon. COURTNEY HOUSSOS:** Did you hear these rumours yourself within the industry?

**Mr KEVIN ANDERSON:** No.

**The Hon. COURTNEY HOUSSOS:** Are you serious, Minister?

**Mr KEVIN ANDERSON:** I'm serious, Ms Houssos.

**The Hon. COURTNEY HOUSSOS:** Your testimony under oath is that you never heard of the discussions that John Barilaro wanted to be the CEO of Greyhound Racing NSW?

**Mr KEVIN ANDERSON:** No, not specifically.

**The Hon. COURTNEY HOUSSOS:** It's your testimony to this inquiry that you heard about a survey of members through the grapevine but you didn't hear that Mr Barilaro was hunting around for a government job as Greyhound Racing NSW CEO?

**Mr KEVIN ANDERSON:** I will take you back to the survey. The participant survey was sent to the Greyhound Welfare Integrity Commission. I talk with the Greyhound Welfare Integrity Commission and Greyhound Racing NSW all the time. It was raised in that context.

**The CHAIR:** Minister, taking you back to my line of questioning, you said that you were going to ask for more time at the next MINCO meeting. How much more time were you going to ask for to get those projects completed?

**Mr KEVIN ANDERSON:** Mr Banasiak, what I planned is to ask for more time to consider—

**The CHAIR:** How much?

**Mr KEVIN ANDERSON:** That's the discussion that MINCO will have to have.

**The CHAIR:** Have you got a figure in mind? Is it 12 months, 18 months, two years or 10 years?

**Mr KEVIN ANDERSON:** We don't have a figure in mind. What we do have and will have will be a clear pathway forward to recognise the work that New South Wales has done in keeping healthy rivers, healthy farms and healthy communities, and ensuring that there is enough water in the system to meet all of those.

**The CHAIR:** You haven't got past the design phase in most of them. You can't say that you have done that great work. You're a betting man. What do you reckon your chances are? Have you checked Sportsbet? What do you reckon the odds are at getting that extra time?

**Mr KEVIN ANDERSON:** I'm taking the support of New South Wales with me in relation to advocating the great work. I will just say that the other day we were in Griffith, Mr Banasiak, and we had a look at Murray Irrigation. In terms of the efficiency and the effectiveness of delivering water and the connectivity, it is quite extraordinary. Over the last five years, in terms of efficiency, in terms of better management of water and making sure that the environment is looked after as well as that our farmers and our communities are not disadvantaged, significant work is done. I encourage you to have a look at the control room at Murray Irrigation, Mr Banasiak. It looks like NASA.

**The CHAIR:** I will stop you there. To questions taken on notice in the last estimates, I asked about how much money had been allocated, received and then spent for the Better Baaka and Better Bidgee projects. We got back that roughly \$23,977,000 has been spent out of a total funding allocation of roughly \$337 million. How much of that \$23-odd million has gone to local groups and local organisations compared to how much has been spent through government agencies, both State and Federal?

**Mr KEVIN ANDERSON:** I would have to take that on notice. What I can say is, particularly around the Better Baaka—

**The CHAIR:** Is it around \$180,000 out of \$23 million that has been spent on local groups?

**Mr KEVIN ANDERSON:** I'll have to take it on notice, Mr Banasiak.

**The CHAIR:** Does anyone around the table have a rough idea?

**Mr KEVIN ANDERSON:** I will have to ask Mr Bentley.

**JIM BENTLEY:** We can get you details this afternoon. When you are in these phases of the project, our teams are doing consultation and so on. These are not the phases where we are spending money on construction. As you move into construction it will be heavily dominated by local workforce, but it's not that phase of the project. We have to have our people doing the consultation to be hearing what the public are saying to us.

**The CHAIR:** Minister, are you still committed to this concept of co-design and co-implementation?

**Mr KEVIN ANDERSON:** Absolutely. That's why the Better Baaka and Better Bidgee and those SDLAM projects—Yanco Creek and Yanco Creek offtake and others—were rescoped. At that time they didn't take into consideration, in our view, the amount of community consultation, Aboriginal cultural heritage and many other environmental factors. So they were rescoped. That's why they were resubmitted.

**The CHAIR:** Minister, what is your position and the Government's position on the issue of operational and maintenance costs for these projects? Is it your view that it should be funded through the actual funding or do you think that the users of the system should pay for the operational and maintenance costs? What's the Government's position on that?

**Mr KEVIN ANDERSON:** Under the Murray-Darling Basin Plan, when you look at the SDLAMs, which are the programs that are funded by the Federal Government, this is the challenge—

**The CHAIR:** It's unclear as to whether that funding includes operational and maintenance costs. That's why I'm pushing you on this, Minister. What's the Government's position on who bears the operational and maintenance costs for these projects, whenever they are completed?

**Mr KEVIN ANDERSON:** When they are completed and they are operational, this is the discussion that we will have further down the track. The Murray-Darling Basin funds these projects. That's why they do need to be accredited—so they do meet those fundamental basics of healthy rivers, healthy farms and healthy communities.

**The CHAIR:** So you haven't had any conversations yet.

**Mr KEVIN ANDERSON:** No, I haven't had any conversations yet about that particular ongoing funding. That's why we want to come to the table, Mr Banasiak, in a respectful and collaborative way so that we can get the best result for our communities. I know that many of our regional communities are relying on the fact that they are doing great work. This is why I think volumetric—

**The CHAIR:** I only have 50 seconds left. When do you plan to have that conversation?

**Mr KEVIN ANDERSON:** We have a MINCO with all of the basin States coming up in October. There will be a number of issues that will be raised at that point.

**The CHAIR:** Will you raise the issue of operational and maintenance costs at the next MINCO meeting? Is that what you are committing to here?

**Mr KEVIN ANDERSON:** There will be a number of areas and issues that will be raised.

**The CHAIR:** Will that be one of them?

**Mr KEVIN ANDERSON:** I can't commit to that being part of the package that I take forward, Mr Banasiak.

**The CHAIR:** Come on. It's not that hard. Just put it on the list. Email it through to the agenda.

**Mr KEVIN ANDERSON:** I'll be carrying forward the best interests of New South Wales when I meet with my basin State Ministers in early October.

**The Hon. MICK VEITCH:** It's a safe environment; tell us here. No-one will know.

**The CHAIR:** Yes, we're all friends here.

**The Hon. MARK PEARSON:** Minister, we will come back to greyhounds. My first question is that Greyhound Racing NSW stated in a 2021 report that a total of 1,880 greyhounds were rehomed by the Greyhound Adoption Program. However, GWIC claimed that only 319 greyhounds were rehomed by the GAP during that same period. Minister, could you please explain what happened to the 1,561 greyhounds that are missing and unaccounted for?

**Mr KEVIN ANDERSON:** Mr Pearson, apologies, those numbers were a little confusing. Can you please ask the question again? Sorry.

**The Hon. MARK PEARSON:** Greyhound Racing NSW in a 2021 report stated that 1,880 greyhounds were rehomed under the GAP, but a GWIC statement for the same period states that only 319 were rehomed. Can you explain why there is such a discrepancy of 1,561 animals?

**Mr KEVIN ANDERSON:** No, but I will ask Mr Griffin, who heads up the Greyhound Welfare Integrity Commission and who may be able to provide some clarity around those numbers for you, Mr Pearson.

**STEVE GRIFFIN:** Thank you, Minister. So the numbers that we report are based upon direct information received from participants and there is that discrepancy that you've outlined. Greyhound Racing NSW—

**The Hon. MARK PEARSON:** Is that concerning to you, such a discrepancy? I mean, it's not 20 animals; it's 1,561.

**STEVE GRIFFIN:** No, the difference in terms of the 1,800 is the total number of 1,400, but Greyhound Racing, or particularly GAP, have advised us that they actually include in their numbers those greyhounds that have been rehomed by private rehoming organisations where they've provided the payment for the desexing and dental cleaning.

**The Hon. MARK PEARSON:** So you believe that that actually explains that discrepancy?

**STEVE GRIFFIN:** Yes, it does. I've had more recent discussions with the new CEO of Greyhound Racing NSW. We want to do a reconciliation to make sure that the numbers that both organisations are reporting have been validated.

**The Hon. MARK PEARSON:** Thank you. It's a bit hard to follow that. I mean, it's not very helpful to the community to have these such very different figures when clearly one of the main issues with greyhounds is what happens to them once they're injured or can't race any longer. Minister, in respect to Greyhound Welfare Integrity Commission quarterly reports again, there was another change in reporting when, prior to the third quarter of 2021, there was a classification of:

Euthanasia after registered veterinarian certified that the greyhound was behaviourally unsuitable for rehoming

But then it changed:

Euthanasia with statement that greyhound was behaviourally unsuitable for rehoming

Minister, could you explain who, therefore, can deem a greyhound to be classified "behaviourally unsuitable for rehoming"? Should it have to be a vet, or could any Joe Blow make such a statement?

**Mr KEVIN ANDERSON:** Mr Pearson, again, thanks for your interest because welfare and integrity means that everything we do in rehoming is very important and the process to rehome a particular greyhound. They do go through a number of checks and balances to ensure that they are suitable for rehoming.

**The Hon. MARK PEARSON:** Why has the veterinarian been removed from that necessity?

**Mr KEVIN ANDERSON:** I will ask Mr Griffin in a moment to clarify, but there are a number of checks and balances in a process where a greyhound proceeds along to ensure that it is suitable for rehoming. If, ultimately, the greyhound is not suitable, then other pathways are offered. But I will ask Mr Griffin if he would like to elaborate further.

**STEVE GRIFFIN:** Yes, thank you, Minister. There is a rehoming policy that GWIC has established that requires participants who want to rehome greyhounds to make two genuine attempts to rehome the greyhound with GAP and also to a private rehoming organisation. Those greyhounds that still are unable to be rehomed, then there is a requirement to notify—to go to a veterinarian to make that assessment that you're referring to, and then they've got to give us 10 business days' notice of the intention to euthanise that greyhound. But, no, veterinarians are needed to sign off on any behavioural—

**The Hon. MARK PEARSON:** But that is not what it states. It's changed.

**STEVE GRIFFIN:** That's because that's not a pathway at the moment. What the data is referring to there, it's accounting for, I think, a very small number of greyhounds. I think it was four where there's been breaches to our policy.

**The Hon. MARK PEARSON:** So the way this is stated at the moment is that a person can make a statement—it could be the owner of the greyhound; it could be a friend—that the animal has a behavioural problem and therefore cannot be rehomed and, therefore, it'll be killed.

**STEVE GRIFFIN:** That's not permissible under the policy as it currently stands.

**The Hon. MARK PEARSON:** Can you please come back to me explaining why there is that discrepancy?

**STEVE GRIFFIN:** Absolutely. I'll take it on notice, but at the end of the day I just want to make it quite clear that a greyhound cannot be put down by an individual participant on their view that that greyhound might not be suitable for rehoming. That has to go through a process that I have outlined and a veterinarian has to be involved.

**The Hon. MARK PEARSON:** So the veterinarian has to do the assessment, you're saying—not just the killing.

**STEVE GRIFFIN:** Sorry, the euthanasia, but we don't allow for a behavioural pathway at present. We are considering it. But, at the present, you've got to go through those steps, as I've outlined earlier. Only when those steps in the rehoming policy have been gone through can you then lodge a notification of intention to euthanise before that happens.

**The Hon. MARK PEARSON:** Thank you.

**The CHAIR:** Ms Faehrmann?

**Ms CATE FAEHRMANN:** Thank you, Chair. Minister, based on your comments before the break, I think it's clear that Dungowan dam has been selected over other projects because it is the only project that will give security to irrigators, even though it's less effective at providing town water security. Can you confirm that this dam is a \$1.3 billion gift to irrigators?

**Mr KEVIN ANDERSON:** Thanks, Ms Faehrmann, for your question, and that's not my understanding—that it is a gift to irrigators, as you put it. This will provide water security for the growing city of Tamworth, a town of 60,000 people.

**Ms CATE FAEHRMANN:** Less effectively than other options.

**Mr KEVIN ANDERSON:** It is a town of 60,000 people that need that water to be able to provide them with clean, fresh running water like the rest of the State enjoys. This is a city that nearly ran out of water. While other options are being investigated in terms of what that looks like, Dungowan dam remains the number one choice. That rebuilding, or the new Dungowan dam, remains the number one choice of increased water supply.

**Ms CATE FAEHRMANN:** Minister, if you are so concerned about Tamworth running out of water, why then have you not considered so many other options? The Infrastructure Australia evaluation summary continuously points out the fact that alternatives and non-infrastructure solutions were inadequately investigated or developed. Why have you and your department consistently pursued the Dungowan dam option at the expense of everything else for five years?

**Mr KEVIN ANDERSON:** Ms Faehrmann, if you read the summary business case, you will clearly see Dungowan dam—a new Dungowan dam—providing increased water security for Tamworth in conjunction with other options, and one of those is a reverse osmosis plant.

**Ms CATE FAEHRMANN:** When Infrastructure Australia states that other options were not adequately explored or developed, non-infrastructure options, all of these other options, do you not believe Infrastructure Australia in what they're saying?

**Mr KEVIN ANDERSON:** When they talk about not providing water security for Tamworth, I think they have missed the mark in really assessing the dire situation that this region finds itself in. So other options like—

**Ms CATE FAEHRMANN:** It's in a dire situation because for five years—in the summary business case back in November 2015, your department was looking at a suite of options for providing Tamworth with water security. Then from 2017, all of those options just get completely forgotten about, completely dumped, and your department focuses for five years on this dud of a project at the expense of everything else. Don't you think in fact it's your behaviour, your department's behaviour, in pursuing this dud of a project over everything else that is actually risking Tamworth's water security going into the future?

**Mr KEVIN ANDERSON:** When it comes to providing water security for Tamworth, Dungowan dam remains the single most reliable source for that to occur. There is also an option about—

**Ms CATE FAEHRMANN:** Minister, that's not what Infrastructure Australia is saying. It's not what Infrastructure NSW is saying. It's not what the Productivity Commission has said. The only body that is saying that is in fact you, sitting there, now. Why is it that you are so obsessed with this \$1.3 billion project in your own

electorate that will not provide as much water security to Tamworth as many other options? It's just for the irrigators in your electorate, isn't it—\$1.3 billion of taxpayers money?

**Mr KEVIN ANDERSON:** Infrastructure NSW, or more broadly Infrastructure Australia, clearly came out and said that Dungowan dam was not an option because they did not want the city to grow. They did not want the city to expand to enjoy regional growth and economic development. They said, "Oh, it doesn't need it right now." So they're saying, "Oh, no. We don't want regional New South Wales to grow." In my view, that's very narrow-minded. That does not take into consideration the growth that is in regional New South Wales.

**Ms CATE FAEHRMANN:** Why did you not explore the other options? Why has the department—why have you—for years not explored any other options for water security in Tamworth? Why have you just doggedly pursued Dungowan dam?

**Mr KEVIN ANDERSON:** One of the other options that we are considering is a reverse osmosis plan, which will service the industrial area of Tamworth, in other words, the meat processing facilities. There is in the vicinity of around about 800 to 1,000 jobs there, with the potential for growth. What that reverse osmosis facility will do is take the pressure off the town supply. They are options that we are looking at. But one of the options was the pipeline back from Lake Keepit to Tamworth. You would have built a pipeline to dust. Make sense? No. The other option that was being looked at, as you talked about earlier, was the urban reserve taking water off farmers. Obviously these organisations have no understanding of how regional community works. We want to grow—

**Ms CATE FAEHRMANN:** Minister, it's increasingly looking likely, isn't it, that a new Dungowan dam will not actually go ahead?

**Mr KEVIN ANDERSON:** The Federal Government and the State Government have agreed to share the cost of Dungowan dam. The Federal Government mini-budget is coming up in October. We wait to see if there are numbers in the mini-budget handed down by the Federal Government to support the project.

**Ms CATE FAEHRMANN:** What happens then? What happens if it doesn't go ahead? You've wasted five years. That's the present for the people of Tamworth: five years wasted pursuing this dud of a dam.

**Mr KEVIN ANDERSON:** No, your present is a dud project. How disgraceful for the people of regional New South Wales. That's just disgraceful.

**The CHAIR:** We now enter the lightning round. We have four minutes from the Opposition and four minutes from the crossbench. Your time starts now, Minister.

**The Hon. MICK VEITCH:** Minister, I just want to wrap up this issue around the probity aspects of ILGA. As I understand it, Mr Parbery and Mr Smith were already on ILGA when their companies were engaged to conduct work for ILGA. Are you satisfied that all conflicts have been declared and treated appropriately at ILGA?

**Mr KEVIN ANDERSON:** Mr Veitch, to take further clarification on that, I will take it on notice. But those were transition arrangements and all of those probity checks were done.

**The Hon. MICK VEITCH:** No, I'm talking about—they were engaged to do work whilst they were at ILGA. Their companies were engaged to do work whilst they were at ILGA. As Minister, are you satisfied that all the required conflicts of interest have been treated appropriately at the board level with ILGA?

**Mr KEVIN ANDERSON:** That would be my expectation, given the fact that the commission chair was the chair of ILGA and is now moving on to the NSW Independent Casino Commission. He was above and beyond reproach in terms of making sure that probity checks were done.

**The Hon. MICK VEITCH:** Minister, what will you do if you discover that the conflicts of interest were not treated appropriately at the board level? This is not you getting involved at the board level; you've just got to satisfy yourself about the conflict-of-interest arrangements. As Minister, what will you do if you find out that that was not treated accordingly?

**Mr KEVIN ANDERSON:** That information hasn't been provided to me, Mr Veitch, so in terms of where we sit at the moment it's a hypothetical situation.

**The Hon. MICK VEITCH:** Are you going to go and satisfy yourself that the conflicts of interest have been dealt with appropriately after you leave this hearing?

**Mr KEVIN ANDERSON:** Mr Veitch, I am satisfied, given the fact that the former chair of ILGA, and now the New South Wales casino commissioner, has acted above and beyond reproach in relation to putting

around him the people he needs to keep this city, our casinos, our pubs and our clubs free from crime and money laundering. If there is an issue going forward, I'm sure it will be raised with me and we'll take appropriate action.

**The Hon. MICK VEITCH:** But Minister, you can see what this looks like. Members of the board of ILGA are engaged to conduct work on behalf of ILGA. Haven't you got to satisfy yourself, Minister, that all appropriate conflicts have been dealt with appropriately? I'm not saying they haven't, but haven't you as the Minister got the responsibility to check, to make sure, to satisfy yourself that they have been dealt with appropriately?

**Mr KEVIN ANDERSON:** Mr Veitch, I'm unaware of any of those issues that you are talking about. In relation to ILGA and the commission, Mr Crawford has been at the helm of that and, I believe, has done an exceptional job in making sure that New South Wales is setting the benchmark when it comes to keeping our venues and casinos free from criminal activity.

**The Hon. MICK VEITCH:** Thanks, Minister.

**The Hon. COURTNEY HOUSSOS:** Minister, we only have a few minutes left. I wanted to quickly ask you about the issue of steel sheet pilings in the Cooks River. Are you aware of this?

**Mr KEVIN ANDERSON:** I'm not. I will have to take it on notice.

**The Hon. COURTNEY HOUSSOS:** There is a small section that requires remediation. All other parts of the river are the responsibility of Sydney Water, but there is a narrow section that has not been remediated that is causing pollution in the river. The Cooks River Alliance has raised the issue and they are currently creating the Cooks River catchment coastal management program. But this has been going on since 2016. It took three years for the planning to decide on the values before they could even start the planning process. Can you please look into this and come back to tell us what is going to happen to ensure that this final part is going to be remediated?

**Mr KEVIN ANDERSON:** Ms Houssos, we can sort that out now with WaterNSW if you like. Mr George, are you aware of Cooks River in terms of—

**ANDREW GEORGE:** No.

**Mr KEVIN ANDERSON:** Okay, we'll come back to you with information on that.

**The Hon. COURTNEY HOUSSOS:** Excellent. If you can come back after the break, that would be great, but if it's on notice that is fine.

**Mr KEVIN ANDERSON:** Sure.

**The Hon. EMMA HURST:** Minister, I have a quick question about the horse racing industry. Last month former New South Wales racehorse Soviet was slaughtered at Meramist abattoir in Queensland. He was only seven years of age. Given that Racing NSW rules are against the slaughter of ex-racehorses but they have failed to save Soviet, is there something that the Government can do to prevent the death of horses like Soviet in the future?

**Mr KEVIN ANDERSON:** That's outside the New South Wales jurisdiction, Ms Hurst. But I can tell you that in New South Wales there are rules of racing. In fact—

**The Hon. EMMA HURST:** Yes, as I said, the Rules of Racing—let me ask you another question. Racing NSW has previously stated that it would actually support making it a criminal offence for any thoroughbred horse to be sent to a knackery, even if it has been rehomed to persons outside of racing. Is that something that you would consider supporting, given it was something proposed by Racing NSW?

**Mr KEVIN ANDERSON:** Racing NSW has the welfare and integrity of horses not only while they are in the industry. If they are aware or get any notification at all of a process where a horse is heading down that path, they will buy that horse back. It is not something that we advocate in terms of the mistreatment of horses—

**The Hon. EMMA HURST:** Sorry, my question, though—as I said, yes, Racing NSW is against the slaughter of those horses and that is within the racing rules. But my question is: Is that something that you as Minister would support in regards to legislating it rather than it just being a racing rule?

**Mr KEVIN ANDERSON:** Racing NSW set the rules and the way that they operate. In terms of the way—

**The Hon. EMMA HURST:** But Racing NSW has also stated it would actually support it becoming a criminal offence, which would actually fall under your portfolio rather than the racing rules. My question is would you support it becoming a criminal offence, as publicly stated by Racing NSW?



**Mr KEVIN ANDERSON:** If it falls under a criminal offence, that's another jurisdiction. I'm the racing Minister. What I would need to do is ensure, as Racing NSW does, the ultimate welfare and integrity and the process of making sure that horses are looked after. If they are then going down a different path where criminal activity may or may not occur, that then sits with another Minister and, obviously, with the police.

**The Hon. EMMA HURST:** Are you saying that for it to become a criminal offence in New South Wales, it would fall under the Minister for Agriculture rather than under your ministerial portfolio? Where are you saying it would fall?

**Mr KEVIN ANDERSON:** I'm saying that I'm the racing Minister and the welfare and integrity of horses, particularly working with Racing NSW, sits at the top of everything we do. Racing NSW has very strong rules and regulations in relation to aggravated cruelty—

**The Hon. EMMA HURST:** Minister, if it's not your responsibility to make it a criminal offence, who would it fall under if it's not the racing Minister?

**Mr KEVIN ANDERSON:** In terms of the treatment of horses and other animals, including those retired from—

**The Hon. EMMA HURST:** Sorry, it is not about the treatment. We are talking about a criminal offence for slaughtering the animals.

**Mr KEVIN ANDERSON:** Yes. Those that are retiring from—if there is an issue in relation to animal cruelty, it's covered by the Prevention of Cruelty to Animals Act—

**The Hon. EMMA HURST:** I'm not talking about an issue of animal cruelty. I'm talking about making it a criminal offence for a thoroughbred horse to be sent to a knackery.

**Mr KEVIN ANDERSON:** That doesn't happen in New South Wales now, and Racing NSW—

**The Hon. EMMA HURST:** Well, that's a racing rule. But as we know, there are situations where that is failing because it's simply a racing rule. Racing NSW has said that it would support it becoming a criminal offence rather than an industry rule. My question is: Would you support it, as the racing Minister, becoming a criminal offence?

**Mr KEVIN ANDERSON:** Racing NSW has very strict rules in place, Ms Hurst, as you well know, in terms of making sure that they track animal welfare, particularly when horses do leave the racing jurisdiction. They then go on to other eventing areas—

**The Hon. EMMA HURST:** Minister, you wouldn't support it becoming a criminal offence, as stated by Racing NSW and its desire for it to be a criminal offence?

**Mr KEVIN ANDERSON:** I'm the racing Minister. In terms of making sure that we take care of all things racing—and if Racing NSW want to pursue other avenues, that's something they will look at. But they are continuously looking at—

**The Hon. EMMA HURST:** So that's something that you are open to considering in the future?

**Mr KEVIN ANDERSON:** That's something that Racing NSW is continuing to work on in terms of the welfare and integrity of horses in the industry.

**The Hon. EMMA HURST:** Racing NSW isn't required to publish quarterly reports of deaths and injuries whereas the greyhound racing industry is. In the interests of greater transparency within the industry, would you support mandatory publishing of deaths and injuries at the end of each quarter in the same way we do with greyhound racing?

**Mr KEVIN ANDERSON:** The reporting in terms of racing injuries and associated events—Racing NSW has welfare, integrity and workplace health and safety at the foremost of everything it does, Ms Hurst.

**The Hon. EMMA HURST:** Sorry, my question is not about work health and safety. My question is about—

**Mr KEVIN ANDERSON:** Well, it does when it comes to injuries.

**The Hon. EMMA HURST:** The greyhound racing industry reports deaths and injuries of animals and Racing NSW does not. I'm just wondering if you would be open to looking at the same mandatory reporting within Racing NSW as the greyhound racing industry?

**Mr KEVIN ANDERSON:** In terms of the greyhound racing industry, when the major reforms came through, that was set up to ensure that greyhound racing had the highest integrity, hence the Greyhounds Welfare Integrity Commission. Racing NSW has that same level of integrity.

**The CHAIR:** That concludes questions for the Opposition and crossbench. Young Taylor Martin has been limbering his vocal cords outside, so he is ready to go.

**The Hon. MICK VEITCH:** He's been practising.

**The CHAIR:** He's been practising.

**The Hon. TAYLOR MARTIN:** Thank you, Mr Chair. Minister, I want to revisit an earlier line of questioning from the Opposition regarding cemeteries. Could you confirm for the Committee that there are actually no plans to privatise cemeteries in New South Wales?

**Mr KEVIN ANDERSON:** That's correct, Mr Martin.

**The Hon. TAYLOR MARTIN:** Ms Hawyes, has the Minister ever mentioned plans to privatise cemeteries with you?

**MELANIE HAWYES:** No.

**The Hon. TAYLOR MARTIN:** Thank you.

**The CHAIR:** That's it?

**The Hon. TAYLOR MARTIN:** That's it.

**The CHAIR:** Very comprehensive. That concludes our time with the Minister. We thank him for joining us this morning.

**Mr KEVIN ANDERSON:** Thank you.

**The CHAIR:** We will now break for lunch and return at two o'clock for time with the public servants.

**(The Minister withdrew.)**

**(Luncheon adjournment)**

**The CHAIR:** Welcome back to this afternoon's session. We'll kick off with questions from the Opposition.

**The Hon. MICK VEITCH:** Good afternoon, everyone. Ms Hawyes, did you want to—

**MELANIE HAWYES:** Yes, thanks. I understand you wanted me to run over some of the questions that were brought up this morning?

**The Hon. MICK VEITCH:** Yes, I think you indicated you had some new information.

**MELANIE HAWYES:** There were a number of questions asked, some of which we took on notice. The question about the administrator reserving the names of Greater Sydney's cemeteries and crematoria, the advice I have is that we will be able to evidence that there was from the outset an intent to have them transferred to Rookwood and that that is being actioned presently, and we'll provide that documentation on notice to the Committee.

**The Hon. MICK VEITCH:** Mr Crawford, good afternoon. This morning you mentioned that both casino operators are paying for the independent monitor, but who is responsible for selecting that independent monitor? I just want to make sure. Was it ILGA?

**PHILLIP CRAWFORD:** In so far as Crown is concerned, there was consultation with Crown looking at a number of options and the ultimate option, because they retain them, was Kroll and there's a tripartite agreement. Basically they meet with us and provide us with information pursuant to that agreement. In terms of this monitor Wexted, that's just our own expert there. We received obviously the evidence that was public evidence from the Bell inquiry. By the time we get the Bell inquiry and we want to obviously have a look at what the inquiry in Queensland is going to reveal, we want to make sure that whatever operating systems are in place we want our own team there keeping a close eye on what they're doing down at The Star, so we appointed Wexted.

**The Hon. MICK VEITCH:** So it's essentially two different circumstances.

**PHILLIP CRAWFORD:** Quite different, yes.

**The Hon. MICK VEITCH:** You would have heard the Minister mention this morning that ILGA undertakes probity and due diligence checks on potential board members before they are appointed. Can you provide the Committee a bit more detail how these probity checks are undertaken? What do they actually entail? What is the criteria?

**PHILLIP CRAWFORD:** There are two different things that might have got mixed up this morning. One is probity. So when someone came on to ILGA, there are checks and balances and a disclosure obligation in terms of interests, and they were all completed by all members coming on to ILGA. But there is a procurement piece, and I think you're linking the two—the procurement piece of our advisers and experts. Our process is, first of all, if it's accountants or lawyers or any other expert, they need to be on a government panel and therefore paid at government-dictated rates. Secondly, they need to have the relevant expertise or critical mass to do the job; and, finally, they need to have no conflicts of interest. In the casino space that's been quite a challenge in terms of lawyers and accounts because the casinos are very large companies and they have lots of advisers. I think probably it would be fair to say all of the four major accounting firms are doing either audit or some other type of work for at least one if not both of the casinos, so they're not available to us. We've looked around and we search for people that can fulfil those criteria.

We go through a procurement process. You're probably aware much better than I am of the procurement process of the public sector. It's exhaustive to the extent that we have to manage any conflicts or potential conflicts. To the extent that there are any issues regarding a firm we're about to engage, then we handle that within our own operations at ILGA. I think you mentioned Mr Smith and McGrathNicol. The first point is, Mr Smith left McGrathNicol—I think I'm right—eight years ago, maybe nine years ago, so well before he joined ILGA. He gets no financial benefits from anything they do, but we take the view that he was a part of that firm some years ago so he doesn't participate in any discussions about retaining McGrathNicol. He leaves the room. We require declarations of conflicts of interest on any matter, whether it's to do with retaining consultants or whether it's to do with a contentious licensing matter. That's a requirement at the beginning of our meetings, and so he would exclude himself from any discussion around McGrathNicol.

**The Hon. MICK VEITCH:** Good corporate governance process would dictate that they would be recorded at the commencement of a meeting, so that's in the minutes.

**PHILLIP CRAWFORD:** Not only that, to the extent that there is a procurement process, that would be recorded in the procurement documents so that everybody, including the other side, knows that there has been a link there at some past time.

**The Hon. MICK VEITCH:** There's a pre-approved panel as well, particularly around probity auditors.

**PHILLIP CRAWFORD:** All of that. Yes, we go through that panel. Occasionally there is not the right expertise on that panel and if we need to go outside the panel, we need to put up a special case to government.

**The Hon. MICK VEITCH:** You spoke about Mr Smith. Mr Parbery, did he in the same manner alert the ILGA board?

**PHILLIP CRAWFORD:** Mr Parbery had retired from his firm and became a consultant. When he first came on at ILGA, I think that firm then merged with another firm which merged with another firm. I think there have been four, maybe five, iterations. The last firm he was consulting to then entered into an arrangement with international firm Kroll.

**The Hon. MICK VEITCH:** Yes, Kroll Associates.

**PHILLIP CRAWFORD:** He's had the same process as Mr Smith. He's had absolutely no involvement in anything we've had to do with Kroll. It's been disclosed in the procurement process and he excludes himself from any discussions involving—if they're going to be retained. What has happened with Kroll, they were actually retained by Crown but everyone knows and we disclosed that association. But he has no financial benefit from anything that Kroll does, and it's a very similar process to Mr Smith's. We manage conflicts; they do arise from time to time. We've got a very rigorous process for it.

**The Hon. MICK VEITCH:** When you say they exclude themselves from the decision, does that mean they actually leave the boardroom?

**PHILLIP CRAWFORD:** Absolutely.

**The Hon. MICK VEITCH:** They're not in the room at all when the discussion takes place?

**PHILLIP CRAWFORD:** Correct. Any declarations made, if they're discussions about you might know somebody who owns a pub and they've got an application in front of us, you leave the room and you are brought back in once that discussion is completed.

**The Hon. MICK VEITCH:** And they're recorded in the minutes. What is the process for ILGA when you appoint a firm as an independent monitor? We did touch on this but I just want to get it clear in my head. Do you go to the pre-approved panel? Is there a pre-approved panel for this? It's pretty specialised, isn't it?

**PHILLIP CRAWFORD:** Yes, we go to the government-recommended panels with the right expertise. Wexted, more recently we've retained them but we've retained them because of specific casino expertise. The principal of the firm and also a consultant that the firm engages are both very experienced in the casino space and we think they're absolutely suitable.

**The Hon. MICK VEITCH:** I just want to move on now to another area. It's to do with harm minimisation, but specifically in regional New South Wales. What action has been taken to make gambling counselling services more accessible in regional New South Wales? I think this might be Mr Keon.

**ANTHONY KEON:** Yes, thank you, Mr Veitch, I can handle that one. The Government, for this upcoming financial year, has allocated \$33 million towards gambling support services, and that's delivered through the Office of Responsible Gambling under the GambleAware banner. There were some significant reforms last year to consolidate those services to improve the service delivery. There are now 10 GambleAware providers throughout the State that do outreach into 78 key centres. That support is multidimensional, so it's through telephone call—GambleAware helpline—there are online chats, there is referral to online counsellors as well as a number of self-help resources that can be accessed, and I can give you some of the figures of the take-up on that if you'd like.

**The Hon. MICK VEITCH:** If you want to take them on notice and provide them on notice, that'd be good.

**ANTHONY KEON:** Yes, we've got all those.

**The Hon. MICK VEITCH:** Do you monitor the gambling losses within each regional community?

**ANTHONY KEON:** The Responsible Gambling Fund is overseen by a board of trustees, and as part of their trustee meetings they look at gambling trends throughout the State.

**The Hon. MICK VEITCH:** So if there was an area identified with high gambling losses, what is the time frame for intervention or is there intervention into those communities?

**ANTHONY KEON:** I think there are a couple of different elements to that. In terms of gaming machine turnover, there's not necessarily a direct correlation with harm. We are looking at problem gambling and other associated impacts from that. I will separate that out. In terms of those specific things when there is an application on foot, Mr Crawford—well, in his previous role—or ILGA considers all of that material, whether they will grant those, whether it is an extension of trading to allow gaming machines or increased numbers of gaming machines.

In terms of the problem gambling help, each of those GambleAware providers has a service delivery plan, and their performance against that is monitored by the Office of Responsible Gambling. We are looking at wait times, whether there is the appropriate level of services in there as well as we are just about to appoint a new provider for the gambling helpline service, for the phone call. They've got strict KPIs that they need to meet in terms of being answered straightaway, minimal call-backs et cetera. It is not the turnover we are looking at in terms of service delivery; it is making sure that people who are calling or seeking help are getting that help relatively quickly.

**The Hon. MICK VEITCH:** A couple of these next questions you might want to take on notice, unless you've got the figures there. How many GambleAware staff are located in regional New South Wales?

**ANTHONY KEON:** I would have to take that on notice, but there are 10 GambleAware providers that provide outreach to 78 centres throughout the State.

**The Hon. MICK VEITCH:** How many are there in metro New South Wales? So the same sort of thing.

**ANTHONY KEON:** I will take that one on notice.

**The Hon. MICK VEITCH:** How many GambleAware counsellors—the same thing—are located in regional New South Wales and how many are located in metro New South Wales?

**ANTHONY KEON:** Yes.

**The Hon. MICK VEITCH:** I might just go on to drink spiking, if I could.

**ANTHONY KEON:** Yes. I will take all of those on notice but, just to give you a flavour, for the last financial year there were 4,736 clients at GambleAware counselling and that resulted in 16,728 sessions—just to give you an idea of the volume that we are servicing.

**The Hon. MICK VEITCH:** With drink spiking, are licensed venues required to keep records of drink spiking incidents that occur on their premises?

**ANTHONY KEON:** Licensed premises that trade after midnight are required to keep an incident register. So if a drink spike was reported, then they should be recording that in their incident register. Primarily, drink spiking is a criminal offence and something that is regulated by police and would be considered under their framework as an assault.

**The Hon. MICK VEITCH:** Is there a requirement then to report those incidents of drink spiking to the police? Putting it in the register is one thing; do they have to report it to the police?

**ANTHONY KEON:** Not under liquor laws, unless they've got a specific condition imposed on their licence, which might be more general in nature and not necessarily related to drink spiking. Some premises have a crime scene preservation condition. So if there is a crime, they need to preserve the crime scene and also report that to police.

**The Hon. MICK VEITCH:** Is there a government body for a licensed venue to report suspected drink spiking to?

**ANTHONY KEON:** It is a criminal offence, so they should be reporting that to police.

**The Hon. COURTNEY HOUSSOS:** But if it is not reported to the police, is there any other way? So it goes in the register, and you are saying that it should be reported to police if it goes in the register?

**ANTHONY KEON:** No. If they've got a condition, and the general condition or the most common condition that we would see out there is a crime scene preservation condition. Venues that have that crime scene preservation and some of the high-risk precincts also have as a blanket condition that any time there is a crime—so in this case if there is an alleged assault through drink spiking—they have to preserve the crime scene, if there is one, and then report that to police. In those circumstances, they would be required.

**The Hon. COURTNEY HOUSSOS:** So you are saying that it should go in the register and that it should go to the police?

**ANTHONY KEON:** If they have that condition, yes.

**The Hon. COURTNEY HOUSSOS:** But say it is happening and it is not a condition on their licence, then who else is it getting reported to? Or is it just going into the incident register and that's it?

**ANTHONY KEON:** Yes, that would be the case, unless the victim—quite often we might get a victim complaint to us, or they make a complaint directly to New South Wales police. Some of the time there is not that realisation until the day after that they think they have been drink-spiked, so the venue is not aware of it at the time and it doesn't get reported because their friends or the like have taken them home and then the next morning they have said, "This doesn't add up in terms of what I've drunk." Quite often we've seen that it is ordinarily reported to the New South Wales police, but occasionally we get that reported to us and we refer that directly to New South Wales police.

**The Hon. COURTNEY HOUSSOS:** Is there any way where if someone is renewing their liquor licence or any other way that the Government checks in to see how much drink spiking has been occurring or if it is concentrated in a particular area?

**ANTHONY KEON:** Yes, we certainly do. We look at alcohol-related harm stats all the time and any time there is an application we will look at that and the police will put in a submission based on what they have linked to that venue. In terms of drink spiking, we have had anecdotal commentary that there has been a spike, but our discussions with police are saying that, overall, the stats are not showing that. But regardless, in conjunction with police we've launched a new campaign two weeks ago, "Think safe to drink safe." That involved a number of posters and resources both targeted at staff, in terms of what they should be doing, and also targeted at patrons. That has gone out through our liquor accord network, which is 144 liquor accords throughout the State, to distribute to all of their member venues. Regardless of whether the stats are supporting that or not, we want to be on the front foot and making sure we are putting out that education material.

**The Hon. COURTNEY HOUSSOS:** Yes, and it is an incredibly important issue, and that is exactly why you should be doing it.

**ANTHONY KEON:** Yes.

**The Hon. COURTNEY HOUSSOS:** And obviously questions of reporting or the reliability of the reporting data would be questionable. I think we all can accept that. I am just interested to know—you are saying that is if there is a fresh application—does that get covered for a renewal of a liquor licence?

**ANTHONY KEON:** There is no renewal.

**The Hon. COURTNEY HOUSSOS:** So that is it?

**ANTHONY KEON:** Licences are issued in perpetuity. But, should there be an increase in—we meet with New South Wales police and our regional coordinators I think every fortnight, where we discuss emerging issues and alcohol trends. Where we have identified—and not just in relation to drink spiking, but any increase in assaults, whether it is related to a specific venue or a specific area, then we look at what we can do from a targeted compliance response, either police-led, through Liquor & Gaming or as a joint operation.

**The Hon. COURTNEY HOUSSOS:** But my question is—I understand that if it is reported then it goes in the incident register, but is that the end of the story if it doesn't go to the police? Do you have any random checking? Do you track the numbers? Do you ask venues to report in to you about if they have had an increase?

**ANTHONY KEON:** Not specifically on drink spiking. We are constantly monitoring alcohol-related harm data generally in terms of targeting where we think we need to be, as well as other risk profiling in terms of late trading, concentration of venues. That is how we target our compliance activities.

**The Hon. COURTNEY HOUSSOS:** So there is no requirement on venues to lodge their incident register with Liquor & Gaming?

**ANTHONY KEON:** No. We can ask for that information where we feel it is required, but we are monitoring the reported assaults and reported incidents through the New South Wales police system—through their COPS database.

**The Hon. MICK VEITCH:** But they don't have to provide that incident?

**ANTHONY KEON:** Yes. If it is not reported in there, yes, I grant it you, but then we use other intel sources. So if we are getting a number of complaints, as we have more recently where there have been suggestions of increase, we have responded in that regard, regardless of the statistics.

**The Hon. MICK VEITCH:** I want to go to the RGF in the last few minutes of this first session—the Responsible Gambling Fund. How much has been paid into the RGF-controlled community benefit fund in the 2021-22 financial year? Is that possible?

**ANTHONY KEON:** Yes. So the 2021-22 community benefit fund?

**The Hon. MICK VEITCH:** Yes.

**ANTHONY KEON:** Sorry, I've got the expenditure.

**The Hon. MICK VEITCH:** You can take it on notice.

**ANTHONY KEON:** I might have to, or I can come back to you once I find it.

**The Hon. MICK VEITCH:** Yes, that's okay. You can come back later on this afternoon; that's fine.

**ANTHONY KEON:** Yes.

**The Hon. MICK VEITCH:** Again, how much money has been granted from the fund in total? If you've got the breakdown, you can table that too, if you want.

**ANTHONY KEON:** Yes, certainly.

**The Hon. MICK VEITCH:** If you could provide on notice a list of who the successful applicants were for the 2021-22 financial year?

**ANTHONY KEON:** Yes.

**The Hon. MICK VEITCH:** The GambleAware website only displays successful applicants to the fund from 2019. Is there a plan to update that at all?

**ANTHONY KEON:** I just want to check we are talking about the same fund, because there is the Community Development Fund and there is the community benefit fund.

**The Hon. MICK VEITCH:** This is the community benefit fund.

**ANTHONY KEON:** As far as I am aware, we are just about to launch a new grant round for the community benefit fund. We have budgeted about \$3.5 million this year, which is the bulk of the funds. I will come back and confirm it for you, Mr Veitch, but my assumption is that we haven't run that grant program in the last 12 months, therefore there has been no expenditure from it.

**The Hon. MICK VEITCH:** On liquor licensing fees, with the impacts of COVID-19 on the hospitality industry, have you undertaken a review of the existing licensing fee structures?

**ANTHONY KEON:** We've got a discussion paper coming out next month, which is looking at reforms to the liquor licence scheme, which will also include reforms to the liquor licence fees. But certainly during COVID, most recently, we have done an extension to pay. Venues were given until the end of this month, I believe, to pay—so a couple of months' extension. And then during COVID—and I can give you the exact figures—there were a significant number of fee waivers during the COVID period where the fees were waived entirely. I will just be a second; I will get those figures for you. So, in comparison, 2021-22 there were 18,043,000—sorry, let's say 18 million paid in liquor licence fees. During 2021 in the peak of COVID there was only 2,300,000 in fees collected because of the waivers and support that was provided by government.

**The Hon. MICK VEITCH:** Thank you. We might come back to those a little later on.

**The Hon. EMMA HURST:** I'll just start with a few questions to Mr Keon in regards to racing. In November last year the Thoroughbred Aftercare Welfare Working Group released a final report called "The Most Important Participant". That report has a comprehensive framework for improving thoroughbred welfare in Australia. Do you know if any steps have been taken in New South Wales to address some of the recommendations in that report?

**ANTHONY KEON:** Are you talking about the traceability initiatives?

**The Hon. EMMA HURST:** I think that there was a whole range of recommendations from that report. The report I am referring to is "The Most Important Participant". It was done by the TAWWG. There are quite a few recommendations. I can ask you about one of the key recommendations if you're not able to address all the recommendations. One of the recommendations from the report was that the racing industry should create a national welfare body to drive improved outcomes for thoroughbreds at all stages of life. Has there been any progress towards establishing that kind of a body in New South Wales?

**ANTHONY KEON:** Sorry, I do have that here. That report is currently being considered by the racing control bodies in consultation with government, so we're waiting to discuss their positions on those.

**The Hon. EMMA HURST:** What is the time line on that, given that that report was released in November?

**ANTHONY KEON:** I'd have to take that on notice.

**The Hon. EMMA HURST:** Yes, if you could let me know. So none of the recommendations at this point have been taken on because they are still under consideration?

**ANTHONY KEON:** I will double-check that and confirm with you, hopefully later this afternoon.

**The Hon. EMMA HURST:** Yes, this afternoon will be great. Racing NSW also introduced its minimum standards and guidelines for equine welfare. Can you explain how these standards are being enforced across racing participants in New South Wales? Who is actually watching over the new standards and guidelines?

**ANTHONY KEON:** Racing NSW oversees those standards. Racing NSW doesn't come under the direction or control of the New South Wales Government.

**The Hon. EMMA HURST:** I understand that.

**ANTHONY KEON:** They are responsible for enforcing or overlooking those welfare initiatives.

**The Hon. EMMA HURST:** Do you have any information as to how it's working, or is it a completely separate process?

**ANTHONY KEON:** It's a completely separate process.

**The Hon. EMMA HURST:** The Thoroughbred Aftercare Welfare Working Group report also states that Racing NSW has spent \$33 million buying and upgrading four properties designed for care and retaining and rehoming New South Wales thoroughbreds. That is on page 84 of the report. Can you tell me—it's okay if you take this on notice—how many horses have benefited from this program since its inception? How many retired horses are currently living on those properties?

**ANTHONY KEON:** I'll take that one on notice and I'd say we'll have to get that information from Racing NSW, so it's unlikely this afternoon. I would have to give a written response to that.

**The Hon. EMMA HURST:** On notice is fine. Thank you. I think Mr George might be the best one for this one. I think we might have spoken at previous budget estimates about mange at Bendeela. I previously asked

Minister Pavey about the situation in regards to wombat mange and the research trial that is being funded by WaterNSW in that location. It was meant to start a long time ago. It was delayed multiple times because of COVID. I wonder if you could give me an update on where the trial is up to and if it has commenced.

**ANDREW GEORGE:** Thank you, Ms Hurst, for your question. That treatment program actually started in April this year. The University of Tasmania is coming out every month for two nights to undertake that treatment program. The intent of that program is to last for about 12 months, so until early next year. In November we will be reviewing the frequency of that treatment program out there. I might say that the signs of recovery from mange disease have been observed to be treating the wombats and to be effective. There is a small handful of wombats every opportunity, so every month, that are being treated. At this stage we are seeing a much smaller population that have mange than were originally anticipated at the beginning of the trials.

**The Hon. EMMA HURST:** I think you said it was going to be reviewed in November. Will that be when it's concluded or will it conclude later than November?

**ANDREW GEORGE:** It may conclude later than November. As I said, it may go through to April next year. But the frequency of that treatment program is what is being reviewed. Certainly at that time we'll be considering at what point it would make sense to hand over to the local wildlife carer groups.

**The Hon. EMMA HURST:** Is it still the intention that the results of this trial will be made public so that it can be replicated in other locations?

**ANDREW GEORGE:** Yes, absolutely, that's the case.

**The Hon. EMMA HURST:** Thank you very much for that. I have some questions for Mr Griffin in regards to GWIC. I want to ask about the eTrac system that was announced earlier this year. I understand that GWIC was given \$3.6 million by the New South Wales Government to build the eTrac system. Is that correct?

**STEVE GRIFFIN:** That's correct.

**The Hon. EMMA HURST:** Was that additional one-off funding specifically for that project or did it come out of pre-existing industry funding?

**STEVE GRIFFIN:** No, it was an allocation from the capital fund for the Department of Customer Service.

**The Hon. EMMA HURST:** Was that the total cost of the project or are there further expenses that will need to be funded in the future?

**STEVE GRIFFIN:** No, that's the total cost of the project.

**The Hon. EMMA HURST:** How will Ministers ensure that every greyhound born into the industry will get registered on eTrac? How will we make sure that a litter of new puppies will end up on that system and not disappear?

**STEVE GRIFFIN:** That's because every participant, once a litter is born, is required to register that litter with the commission, and they do that because, obviously, every greyhound pup is very valuable to participants. But then within 10 to 12 weeks we then microchip and ear-brand the greyhound so we can identify that greyhound moving forward throughout its life cycle.

**The Hon. EMMA HURST:** Is there an enforcement in place to make sure that is happening other than the assumption people will do it because it's part of the requirements?

**STEVE GRIFFIN:** Yes. Under the racing rules, when we issue a direction—that is, a direction to have your greyhound scanned—if it hasn't been scanned in the calendar year, then that's a breach of those rules, which we can then take action against that participant for failing to do so.

**The Hon. EMMA HURST:** Thank you.

**Mr JUSTIN FIELD:** I might raise the first question with you, Mr Barnes. Thanks for your patience today, listening intently from the back. Can you give me an indication of the current number of active prosecutions in court that NRAR has? I think the last quarterly update was the March one. I want an update on that.

**GRANT BARNES:** Seven.

**Mr JUSTIN FIELD:** It's dropped a bit since March; I think it was 15. I understand you have recently withdrawn from a number of prosecutions. Can you just give us a little bit of information about that?



**GRANT BARNES:** We brought 34 prosecutions in the four years that we've been in existence. A number of cases this year have been withdrawn—a number of reasons for that I can go through here if you would like.

**Mr JUSTIN FIELD:** Give us the top line.

**GRANT BARNES:** The top line. I will give you an example: Two landholders from the Walgett area were charged with offences of pumping outside the flow conditions and failure to comply with a direction. Those charges were withdrawn, based on logbook inaccuracies and expert advice that I obtained regarding the gauging. The direction charge was subsequently withdrawn on the basis of the defendant's ability to comply with the direction.

**Mr JUSTIN FIELD:** What we are saying is, basically, the evidence that was collected using the logbooks to demonstrate breaches of the Act—that wasn't sufficient evidence, if I understand. There had been some sort of judgement that led to you coming to that conclusion and withdrawing from those prosecutions. Is that right?

**GRANT BARNES:** The Land and Environment Court had made a judgement earlier that had implications for other cases in which NRAR had acted.

**Mr JUSTIN FIELD:** If I understand correctly, the ones that you withdrew from—at least a couple of the ones you withdrew from—were prosecutions that came about as a result of the *Four Corners* "Pumped" program. Is that right?

**GRANT BARNES:** That's correct.

**Mr JUSTIN FIELD:** Can you give us a status of where all the prosecutions initiated as a result of the *Four Corners* "Pumped" program are at?

**GRANT BARNES:** Those matters have largely concluded with two successful convictions by my colleague Mr George of WaterNSW, and one by NRAR against the defendants Harris and the defendants Barlow. Other matters—those that aren't proceeding—have been subsequently withdrawn.<sup>1</sup>

**Mr JUSTIN FIELD:** How many related to the *Four Corners* "Pumped" program were withdrawn from?

**GRANT BARNES:** So four withdrawn; one was lost.

**Mr JUSTIN FIELD:** I noticed in the May board meetings a reference to a Janbeth prosecution. Is that one of the ones arising from "Pumped"?

**GRANT BARNES:** Yes.

**Mr JUSTIN FIELD:** And you've withdrawn from that one?

**GRANT BARNES:** Yes.

**Mr JUSTIN FIELD:** Was that a Harris one?

**GRANT BARNES:** Yes.

**Mr JUSTIN FIELD:** Okay. I noticed in the board meetings as well that you've continually raised issues about the duly qualified persons program. These are the people that are implementing and validating metering and equipment. Can you just very quickly outline your concerns with the DQP?

**GRANT BARNES:** The duly qualified persons are central to the implementation of the non-urban metering regulations. They're required by the regulations to either install or supervise the installation of the meters, to validate their accuracy and then to take the steps, where required, to install local intelligence devices and have some of those connected to the telemetry system. So it's quite a complex role.

**Mr JUSTIN FIELD:** What's your main concern?

**GRANT BARNES:** That there is some insufficient supply of DQPs in New South Wales to meet the demand that the non-urban metering regulations require.

**Mr JUSTIN FIELD:** You don't control this process at all, do you?

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<sup>1</sup> In [correspondence](#) to the committee received 27 September 2022, Mr Grant Barnes, Chief Regulatory Officer, Natural Resources Access Regulator, clarified the evidence given.

**GRANT BARNES:** No, I do not—NRAR does not control it. There are 200 DQPs registered at the moment, but we estimate about 50 of those are active in the installation and certification at the moment.

**Mr JUSTIN FIELD:** In these instances where you've had to withdraw from prosecutions as a result of problems with the logbooks and verification of evidence, if a DQP has done the wrong thing or made an error in installation, that could impact on future prosecutions, right, that you've got to bring?

**GRANT BARNES:** Prosecutions under the Water Management Act are to the criminal standard: beyond all reasonable doubt. It's an appropriately very high test, so the evidentiary burden sits with the prosecutor. It's important that we maintain a robust case that satisfies the magistrate. That's a very hard hurdle to undertake. Some of the elements arising from the *Four Corners* was the fact that these are cases from conduct of 2016-17.

**Mr JUSTIN FIELD:** Historical. Yes, sure.

**GRANT BARNES:** With the passage of time, it can add a challenge or an additional burden to sustain that evidential test.

**Mr JUSTIN FIELD:** It would be better though, wouldn't it, that the regulator, NRAR, trained and authorised and ensured that the DQP process, the installation and validation of metering—it would be better off if you did it, right?

**GRANT BARNES:** We're a busy regulator, Mr Field.

**Mr JUSTIN FIELD:** Do you want to do it?

**GRANT BARNES:** No.

**Mr JUSTIN FIELD:** You don't want to do it?

**GRANT BARNES:** No, I think the implementation of the rules sits best outside the regulator. Our job is to ensure compliance and that the laws are enforced. We work very closely with our department colleagues and WaterNSW, together, to implement what is a very ambitious program of water reform, which will ultimately see most water being taken in New South Wales be via an accurate meter, independently certified and telemetered.

**Mr JUSTIN FIELD:** Currently, a private company is paid to deliver the training of DQPs, develop and do the training, and sign off on their certifications.

**GRANT BARNES:** Irrigation Australia has a role in verifying the DQP. They can be trained through other RTOs.

**Mr JUSTIN FIELD:** We're relying on DQPs to ensure the metering installation program is delivered. Where is that at at the moment?

**GRANT BARNES:** What part of the program, Mr Field?

**Mr JUSTIN FIELD:** You used to provide relatively regular updates on where the metering installation at the various stages is up to and the percentage of compliant meters. Could you give us a top line on the percentage of compliant operators in each of the categories?

**GRANT BARNES:** If it helps, I can talk specifically about tranche one.

**Mr JUSTIN FIELD:** Yes.

**GRANT BARNES:** That's the greater-than-500mm works. As of 1 August over 90 per cent of those works have an accurate meter installed that has been independently certified. That's from 548 active works.

**Mr JUSTIN FIELD:** Yes.

**GRANT BARNES:** Now, 72 per cent of those works are now fully compliant in that they have been connected to the telemetry system. Of those 28 per cent of active works not yet fully compliant, most of those are because they are unable to connect at the moment to the telemetry system due to a number of circumstances. I can break it down further, if it's helpful to you.

**Mr JUSTIN FIELD:** I might put a series of questions on notice with regard to that.

**The CHAIR:** I might just pick up where we left with the Minister. Mr Bentley, has the Minister sought any advice from your department, before attending MINCO, in terms of where these Sustainable Diversion Limit Adjustment Mechanism projects are up to and how much time he should ask for in terms of an extension?

**JIM BENTLEY:** We've certainly reported to the Minister on where the projects are up to. I think the issue about how much extension of time do we need is a fairly complex one because some of these projects—

they're not all "build a piece of kit" type of projects. For example, the constraints program, as we used to call it—Reconnecting River Country—you're talking about many, many landholder negotiations and so on. So some of those things take a very long time.

The other thing, as we were talking about earlier, what was the Menindee Lakes project, which was rescoped because we didn't get community support—arguably, we were never going to get community support for the program as originally advised. How long will it take us to get community support for what we are putting forward now is a very difficult question to answer. I don't think my colleagues across the basin collectively have landed on how much more time would guarantee that we would do everything. I don't think myself and colleagues from other States have got there to be able to advise our Ministers accordingly. He gets regular updates. We're all talking about "We need more time". I don't think we've landed on exactly what the number should be.

**The CHAIR:** The Minister was pretty hesitant to, really, answer this question, so I put it to you.

**The Hon. MICK VEITCH:** Or any question.

**The CHAIR:** Yes, well, that's another matter. He was hesitant to really address this issue, and I'm sure your department has given this some thought. If an extension isn't granted for any of the States, including New South Wales, what are the options that are available to still meet those water saving targets that you've agreed to? What are the options available?

**JIM BENTLEY:** There's no simple option because at least one change—probably multiple changes—to the plan would need to be made whatever we do. I know that the question you were asking earlier, I think, was leading to the topic of potential buybacks, which everybody is concerned about. But there's only so much money that's currently budgeted in the Commonwealth for buybacks, and there's not enough money left in that total to buy back all of the water that would currently be forecast to be a shortfall if we don't extend the time scale. There has often been conversation that extending the time scale requires a change to the plan, which requires legislation. But, actually, not extending the time will also require a change because there isn't currently enough money budgeted for the amount of buyback if we don't make more progress.

**The CHAIR:** How much money would you need?

**JIM BENTLEY:** I can't answer that because it depends on market values. It depends also on what the analysis—

**The CHAIR:** A rough ballpark figure. Like, how short are we in that front?

**JIM BENTLEY:** I'll take that on notice.

**The CHAIR:** Sure. Can you give us an update in terms of those five accelerated projects? You gave me an update in March. How far progressed are we on those?

**JIM BENTLEY:** Shortly, if I may, I'll ask Ms Emery to update us because she's from my unit, Water Infrastructure. Just broadly speaking, 45 gigalitres per year of saving is due to come from that program. Fifteen gigalitres is either about to be or is currently in procurement. So we have progressed beyond the design phase that you were talking about this morning. That 15 gigalitres is definitely deliverable—when I say "definitely", unless some amazing event that we can't foresee occurs. That 15 gigalitres is deliverable before June 2024, so that phase of the project. There's another 30 gigalitres. Half of that, soon after 2024, and then the remaining third would be a year or so after 2024. That's the kind of broad overview. We've been discussing that with the Commonwealth. I know the CEO of Water Infrastructure and Ms Emery were down in Canberra, talking to Commonwealth colleagues just the other day on that topic. Ingrid?

**INGRID EMERY:** Just to provide an update, the Locks 8 and 9 and the Mid-Murray Anabranches projects are the most advanced of the five accelerated projects, with detailed design well progressed, and some early works are already underway for the Locks 8 and 9 project. The Koondrook-Perricoota project and Yanco Creek modernisation, Yanga and Millewa national park projects are currently completing concept designs. That includes preparing basis of design reports, preliminary procurement details, and delivery and operational plans as well as obtaining planning approvals for each project component. Completing this stage is a significant milestone and will guide these projects for the next stage of design ahead of construction.

**The CHAIR:** In the last 30 seconds, I did ask for those figure as of 9 March.

**INGRID EMERY:** I can provide those.

**The CHAIR:** Do we have an update in terms of those figures too? In terms of have we had more allocated? Have we spent more?

**INGRID EMERY:** The figures provided in response to your question we took on notice were actually just for the SDLAM acceleration component. There has been no further funding allocated. The total expenditure to date is—sorry, I did have it but I had it aggregated—\$28.2 million as at the end of June.

**The CHAIR:** I did ask before the break for a dissection in terms of where that money has gone to.

**INGRID EMERY:** We will need to take that one on notice. We can't do it today.

**The CHAIR:** That's fine..

**The Hon. MICK VEITCH:** I want to very briefly touch on regional cemeteries, probably in a bit more detail than we were going to get from the Minister this morning. The reality is that a number of local councils in the regions are still concerned and there's a bit of angst about the proposal as it relates to how they operate their cemeteries. Some are saying that they're fundamentally different to private operators and there should be a different category. Could you provide us with an update as to where this is all at? It might help further questions.

**JEN HICKEY:** Sure. My pleasure, actually. We've just closed consultation, which was the third stage of our consultation. Councils have been involved since the beginning. We've been working with them to understand what their concerns are. We understand that some of them are less, let's say, sophisticated in how they have their systems and processes. That was feedback that we received throughout the consultation process, especially from those regional councils. So we are aware that there's an issue there. In response to that, we have different categories based on size, so the number of internments that each cemetery does or each operator does.

**The Hon. MICK VEITCH:** Sorry, Ms Hickey, just to clarify, not population size?

**JEN HICKEY:** No.

**The Hon. MICK VEITCH:** The number of internments.

**JEN HICKEY:** The number of burials and ash internments. We recognise that for the ones that do less, there are less requirements. In fact, we've also recognised inactive cemeteries now—a caretaker cemetery, in effect, which doesn't have to do much at all. We've tried to stagger the requirements according to the size of the operator and the volume of internments that they do. In terms of that feedback, what we're doing to work with them is we've set up some council working groups and we're getting the councils that are a bit more sophisticated to help do a community of practice so they can help them through what it is that they do.

We're also trying to recognise equivalencies. So where they already report to council on things through their reporting framework, we're just trying to get some of those conditions a bit up to speed so that it's not a massive difference from what they already do. The other thing is we're also trying to provide explanatory material where we can, and provide templates and guidelines wherever we can. I'm happy to go and visit any of those councils and take them through it so we really understand where their issues are. We can't get away from the fact that some of them will have to put in some extra work. We know that, and I know staffing is an issue in those cases. But we're doing what we can to help them do that. The other thing that we're doing is we've given those smaller councils more time to get up to speed with the scheme, so full compliance won't be required until October 2024 for those councils that have less internments.

**The Hon. MICK VEITCH:** The main thing, you're working through the duplication or the potential to prevent duplication?

**JEN HICKEY:** That's right, the equivalencies, yes.

**The Hon. MICK VEITCH:** The small operators who don't qualify, there is going to be a category for those?

**JEN HICKEY:** Yes. There are four categories. Category four is the caretaker. They're the ones that don't want to do any more internments. They've pretty much closed up shop apart from what they've already sold. Category three is less than 50 internments. So the ones that do 50 a year on average have to do less. Category one is the bigger one. That is the one with the large private operators in it and the large Crown cemeteries and the large councils as well.

**The Hon. MICK VEITCH:** Remind me, what's the time frame for all of this to be in place?

**JEN HICKEY:** We're asking all of the operators to start applying for their licence from July next year, and that is over a staggered amount. So we're doing it in tranches with the smaller categories to be last on. Then the conditions are also switched on in staggered ways so that they get used to it as they go.

**The Hon. MICK VEITCH:** Thank you very much for that. It would be remiss of me not to ask this because I do at every estimates hearing for Crown Lands: Can we get a current status of the number of land claims as at today's date, please?

**MELANIE HAWYES:** I'm pleased you asked because we are quite proud of some of the progress that we've made with land claims. There is obviously an enormous number, which has remained large. But we've made incredible progress and in the last financial year signed off more than 500 positive land transfers, many of which went to land councils that have never previously had a land grant. You asked for the current statistic. It is 38,385. That is a statistic. But we are doing work in a number of areas to improve that, not just expediting the claims process, which is a complex statutory process, but more importantly working in a different way with the land councils to prioritise the claims that they wish for us to prioritise and to work on negotiated outcomes through Aboriginal land agreements to settle multiple claims and interests and unlock opportunities in that land. So we fundamentally changed the way we work with the land council network.

**The Hon. MICK VEITCH:** Did you say 38,385?

**MELANIE HAWYES:** That's correct.

**The Hon. MICK VEITCH:** That's an increase of how many on last year?

**MELANIE HAWYES:** I have that here, if you bear with me to find that stat. A couple of hundred from memory. It has grown by 209 from June last year. So we have seen that we're better able to keep pace. But as I said, more importantly, we fundamentally changed the way we work with the land council network.

**The Hon. MICK VEITCH:** Can you take on notice for me what are the five longest land claims that have been sitting on the books? What is the length of those claims that are yet to be resolved?

**MELANIE HAWYES:** Absolutely. Some of them are quite old and date from the initiation of the Act itself. There's no shying away from that. But they are complex claims for legal reasons that we're working through. I can take on notice the five oldest. Is that your question?

**The Hon. MICK VEITCH:** They are the ones, thank you. Can I talk about housing partnerships as well? They were touched on briefly this morning by the Minister on couple of occasions. He didn't quite relate to the question that we asked, but that's okay. Under the first action plan, the Government is piloting a housing partnership scheme with NSW Land and Housing Corporation to build up to 200 homes on Crown land in Cooma, I believe?

**MELANIE HAWYES:** Yes.

**The Hon. MICK VEITCH:** This is being done under a memorandum of understanding between the two departments with the intention of alleviating housing shortages in rural and regional areas. Can I ask some questions here? When will the MOU be made public?

**MELANIE HAWYES:** The MOU is a signed instrument between myself as the head of Crown Lands and the head of Land and Housing Corporation. It is essentially a public document in that sense.

**The Hon. MICK VEITCH:** Is it on the website?

**MELANIE HAWYES:** I'll have to take on notice if it has gone on the website. It's essentially an agreement to work together to—with Crown land, because it is public land, we need to be conscious of how the use of that land for the purposes of social and affordable housing delivers public values. It's a case-by-case assessment to determine which parcels of Crown land would be suitable and to work with land and housing as a delivery partner, and very often with Aboriginal interest holders who may have claims in that land, to negotiate outcomes that are essentially win-win for different parties.

**The Hon. MICK VEITCH:** If the MOU is a public document, are you able to table it with the Committee at some stage?

**MELANIE HAWYES:** I don't see why not, but I'll take it on notice. It may very well be on the web.

**The Hon. MICK VEITCH:** Thank you. You were talking about social and affordable housing. I suspect the pilot will take place and a variation of the pilot will then be rolled out across the State. Is that the plan?

**MELANIE HAWYES:** It's probably a little bit more nuanced that. We're working with Land and Housing Corp and other parties—I mentioned the land council, but also native title holders—to determine where there are parcels of land in areas that are experiencing housing stress that might be feasible for a development of this nature. It's not a blanket approach. It is quite nuanced and site specific, so we're looking at a number of sites that could be opportunity sites. Cooma was the first one to be struck as an agreement with the land council and

with LAHC and Crown Lands. There are other sites under consideration, but it's not a blanket approach. It's quite nuanced to the site, the characteristics of the site, and interests and claims on the site.

**The Hon. MICK VEITCH:** Thanks. At Cooma, do we know just yet how much will be social and how much will be affordable housing? Has that detail been determined?

**MELANIE HAWYES:** Well, the project will deliver as many as 250 social and affordable homes through LAHC on what is currently Crown land.

**The Hon. MICK VEITCH:** Do you know how many social?

**MELANIE HAWYES:** It's 250 homes. That's my understanding. Because it's through Land and Housing Corp, they are social housing homes.<sup>2</sup>

**The Hon. MICK VEITCH:** Just to be clear, this is not about selling off those homes at some stage? This is actually a part of a process with the Land and Housing Corporation?

**MELANIE HAWYES:** Yes, absolutely. It's recognising that there are areas experiencing acute housing stress and areas that would benefit greatly from increased social housing, looking at where those sites exist, partnerships that we can interact with—land councils and other interest groups—and work together, with Crown Lands providing the land and Land and Housing Corp providing the delivery.

**The Hon. MICK VEITCH:** The last part of my questions around this is about monitoring and reporting the progress on this. Is there a schedule and a process for making that monitoring public?

**MELANIE HAWYES:** We have a project plan, and my colleague here can speak to the LAHC side of the business. We have a project plan that we share to monitor progress. So, yes, there is a reporting approach in place.

**The Hon. MICK VEITCH:** Is it Mr Walker? I can't see.

**LEON WALKER:** Yes, I'm hiding around the corner. Both LAHC and the Aboriginal Housing Office—they also have interest in this program and would certainly be reporting against it as well.

**The Hon. MICK VEITCH:** That will be made public, though, won't it?

**LEON WALKER:** Yes.

**The Hon. MICK VEITCH:** Thank you. The Cemeteries and Crematoria Act 2013 specifies that one position of the board of Cemeteries & Crematoria NSW is reserved for someone with knowledge and expertise relevant to local government and local government matters. At last budget estimates that position had been left unfilled by the Minister for three years. Now, I could be wrong—I just want an update—but I suspect it is still unfilled. When will we be filling that position?

**MELANIE HAWYES:** We do have an update. It is in train, and I'll throw it to my colleague Ms Hickey to talk you through the process for that reappointment.

**JEN HICKEY:** We've received nominations from the Office of Local Government and also Local Government Professionals. I've spoken to Local Government NSW. They're running an EOI process now, which is closing by the end of this month. Once we have those nominations, we'll put that to the Minister for his decision and then endorsement by Cabinet, hopefully.

**The Hon. MICK VEITCH:** And are you working toward a time frame or is it, at this stage, not quite known? Are you in the process, just not quite sure when the process ends?

**JEN HICKEY:** Yes, in the process. But I expect that we'll be putting something to the Minister in the next month or two.

**The Hon. MICK VEITCH:** Okay, sooner rather than later?

**JEN HICKEY:** Yes.

**The Hon. MICK VEITCH:** What is the reason for it having taken so long to fill that particular position?

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<sup>2</sup> In [correspondence](#) to the committee received 29 September 2022, Ms Melanie Hawes, Deputy Secretary, Crown Lands and Local Government, Department of Planning and Environment, clarified the evidence given.

**JEN HICKEY:** So there was a candidate. There was a recruitment process in between that time. That candidate withdrew at the very end, so nothing happened since then.

**The Hon. MICK VEITCH:** Was there not a second applicant that may have been in the mix that we could have called upon?

**JEN HICKEY:** I'm not sure. That was just before my time, so I'm not really sure.

**MELANIE HAWYES:** I think the take-out is that it has been refreshed and re-energised, and we hope to appoint someone fairly soon.

**The Hon. MICK VEITCH:** Sorry, what was the phrase—refreshed and re-energised?

**MELANIE HAWYES:** Re-energised the process, and we hope to be able to appoint someone soon.

**The Hon. MICK VEITCH:** I like that phrase. Refreshed and re-energised—I'm hoping to do a bit of that in March next year myself.

**The Hon. COURTNEY HOUSSOS:** Can I just jump in with one? Sorry, I was a little late coming from lunch. I think I just missed, Ms Hawyes, your statement. You said that you were looking into it?

**MELANIE HAWYES:** Yes, thanks. There were a couple of things. This morning there was some discussion around the appointment of Leedar Investments and Ms Shearer as administrator. That conversation sort of went down a particular path, but there is nothing unusual for an administrator to be appointed as a corporate entity. Ms Shearer is the administrator. No other directors under that company holding are able to enact those functions. It's standard practice to appoint a corporate entity into an administrative role, so there was nothing untoward about that—and I'd like to clarify that for the record. The other point that I made after the lunch break was that we can provide evidence as to the transfer of those business names to Rookwood.

**The Hon. COURTNEY HOUSSOS:** Do you have a time frame for the transfer to occur?

**MELANIE HAWYES:** It's occurring at the moment, so we'll be able to provide you the documentation to show that that was always the intent and that it's being actioned.

**The Hon. COURTNEY HOUSSOS:** Excellent. Thanks very much.

**The Hon. MICK VEITCH:** Thank you very much. Can I now start the next round? I have a couple of questions for Mr Barnes. Good to see you again, Mr Barnes.

**GRANT BARNES:** Thank you.

**The Hon. MICK VEITCH:** Hopefully Siri doesn't interrupt our conversation like it did your last conversation. As I understand it, there's either a restructure going on with NRAR or there's a change in your staffing profile. Can you explain to the Committee just what that looks like and why?

**GRANT BARNES:** We've organised primarily the executive at NRAR. That new structure went live a couple of weeks ago. There were a couple of drivers for that change, Mr Veitch. One was just acknowledging that we're four years old as an agency and the landscape in which we work has changed quite considerably. One, notably, is a good thing; it's now raining—possibly more in places than is desirable. But we've gone from severe drought into a cycle of certainty in terms of water. That's affected how we deliver our work. No longer are we subject to substantial volumes of complaints from the public making allegations of water theft. In fact, that's dropped off from hundreds a month down to 10 to 15 a month. That's enabled us to reposition ourselves to be more proactive rather than reactive.

As a consequence, we've been able to divert more resources into our regulatory priorities, spending much more of our time, for instance, in the non-urban metering regulation space and ensuring the successful implementation of that program. We're gearing up to support the implementation of floodplain harvesting and so forth. What we've done is codify all that work under a regulatory initiatives branch under a new executive. Similarly, we see that often times water users want to comply. They have the motivation to comply. But, as you'll appreciate, the water management framework is very complicated. It's complicated for officials and it certainly is complicated for water users. Often they need assistance. They want a helping hand. When the phone rings, they want someone to answer who has knowledge of the legislative framework to give them the right advice.

So we've also set up a branch that provides education and engagement directed to landholders through cups of tea and biscuits on the farm, building that relationship. I'm really pleased I've got a new director of education and engagement out there as well. Thirdly, what we've also done is consolidate all our investigative functions under one single branch manager. Our new director of investigations, a former investigator in ICAC, brings considerable expertise to the agency and will help us to build on the successes of the last four years in terms

of our enforcement action and our prosecutions. I give some comfort to the Committee that the number of frontline officers that we deploy was 115 prior to the change and it's 115 now. But we're also the beneficiaries of new funding through Treasury, through the new policy proposal—an additional \$12 million over three years—which will see us deploying additional frontline staff, upwards of 20 to 25, all regionally based boots on the ground.

**The Hon. MICK VEITCH:** I'm glad to hear there's a bit of work being done on the education side of this as well, because that's critically important. But just to be certain, 100 per cent, there has been no reduction in the compliance officers within NRAR and that compliance activity will still operate?

**GRANT BARNES:** It was 115 before; it's 115 after. But in a couple of months we'll have a new wave of keen regulators out in the field—about 20 to 25 more, all regionally based staff. We're a growing agency. It's an exciting place to be.

**The Hon. MICK VEITCH:** Thank you. Mr Barnes, does NRAR operate a fleet of drones?

**GRANT BARNES:** We do.

**The Hon. MICK VEITCH:** How many?

**GRANT BARNES:** Eighteen.

**Mr JUSTIN FIELD:** And how many can you fly?

**GRANT BARNES:** None.

**The Hon. MICK VEITCH:** Can I ask, Mr Barnes, whereabouts did you source those drones from?

**GRANT BARNES:** I believe they are DJI Matrice drones. It's a very important question to ask. I think, to give you assurance, that we are doing so in a way that protects the agency but also protects the people.

**The Hon. MICK VEITCH:** You know where I'm going with this, don't you?

**GRANT BARNES:** I do, indeed. Would you like me to stop?

**The Hon. MICK VEITCH:** Keep going.

**GRANT BARNES:** Clearly, with the information that we collect we need to make sure that we are adherent to the relevant privacy and personal information protection. Also, in terms of the integrity of the information that we collect and how that is stored, that has to be done in accordance with the Government's cybersecurity requirements. Because we are an enforcement agency, we have an additional layer of protection that ensures that any information that is contained is done so in a highly safe and secure environment, concordant with the State Records Act and so forth.

**The Hon. MICK VEITCH:** The staffing profile we were talking about earlier, does that include a unit that is looking at your cybersecurity arrangements and profiling the risk that may be associated with things such as a fleet of drones?

**GRANT BARNES:** I have an intelligence team that helps us to be intelligence led and knowing where the problems are. In terms of maintaining the drones and ensuring we comply with the ICT requirements, we are supported by the department and all their skilled ICT staff in that regard.

**Ms ABIGAIL BOYD:** I understand that questions were asked by my colleagues in relation to drink and needle spiking. I just wanted to cover off a couple of final questions on that. I think that is to you, Mr Keon. Firstly, in the Minister's answer earlier he referred to the numbers of instances as being steady. Is that your view as well, Mr Keon?

**ANTHONY KEON:** To clarify, I believe the Minister was referring to alcohol-related assaults, non-domestic violence, as being steady over the last two years and then a slight decline over the last five years. In terms of the drink spiking, we have had anecdotal information come to us that they have seen a rise, but we haven't been in discussions with police. The advice from police is that statistically they haven't seen a rise. Notwithstanding that, in the last two weeks we have released a new educational awareness campaign, campaigning in conjunction with New South Wales police—Think Safe to Drink Safe. We released that out through our liquor accord network, I believe last week. It has gone to 144 liquor accords and that is two pronged. There are a whole lot of resources which are internal facing for staff in terms of what they can do to better identify and support and then there is also a patron education campaign associated with that, including a number of posters and resources reminding people to not leave drinks unattended and to watch what they are drinking.

**Ms ABIGAIL BOYD:** The first line on that poster is that drink spiking is on the rise. So that was certainly the impression that that leads to.



**ANTHONY KEON:** Yes. Statistically, the advice from police is that we are not seeing that. But, again, when we get any information, we still want to be proactive. So we have launched that campaign to do that.

**Ms ABIGAIL BOYD:** Certainly, anecdotally I think—

**ANTHONY KEON:** Anecdotally. As some of your colleagues pointed out, these things are not always reported. We don't want to just be relying on statistics to say whether we are going to act or not. There was enough there for us to say, "We believe we should be doing what we can to help educate and raise awareness."

**Ms ABIGAIL BOYD:** As part of that program, is there training or is it just an information pack?

**ANTHONY KEON:** It's not training; it's awareness and resources. I can give you the specifics as to what they are. It certainly gives prompts as to what people should be doing.

**Ms ABIGAIL BOYD:** And how to recognise perpetrators at the bar and that kind of thing?

**ANTHONY KEON:** Let me pull it up and I can give you the specifics of the campaign. The patrons focus on trusting your instincts, looking out for each other and knowing what you're drinking. The venue posters are focusing on knowing what you're serving, monitoring the environment, knowing what to look for and having up-to-date RSA training and making sure you have done the online refresher training.

**Ms ABIGAIL BOYD:** Under "Knowing what to look for", is that knowing not only the behaviour of the victim but also the potential behaviour of perpetrators?

**ANTHONY KEON:** I'm not sure, but those resources are on our website. You would be able to see the specifics of those.

**Ms ABIGAIL BOYD:** I have a couple of racing questions. Firstly, there was this world-publicised case involving the Racing NSW investigation and guilty findings against New South Wales racehorse trainer Kim Waugh and the jockey as well, resulting from the cruel and excessive overuse of sharp spurs on the racehorse named Tarsus, I think it is pronounced. Do we know in whose care Tarsus has been placed?

**ANTHONY KEON:** No, we don't. That's the responsibility of Racing NSW to monitor that situation and take any appropriate action.

**Ms ABIGAIL BOYD:** So it's not something that we get reported back to us in any form?

**ANTHONY KEON:** No, it's not.

**Ms ABIGAIL BOYD:** We may need to take this one on notice, but I'll ask it and see. In terms of greyhounds that are turning up at pounds and shelters, are you able to tell me how many greyhounds were impounded as seized or surrendered in New South Wales pounds or shelters in each of the financial years since 2018-19?

**ANTHONY KEON:** I don't have that. I'll see if Mr Griffin does.

**STEVE GRIFFIN:** I'll have to take that on notice, if you don't mind.

**Ms ABIGAIL BOYD:** It's quite specific. I totally understand.

**STEVE GRIFFIN:** I can give you the comparison, certainly, of euthanasia in council pounds and the RSPCA versus the industry. That provides an interesting context.

**Ms ABIGAIL BOYD:** Okay.

**STEVE GRIFFIN:** We have done a comparative analysis of—and I think the Deputy Chair here had an inquiry in relation to euthanasia at council pounds and so forth. We are actually working to change our rehoming policy to prohibit the lodgement of greyhounds at council pounds, just so you are aware of that process. In the 2021 financial year there were 471 greyhounds, 92 per cent of which were euthanised due to illness and other issues. Basically, non-medical euthanasia is very favourable when it comes to greyhounds. Only 4 per cent of greyhounds in New South Wales in the industry were euthanised due to being unable to be rehomed, whereas in council facilities it was 10 per cent. It's less than one-third than you would normally see in council pounds. Greyhounds that are euthanised due to unsuitability as a domestic pet is quite significantly high in council pounds, 51 per cent; RSPCA facilities, 75 per cent; and the greyhound racing industry is only 4 per cent. Comparatively, euthanasia due to unsuitability for rehoming is very low in the greyhound racing industry.

**Ms ABIGAIL BOYD:** Just while I have you there, Mr Griffin, I'm sure you are aware of the recent live baiting exposure in South Australia, which has led, so far, to three participants having their licences suspended.

**STEVE GRIFFIN:** Yes.

**Ms ABIGAIL BOYD:** Can you confirm if any of those South Australian participants had greyhounds that had been transferred from New South Wales?

**STEVE GRIFFIN:** I can't confirm that. I will have to make inquiries and take that on notice.

**Ms ABIGAIL BOYD:** Thank you. That would be very useful.

**Mr JUSTIN FIELD:** Mr Barnes, I might come back to you, if I could, to finish off the previous line of questioning. With regards to those prosecutions that you have withdrawn from, is NRAR currently considering civil action?

**GRANT BARNES:** With respect to the withdrawn cases?

**Mr JUSTIN FIELD:** Yes. You have the powers under the Act to pursue civil action where you are not able to meet the criminal level of proof, I assume? Well, we know.

**GRANT BARNES:** My reluctance here is that I think, in general, it's best that I don't describe in an opening setting like this what may well be, Mr Field, still an open investigation.

**Mr JUSTIN FIELD:** The NRAR has no barriers to pursuing civil action where it sees that as a useful avenue, without going into specifics.

**GRANT BARNES:** Generally, we have a full suite of tools available, both criminal remedies and civil.

**Mr JUSTIN FIELD:** I think just before the ministerial changeover, Minister Pavey proclaimed the section of the Water Management Act that switched on the requirement to have floodplain harvesting licences to be able to engage in that form of take. It remains a little unclear to me exactly what the effect of that proclamation is on the legality of floodplain harvesting, particularly now in those valleys other than the Gwydir and the border rivers, where licences have been issued. Can you clear that up?

**GRANT BARNES:** I won't give you legal advice—I'll be consistent there, Mr Field. But what I can say is to take water in New South Wales under the Water Management Act you must do so in accordance with the terms and conditions of the licence or approval, unless it's exempt or part of the basic landholder right. Now, what do we do when it comes to floodplain harvesting? We actively surveil those events. We use considerable smarts and satellite technology and so forth. We are able to detect where water moves, where it's abstracted, stored and subsequently used.

**Mr JUSTIN FIELD:** Sure.

**GRANT BARNES:** We have active investigations underway at the moment stemming from a number of floodplain harvesting events. Where it's licensed, it's a much easier situation for us to pursue from a regulatory standpoint than where it is unlicensed.

**Mr JUSTIN FIELD:** We've had a number of those events, particularly in 2020, 2021 and 2022. You've been conducting surveillance over that time. Have you got a sense of how much water has been taken through the process of floodplain harvesting across those different events?

**GRANT BARNES:** I could speak to events in 2020 and 2021. Through a series of surveillance, we were able to detect ones in the March-April period where it would appear from our surveillance that water was being taken unusually. That was an event where the department and ourselves determined about 200 gigalitres of water was abstracted through the flood event, which we're investigating now as a result of that around 26 instances where water taken was quite considerable and would be in excess of what might be, or what has been, granted through a floodplain harvesting licence entitlement.

**Mr JUSTIN FIELD:** Given that at that stage the licences hadn't been granted, are you talking about in excess of what that landholder may have expected to have been entitled to once the process had been finished, or the fact that they didn't have licences sort of triggered that for you?

**GRANT BARNES:** The former.

**Mr JUSTIN FIELD:** Right. Okay. So in excess of what they would likely have been issued in terms of the licence, once this process has concluded.

**GRANT BARNES:** Now subject of active investigation.

**Mr JUSTIN FIELD:** So 26 instances?

**GRANT BARNES:** Yes, 26 instances, and we've currently deployed out onsite in seven of the highest.

**Mr JUSTIN FIELD:** Have any prosecutions been commenced in regard to this, or are you still investigating?

**GRANT BARNES:** Still investigating. It's extraordinarily complex where we are at the moment with deploying staff in the field to collect information. I say to you that all options are on the table, both criminal and civil.

**Mr JUSTIN FIELD:** Do you have a breakdown for each of those different flood events, the volumes of water in each of the valleys that you've identified that are suspicious?

**GRANT BARNES:** Do we have access? Yes. We have the ability to monitor those situations.

**Mr JUSTIN FIELD:** Yes, but are you able to provide a valley-by-valley breakdown of the volumes of water that were taken in those different events that you think reflect floodplain harvesting take?

**GRANT BARNES:** The most recent one we had is the one just mentioned where it was calculated around about 200 gicalitres. That was before the storages had all filled. You find in the circumstances now it's mostly full. It was around 200 gicalitres.

**Mr JUSTIN FIELD:** Okay, that's understandable. The other question I just wanted to follow up was—actually, I might move on. I might come back later, if I can, Mr Barnes. Mr George, what is the status of the preferred infrastructure report and response to submissions for the Warragamba Dam raising proposal? You're taking your time. You must be nearly finished.

**ANDREW GEORGE:** We're very close, Mr Field.

**Mr JUSTIN FIELD:** What does "close" mean?

**ANDREW GEORGE:** We are hoping to complete both of those documents by the end of this month, subject to, then, the assurance reviews that we undertake and we hope to be submitting those documents to Planning next month.

**Mr JUSTIN FIELD:** Have you had to seek additional budget for the additional work that needed to be done on the preferred infrastructure report?

**ANDREW GEORGE:** No.

**Mr JUSTIN FIELD:** So that was under the existing budget?

**ANDREW GEORGE:** It was.

**Mr JUSTIN FIELD:** I think there'd been money taken from the Climate Change Fund initially, which had been used for the preparation of the EIS.

**ANDREW GEORGE:** Correct.

**Mr JUSTIN FIELD:** Was it coming out of that, or was it just other money that WaterNSW made available for this project?

**ANDREW GEORGE:** No. We're delivering the concept design and EIS under contract to Infrastructure NSW, and that funding via Infrastructure NSW is from the Climate Change Fund, as you say.

**Mr JUSTIN FIELD:** Was any other field analysis done to the additional work required on the preferred infrastructure report?

**ANDREW GEORGE:** Yes. Quite a bit of additional field work has been undertaken. That is what has taken us some time. We've done a number of different studies. We have been delayed because of the floods, most recently in July.

**Mr JUSTIN FIELD:** Sure.

**ANDREW GEORGE:** So, for example, we were out doing additional studies downstream at Longneck Lagoon. We've been undertaking some geomorphological studies. They were delayed by about six weeks as a result of the flooding, so that's why we're a little bit later than what we had planned. There are quite a number of new studies being done.

**Mr JUSTIN FIELD:** Have any of your fundamental assumptions changed about upstream impacts as a result of the recent flood events? Obviously, the biodiversity impacts that were going to be addressed through the EIS were based on assumptions about the likely impact of a flood event and any additional impacts would be offset if those events eventuated. We've now seen the some of those very events eventuate. Have your assumptions in regards to biodiversity impacts upstream changed?

**ANDREW GEORGE:** They have. As a result of the flooding, both in south-east Queensland and in New South Wales we have been able to do comparative studies to see the direct impacts of inundation and flooding on the ecology. Those reports will be available as part of the preferred infrastructure report. They do indicate that there is not as much impact as the conservative approach we took in the EIS. We're providing that information as more scientifically robust information, given at the time of the EIS we didn't have as much information because the EIS was developed, frankly, during what was predominantly a drought. However, that is then informing the measures that we'll be proposing for land management and managing those impacts as part of the EIS.

**The Hon. EMMA HURST:** Just turning back to Mr Griffin, I might just ask a couple of follow-up questions from the topics that were discussed with Ms Abigail Boyd in regards to euthanasia. To your awareness, do you know if the target date for achieving zero unnecessary euthanasia is still 1 July 2023?

**STEVE GRIFFIN:** Yes. That's a requirement of Greyhound Racing NSW to establish that as part of their operating licence.

**The Hon. EMMA HURST:** Do you know what that definition of the "unnecessary euthanasia" would mean? I know that that line can be quite blurred when you talk to councils. I'm not sure if you have any insight.

**STEVE GRIFFIN:** Yes. I think that's still to be worked out. I've just had some recent discussions with the new CEO of Greyhound Racing NSW because that needs to be developed fairly quickly so that we can then have some consultation with stakeholders in the industry and also Government to make sure everyone's satisfied with that definition.

**The Hon. EMMA HURST:** And will that be public once that definition's put out?

**STEVE GRIFFIN:** Yes.

**The Hon. EMMA HURST:** Great. Just back onto the e-tracking system, do you know at what point the dogs will be registered on eTrac? Will that be required at birth or when microchipped? Is there a specific time?

**STEVE GRIFFIN:** Yes. So, e-tracking is obviously every time we come in contact with the greyhound. As I said, when we first microchip an ear brand, it's recorded, and every time it's taken to a vet or it's taken to training, it gets scanned. We have these scanning touchpoints throughout the State and also when they're racing. Really, the only outbound notifications that we send to participants are where, obviously, the greyhounds are retired and still residing with participants. There is notification to say, "Look, your greyhound has not been scanned or checked in and we haven't received any information or notification about that greyhound for the past 12 months. Please take it to one of these touchpoints to be scanned."

**The Hon. EMMA HURST:** But when will they actually be registered on the eTrac system? Is there a requirement? Can you take a dog that's two years old that you suddenly decide to get into racing, or is there a requirement—like at birth—or is it something at the first point of time which they'd go on and there is microchipping, would it?

**STEVE GRIFFIN:** Yes, it's microchipping. As soon they're 10 or 12 weeks, when they're microchipping the ear brand, they're automatically placed on the NSW Greyhound Register and that makes it a requirement to have them tracked throughout the greyhound's life cycle within the industry.

**The Hon. EMMA HURST:** So there's a requirement for a touchpoint when they're training or racing, so that's kind of how you'll make sure that there is no invisible class of dogs that are not on the eTrac system?

**STEVE GRIFFIN:** That's right. So they're all on the register. Those that are actively training or racing—obviously the scanning touchpoints track those greyhounds every day. But there's a certain cohort of greyhounds that are retired or pre-racing. Unless they're going to the vet where the vet would scan them, then they would be the ones that we'd push out notifications to the owners of those greyhounds and say, "Please get them scanned so we can verify that they're still alive and well."

**The Hon. EMMA HURST:** In regards to when they are retired from the system—and I know that this is a problem that's been around for a long time, that change from being a dog in the industry to a companion animal—how will we track those dogs to make sure that they're properly rehomed and not killed or abandoned at any point after their time in the racing industry?

**STEVE GRIFFIN:** I said this at another inquiry, but as a greyhound is rehomed we place that greyhound on the NSW Companion Animals Register. We then ring the new owner and check their bona fides—that they're a bona fide real person. If they have never had a greyhound before, we send them literature on how to care for a greyhound, because they're a little bit of a different breed. Then we also monitor that individuals aren't receiving an inordinate number of greyhounds, because obviously that could be a problem. But once they're on the

Companion Animals Register then obviously, in terms of welfare of the greyhound, that falls into the province of the RSPCA, the Animal Welfare League NSW and local councils.

**The Hon. EMMA HURST:** Once the greyhound is out of the industry, obviously you've got the tracking for that first stage, but following that the animal could potentially get lost and we then don't know what's happened. But that's a separate system?

**STEVE GRIFFIN:** Yes, it certainly won't be on our e-tracking system. It comes off our register because it's placed on the Companion Animals Register. Obviously we don't want to be duplicating it. But under the legislation, once a greyhound comes off the register and is placed on the Companion Animals Register, it no longer falls within the compliance regime of the commission.

**The Hon. EMMA HURST:** The NSW Pet Registry is undergoing some major upgrades, which is going to take quite some time unfortunately.

**The Hon. MICK VEITCH:** Finally!

**The Hon. EMMA HURST:** Do you know if the new e-tracking system will actually interact in some kind of useful way with the Pet Registry? Are we going to make sure that the two systems are designed in tandem so they can seamlessly interact?

**STEVE GRIFFIN:** Yes, that was always part of the business case and the plan when we had the business case at the beginning of 2021. That was at the same time, I think, that the Office of Local Government was putting forward a business plan for funding for the new companion animals and pet register, and we were hoping to reach a delta at the same time. Unfortunately that hasn't happened. But we still have plans and are liaising with them. I understand that we could be using the same technology platform, which would make it simpler and easier for the two systems to talk to each other.

**The CHAIR:** We will now break a little bit early for afternoon tea, returning at 3.40 p.m. I indicate the Committee members have informed me that they will no longer require Mr Darren Cleary or Ms Jen Hickey for the remainder of the session. In the Committee's view, you are both free to have an early mark. I do envisage that there may be a few quick dismissals after the end of afternoon tea.

**The Hon. MICK VEITCH:** As in departures from the hearing.

**The CHAIR:** Departures, yes.

**The Hon. MICK VEITCH:** Not dismissals.

**The CHAIR:** No, I don't have that power.

**(Mr Darren Cleary and Ms Jen Hickey withdrew.)**

**(Short adjournment)**

**The CHAIR:** Welcome back after that short break. Before I give the call to the Opposition, Mr Bentley, I think you had a correction to make.

**JIM BENTLEY:** Yes.

**INGRID EMERY:** I just wanted to correct the figure for the SDLAM acceleration money spent to 30 June 2022. It was actually \$37 million; I said 28.

**The CHAIR:** Thank you. We will go to the Opposition.

**The Hon. MICK VEITCH:** Thank you. Mr Crawford—

**ANTHONY KEON:** Sorry, Mr Veitch, I've got the answer to some of those earlier questions, if you want to just tackle those now. In terms of the GambleAware staffing, for metro there are 92 GambleAware staff and there are 48 regional staff. As a subset of that, in terms of counsellors there are 66 metropolitan and 28 regional. In relation to the Community Development Fund—and I just want to be clear about this because there are two—

**The Hon. MICK VEITCH:** There are two funds.

**ANTHONY KEON:** —similarly named funds, the Community Development Fund and the Community Benefit Fund. In terms of the Community Development Fund, there was \$1.4 million in revenue for the 2021-22 period. There was \$76,000 paid out of that, which was a carryover from the previous year's grants, which have been published on the New South Wales grants hub.

**The Hon. MICK VEITCH:** Thank you.

**MELANIE HAWYES:** Mr Veitch, I've got the five oldest land claims, if you want me to go through them now. I can take it on notice.

**The Hon. MICK VEITCH:** Just take it on notice, thanks.

**MELANIE HAWYES:** Okay.

**The Hon. MICK VEITCH:** Thank you, though. Mr Crawford, I want to come back to clarify a couple of things around the disclosure of interests. I may have this wrong, hence I'm asking for the clarification. When a member of the ILGA board declares a pecuniary or conflict of interest that is recorded at the start of the meeting in the minutes, are such disclosures publicly available? Or is there a book that you record them in?

**PHILLIP CRAWFORD:** I think so. I think that's right. I'd have to double-check that. But it's the second item on our agenda at every meeting.

**The Hon. MICK VEITCH:** I'm advised that the Act states:

- (3) Particulars of any disclosure made under this clause must be recorded by the members of the Authority in a book kept for the purpose and that book must be open at all reasonable hours to inspection by any person on payment of the fee determined by the members of the Authority.

That's been sent to me. Is there a book for conflicts or pecuniary interests, or is it just recorded in the minutes?

**PHILLIP CRAWFORD:** Certainly it's recorded in the minutes. Whether the book is now being kept, I'm not sure.

**The Hon. MICK VEITCH:** Can you take that on notice and get back to us?

**PHILLIP CRAWFORD:** I will, absolutely.

**The Hon. MICK VEITCH:** It also says there is a fee. As a matter of interest, if you could take it on notice, what is that fee?

**PHILLIP CRAWFORD:** I'll have to take that on notice.

**The Hon. MICK VEITCH:** Thank you very much. Dr Bentley, this morning I was talking to the Minister about Torana Estate in Austral—

**The Hon. COURTNEY HOUSSOS:** Sorry, I've just got one more follow-up on that for Mr Crawford. Are the minutes available publicly?

**PHILLIP CRAWFORD:** The minutes are published on our website every month.

**The Hon. COURTNEY HOUSSOS:** Thanks very much.

**The Hon. MICK VEITCH:** This morning when we were discussing this with the Minister, he went through—essentially it is about the delay. He indicated that the resolution with the developer is in train. My word is "imminent" but that's not quite what the Minister said. I don't want anyone to think I'm putting words in his mouth. What is the time frame we can expect for this to be resolved?

**ROCH CHEROUX:** Yes, absolutely. The solution is actually on the table and has been on the table for a few months now. The solution is for the developers to take up. At this stage the developer has refused to take up the solution that is on the table, which is the interim operating procedure, which gives a possibility for the developer to connect to the network now. That's what the Minister was saying. The solution exists. It's on the table. It's now for the developer to accept the solution and to implement the solution.

**The Hon. MICK VEITCH:** Whilst we wait for the developer then, these poor people have no resolution to this issue.

**ROCH CHEROUX:** Absolutely. That's a situation that we are following closely because we do understand what situation these people are in. We are trying to convince the developer that they have to do something, but at this stage the developers have not moved.

**The Hon. MICK VEITCH:** Do we have a time frame at all? The installation of the system may be as late as June 2023, my notes here say.

**ROCH CHEROUX:** Are you talking about the Torana Estate?

**The Hon. MICK VEITCH:** Yes.

**ROCH CHEROUX:** For the Torana Estate, the solution is on the table. There is a possibility to have an interim operating procedure for the developer to implement. This solution has been on the table for a few

months. The problem we have is that developer doesn't want to play ball. They don't want to implement the solution.

**The Hon. MICK VEITCH:** There is a stalemate?

**ROCH CHEROUX:** Until we get the developers to accept that they have to do something for their customers.

**The Hon. MICK VEITCH:** And in the interim they don't have water.

**ROCH CHEROUX:** No, there are no houses on the development at this stage.

**The Hon. MICK VEITCH:** Yes, but you're not going to build and move into a place until this is resolved.

**The Hon. COURTNEY HOUSSOS:** They're not allowed to.

**The Hon. MICK VEITCH:** They're not allowed to.

**ROCH CHEROUX:** No, they're not allowed to. No, absolutely. We are in a situation where this Torana Estate was far away enough from our network so that they have to wait for the network to be built. But in the meantime, wherever it is in the Greater Sydney area, if a developer wants to move on with developing a piece of land that is far from the existing network, they can do it. But then they have to discuss with Sydney Water so that we can find what we call an "interim solution", which is connecting this piece of land to the network until development will reach this piece of land that they're developing.

**The Hon. COURTNEY HOUSSOS:** Is there an additional cost to the developer as a result of the interim solution?

**ROCH CHEROUX:** Absolutely.

**The Hon. COURTNEY HOUSSOS:** What's the total cost?

**ROCH CHEROUX:** I have to take that on notice.

**The Hon. COURTNEY HOUSSOS:** Give us a rough ballpark figure. Is it tens of millions of dollars?

**ROCH CHEROUX:** No, absolutely not.

**The Hon. COURTNEY HOUSSOS:** Is it \$100,000?

**ROCH CHEROUX:** No, no, no, we're not talking tens of millions of dollars. I'll get back to you with the cost. Just to be completely clear about what it is, for Torana Estate we're talking about a situation where we have a piece of land that is far from the existing network that the developer has decided to develop. Technically they can do that, but we can't ask for all the customers in the Greater Sydney area to pay for the connection of this piece of land to the main network. That would be completely unfair. So in that sort of situation when it happens, the developer has to fund the connection between their development and the existing network, and this is exactly the situation that we are in with Torana Estate. What we do in this sort of situation, we say, okay, there is an interim solution which is building a pipe here, using another one that is existing there et cetera, but then the developer has to pay for the price of the connection, which is fair because if they don't then it means that all our customers would have to pay for it.

**The Hon. COURTNEY HOUSSOS:** Has the Government stepped in in any other circumstances? Sorry, let me go back a step. How many of these interim solutions have you actually put into practice before?

**ROCH CHEROUX:** Many.

**The Hon. COURTNEY HOUSSOS:** Is there a situation where the Government has ever stepped in to pay for them?

**ROCH CHEROUX:** No.

**The Hon. COURTNEY HOUSSOS:** So it's always been met by the developer?

**ROCH CHEROUX:** Yes. We don't get any money from the Government, to be clear. Sydney Water is a corporation—

**The Hon. COURTNEY HOUSSOS:** I understand that.

**ROCH CHEROUX:** —so all the money that we have is coming from the money that our customers give us. The Government is not giving us money to do these sorts of things.

**The Hon. COURTNEY HOUSSOS:** I appreciate that, but obviously we're aware of the plight of home owners who have been waiting and waiting and waiting.

**ROCH CHEROUX:** Absolutely, yes.

**The Hon. COURTNEY HOUSSOS:** And that is certainly who we're asking the questions on behalf of. I know our shadow Minister has asked questions in previous budget estimates hearings about this. This is an ongoing issue. We want to see an outcome. We want to know what is the cost and we want to know what the logjam is. If you can come back to us this afternoon, that would be really helpful.

**The Hon. MICK VEITCH:** They can't register their land.

**ROCH CHEROUX:** Absolutely.

**The Hon. MICK VEITCH:** This is the impediment. Without registered land, they can't build on their land.

**ROCH CHEROUX:** We understand absolutely the situation that they are in. We have offered in this very specific situation actually to—to start constructing, they need what is called a section 73 certificate. We have accepted actually to give this certificate or to bond this section 73 certificate six months in advance, and that's the maximum we can do. In terms of an interim operating solution, the developer has to come to the table.

**The Hon. COURTNEY HOUSSOS:** Can I just ask, then, when are the works due to commence if you don't do the interim solution? Sorry, did you say that?

**ROCH CHEROUX:** If they don't do the interim solution, then the works for the overall connection have started and will be completed in December 2023.

**The Hon. MICK VEITCH:** So more than 12 months away.

**ROCH CHEROUX:** Yes.

**The Hon. COURTNEY HOUSSOS:** The section 73 certificates, then, couldn't be issued until at least June next year.

**ROCH CHEROUX:** No; that is correct. We can give six months because we know that's about the time that it will take to construct the House, and we can't give more because then we would get into a situation where it's a public health issue.

**The Hon. MICK VEITCH:** Mr Crawford?

**PHILLIP CRAWFORD:** I can fill in a bit more on the questions you asked me. For the record, we don't have a book.

**The Hon. MICK VEITCH:** You don't have a book?

**PHILLIP CRAWFORD:** No. We don't charge a fee but we do record the conflicts, as I indicated before, but there is no book and there is no fee charged, and in my time there I've never seen the book and I've never heard of a charge being made. Just in terms of what we do publish, we do publish a document each month after our meetings but it covers off all of our decisions at the meeting.

**The Hon. MICK VEITCH:** And that document is publicly available?

**PHILLIP CRAWFORD:** On our website.

**The Hon. COURTNEY HOUSSOS:** From what I can see—we've just had a quick look at the notices—

**PHILLIP CRAWFORD:** Yes, they don't disclose minutes.

**The Hon. COURTNEY HOUSSOS:** —they don't disclose minutes. They also don't disclose interests that are declared. Is that correct?

**PHILLIP CRAWFORD:** No. What I said before is, in terms of the procurement, these conflicts arise in the context of a procurement of an external adviser and any conflicts are identified in that documentation, which is prescribed by regulation.

**The Hon. COURTNEY HOUSSOS:** We might come back to this.

**The Hon. MICK VEITCH:** Yes, but they're not publicly available—

**PHILLIP CRAWFORD:** No.



**The Hon. MICK VEITCH:** —I guess is where we're getting to. They might disclose them; they might leave the room but there's nowhere where it's publicly available where you can actually go and see if that has happened.

**PHILLIP CRAWFORD:** No. First of all, if it's a matter we're dealing with, a liquor or any type of matter in the normal course of our business, we record that conflict and that they're not in the room, but it's not publicly available.

**The Hon. MICK VEITCH:** But the declaration has been made.

**PHILLIP CRAWFORD:** Yes, but to the extent it's to do with a procurement of an external provider, then that's our procurement team; the documentation discloses any conflicts and it's made known to them in the documentation we submit through the procurement process.

**The Hon. MICK VEITCH:** I'm just going to reflect on that for a moment.

**PHILLIP CRAWFORD:** I think you would be probably entitled to access the procurement process through GIPAA, but it's on the record in terms of any procurement of a third party.

**The Hon. MICK VEITCH:** Yes. I'm just going to reflect on that for a moment. Whilst we do, this morning we were talking, Dr Bentley, about Dubbo's boiled water, which was for a period of a month. I think I posed at the time how many other instances has this occurred. Over lunch I've had a moment to reflect; that's a big ask, but you did say you were going to get some information for me so I'm wondering whether you have actually undertaken it.

**JIM BENTLEY:** I have a very good team who, while we were having lunch, have found out the answer. Sixty-three boil water alerts have been put in place since January 2019, and our estimation in terms of my local water utilities support team is that 37 of those should have been unavoidable. So 37 of 63 means the equipment should have been capable of preventing the poor-quality water being put into supply. So there would have been a procedure or a training or some kind of operational issue. The encouraging thing is we have a thing called the Town Water Risk Reduction Program. Everyone talks, understandably, about the big dollars in the Safe and Secure Water Program. But our approach over the last few years has been there's no point in just building kit; we've also got to build institutional capability and so on. So that program is working with councils to understand training requirements. We're putting in place training for councillors, training for operators, trying to make sure that we're getting the sort of human capital in the right place as well as the kit, and my team were with Dubbo council in the last couple of days working through what can we do to ensure these kinds of problems don't happen again in terms of training requirements and so on.

**The Hon. MICK VEITCH:** Dr Bentley, it's not unusual to have to boil water in some communities. There are circumstances that lead to this. We had to do it at home in Tumut over the summer months; it was issues that caused that, but it's not for a month.

**JIM BENTLEY:** Indeed. Some of that would be how complex your network is and how long the exceedance of whatever water quality parameter it was. If you put water that's outside a spec, for want of a better description, into a long and complex network, it takes a long time for that to flush through, so that would be why there would be—you will be aware, I'm sure, of some of the media commentary that raised some—

**The Hon. MICK VEITCH:** Maybe.

**JIM BENTLEY:** —eyebrows, shall we say. I was concerned that the mayor is questioning the health advice. Well, the mayor is the representative of the people and who am I to say he shouldn't do that. But on the other hand, the health advice is provided by NSW Health because of the complexity of the network and the time it takes to flush it through, so it's not unheard of, it's not unusual but it's concerning that it should be for that length of time because the longer the boil water alert is in place, the greater the chance is that people will be ignoring it. The other thing I should say is that those numbers didn't include what happened in the flood situation, where there were some obviously unavoidable problems.

**The Hon. COURTNEY HOUSSOS:** Can you just provide us with the list of the 63 and the 37 and the period of time that the boil water alert was in place for, please?

**JIM BENTLEY:** Great though my team is, I probably won't do that this afternoon, but we will get back to you very soon.

**The Hon. COURTNEY HOUSSOS:** No, on notice. Sorry, I should have—

**JIM BENTLEY:** Yes, of course.

**The Hon. MICK VEITCH:** No, that's good. Thank them for that. The only thing I want to ask about on this, Dr Bentley, is if there is a national benchmark for this type of event so New South Wales could be benchmarked against other jurisdictions to see how we are comparing?

**JIM BENTLEY:** There is a national performance report produced by the BOM that compares water utilities of different types and sizes for a range of quality and volumetric and pricing parameters. Whether this is specifically one of them, I will take on notice and come back to you.

**The Hon. MICK VEITCH:** Okay, if you could take that—

**JIM BENTLEY:** But that BOM report, the national performance report by the BOM, is produced every year. It has a lot of useful data in it. But I will come back to you on that particular point.

**The Hon. MICK VEITCH:** At the last estimates WaterNSW said the Aboriginal water strategy would be delivered "by the end of the year". Is it possible to get an update on just where that is at?

**JIM BENTLEY:** I think that would have been the department, not WaterNSW, but we—

**The Hon. MICK VEITCH:** Okay.

**JIM BENTLEY:** Unless you're talking about the WaterNSW Reconciliation Action Plan?

**The Hon. MICK VEITCH:** My notes here say, "At last estimates WaterNSW said"—

**JIM BENTLEY:** The department is funding us under the State water strategy, the NSW Water Strategy. We have funding for the Aboriginal water strategy and we have stood up a team led by an Aboriginal director that's working with First Nations and other groups to develop that. It's going to take a couple of years to get that in place because it is a lengthy and collaborative co-designed process. But the work has started, the team is in place and is funded and the same team will be working on such matters as the Closing the Gap targets and how we are going to achieve those.

**The Hon. MICK VEITCH:** I think that is pretty much where I am at. Can I just indicate, Chair—

**JIM BENTLEY:** Sorry, Mr Veitch, could I just say that the NSW Health website does list boil water alerts. So we will happily answer your question, but if in the meantime you wanted that, it's there.

**The Hon. MICK VEITCH:** So it's bore water, but does that include boiling?

**JIM BENTLEY:** Boil water alerts.

**The Hon. MICK VEITCH:** Boil water alerts?

**JIM BENTLEY:** Yes.

**The Hon. MICK VEITCH:** Chair, Sydney Water took a question on notice and they were going to get back to us this afternoon but, if they don't, they could just take it on notice and get back to us in the normal course of events. I have finished with Sydney Water. Mr Cheroux can probably go if he doesn't want to hang around.

**The Hon. COURTNEY HOUSSOS:** He might have an answer for us.

**ROCH CHEROUX:** Thank you very much. A response to your question: \$1.4 million for the interim procedure.

**The Hon. COURTNEY HOUSSOS:** Do you know how many lots there are?

**ROCH CHEROUX:** I think there are about 70.

**The Hon. COURTNEY HOUSSOS:** Thank you very much.

**The Hon. MICK VEITCH:** I am not sure whether Mr Field had any more questions for Mr Crawford, but I think we have rounded out our questions.

**Mr JUSTIN FIELD:** No, it's okay, Mr Crawford. Thank you for all your work.

**The Hon. MICK VEITCH:** On that basis I reckon he can probably go too.

**(Mr Roch Cheroux and Mr Phillip Crawford withdrew.)**

**The Hon. MICK VEITCH:** I just want to go back, if I could, to NRAR and Mr Barnes. In response to a couple of lines of questioning from Mr Field, you were talking about not progressing with prosecutions and the like. I am not sure whether you were asked this, but what is the cost to the department of actually withdrawing those prosecutions?

**GRANT BARNES:** If I can just clarify, there is no intent for NRAR to withdraw itself from the use of prosecutions as an appropriate enforcement tool. So 35 prosecutions to date compares to two in the Land and Environment Court in the previous 18 years. So we've demonstrated quite a fine track record, if I may say, about using that particular tool.

**The Hon. MICK VEITCH:** I fought very hard for NRAR.

**GRANT BARNES:** Thank you very much.

**The Hon. MICK VEITCH:** I am not being critical at all. Read the Minister's second reading speech. He actually said, "It is because of this bloke", so yes.

**GRANT BARNES:** But to your particular question, when matters are withdrawn it does subject the prosecutor to potential costs, and costs have been incurred by the Crown in some of those instances.

**The Hon. MICK VEITCH:** Are you able to take on notice and let us know how much?

**GRANT BARNES:** To date, costs incurred by the Crown is \$511,502.80.<sup>3</sup>

**Mr JUSTIN FIELD:** That's on those cases you've withdrawn from?

**GRANT BARNES:** Correct. That compares with close to \$2.5 million that has been forthcoming to the Crown through penalties, fines and other cost orders. So the ledger is looking positive in that regard.

**The CHAIR:** I've just got a couple of tidy-ups and then I will hand over to the other crossbench members. This might go to you, Mr George. In February this year my colleague Roy Butler wrote to the water Minister with concerns from the Menindee and Lower Darling community about the inaccuracy of operational updates. It seems like they had a meeting with WaterNSW, DPI Water and then there is an agreed set of actions that are going to occur and then there have been subsequent changes. They have listed about five times that this has occurred. It has obviously caused them some inconvenience and some costs because of stock movement et cetera. First of all, did the Minister seek some advice off you as to what was happening there?

**ANDREW GEORGE:** Thank you, Mr Banasiak. Yes, I recall the initial inquiry at the time and the difference of information. I can explain what that difference in information was.

**The CHAIR:** Yes, that would be great.

**ANDREW GEORGE:** In terms of providing our operational information, our local team out at Menindee collect that data. Some of that data is collected manually. That team collects it and puts it into a spreadsheet before providing that for data verification. The data that we make publicly available through our WaterLive website or our WaterInsights portal does go through a data verification process. In an effort to provide very timely information to the local community, that often goes to our local staff members at Menindee and they get that information before it has been through a data verification process.

There are sometimes differences in the information that we were making publicly available and to that community firsthand. We have been undertaking and we are still providing that information for a period of time to our community, but we are making sure that they understand that it is not verified data and that if they want reliable, verified data, they should take that from our website.

**The CHAIR:** Dr Bentley, last estimates I was asking about some Commonwealth funding programs that obviously New South Wales can access. You took on notice to tell me how much money New South Wales had been allocated on the Off-farm Efficiency Program. You said you certainly could tell me what had been allocated and then the answer I got back was, "The Off-farm Efficiency Program is an Australian Government funding program" with no actual figure as to what New South Wales—

**JIM BENTLEY:** You wanted something somewhat more detailed than that?

**The CHAIR:** Yes.

**JIM BENTLEY:** I can understand.

**The CHAIR:** Or if it is zero, that is fine.

**JIM BENTLEY:** Let me find my appropriate page. In the off-farm program—

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<sup>3</sup> In [correspondence](#) to the committee received 27 September 2022, Mr Grant Barnes, Chief Regulatory Officer, Natural Resources Access Regulator, clarified the evidence given.

**The CHAIR:** I know we hadn't received any funding for the on-farm program.

**JIM BENTLEY:** No. In the off-farm program we received—on behalf of Murrumbidgee Irrigation, who actually deliver the works and therefore receive the funding from us—\$126 million. We have received \$5 million for feasibility studies that Ms Emery's team are carrying out to identify other projects that we can take forward. We have just announced another program—correct me, Ingrid, is it \$4 million, I think?

**INGRID EMERY:** It is \$2.4 million.

**JIM BENTLEY:** It is \$2.4 million—I knew there was a four in it. So \$2.4 million has just been announced for another project. Thus far, \$126 million, plus \$5 million, plus \$2.4 million. We have two other projects currently being considered for putting forward to the Commonwealth of funding as well.

**The CHAIR:** I am sure there would be some significant oversight by your department on that \$126 million in terms of delivery.

**JIM BENTLEY:** Indeed.

**The CHAIR:** On notice, could you provide some detail in terms of what that oversight looks like?

**JIM BENTLEY:** What it looks like? Yes, we will take that on notice.

**The CHAIR:** Ms Emery is putting her hand up. She can maybe save you some homework.

**JIM BENTLEY:** You think you might get a more fulsome answer than you got from me last time. Apologies for that, Chair.

**The CHAIR:** No, it's all good. I wasn't sure whether the Minister was playing silly buggers.

**INGRID EMERY:** Of the \$126.48 million, \$124 million is being provided to Murrumbidgee Irrigation and \$2.48 million is to cover the cost of program administration and grants administration.

**The CHAIR:** And on the level of oversight, what does that look like? Are there regular progress reports that they need to submit?

**INGRID EMERY:** Yes, there are. We have a funding agreement in place both with the Commonwealth Government and then with the Murrumbidgee Irrigation. Murrumbidgee Irrigation has several milestones they must meet under their funding agreement. We also have a project control group that meets monthly, which includes representatives from my team, who will work with Murrumbidgee Irrigation to understand the progress they are making. They also have mandatory requirements to report any workplace health and safety incidents and there are other reporting conditions set out in their funding agreement.

**The CHAIR:** I imagine it is like other funding agreements where they submit a scope of works and that might be for \$10 million or \$5 million and then only that money is released, and then they have to show another set of—

**JIM BENTLEY:** There are milestone payments.

**The CHAIR:** Milestone payments, yes, exactly, thank you.

**JIM BENTLEY:** Could I add, Chair—sorry, just quickly? The projects that we currently either have in play or under consideration in that off-farm program will deliver something like 30 gigalitres of that 450 gigalitre recovery target that is oft talked about, and it has been reported that only two gigalitres have so far been recovered. New South Wales has approximately 30 gigalitres in play, with more to come.

**The CHAIR:** Thank you.

**STEVE GRIFFIN:** Sorry to interject, not wishing to be outdone by my esteemed colleagues here, I am able to answer a question I took earlier on notice from Ms Boyd. Would you like me to give a response to that now?

**The CHAIR:** Sure.

**STEVE GRIFFIN:** It related to greyhounds lodged at council pounds over the past four financial years. The number of greyhounds lodged at council pounds in 2018-19 was three, 2019-20 was 14, 2020-21 was 45 and 2021-22—the last financial year—was 14. I am advised that the majority of those greyhounds were subsequently taken from council pounds and relocated to rehoming organisations.

**The Hon. EMMA HURST:** I am still with you, Mr Griffin. I just have some questions around disciplinary action. If you don't have this data to hand then I am happy for you to take them on notice. I am

wondering how many disciplinary action matters involving specifically animal welfare breaches by either owners or trainers have been investigated since GWIC was established.

**STEVE GRIFFIN:** I will take that on notice. We have given that information previously to the select committee inquiry into GWIC but I am more than happy to provide those to you shortly.

**The Hon. EMMA HURST:** I am not on that inquiry, but thank you. Also if you could let me know, one, would be investigated and if you could let me know how many were actually proven animal welfare breaches as well. Also, and this one might have to also be on notice, in terms of disciplinary action about animal welfare, what the average length of suspension or disqualification was in those cases.

**STEVE GRIFFIN:** I will take that on notice and get that back to you.

**The Hon. EMMA HURST:** Thank you. I have some questions about pin firing. I note that Local Rule 92A was introduced in December last year, banning any greyhound who has been subject to a firing procedure from competing in a race or trial. I am just wondering if you could give me some background as to why that rule was brought in. Was there a concern that there was an increase or a high prevalence of pin firing in the New South Wales greyhound racing industry?

**STEVE GRIFFIN:** No, pin firing is illegal in New South Wales under the Prevention of Cruelty to Animals Act, as you are aware. We are the only State that has pin firing as illegal, which I find quite strange. We operate under national rules. The nationals don't necessarily mention pin firing, so we needed a specific local rule. But we also needed a local rule that encapsulated new, innovative techniques in veterinary science and in that sense it was called thermal capsular shrinkage, which we believe to be akin to pin firing. So we produced the local rule, we consulted the local rule with industry and it is now part of the local rules that we apply in New South Wales that, I guess, broaden the definition what pin firing is. It makes it broader than the definition that is in the Prevention of Cruelty to Animals Act, which we think is very fair and reasonable. It also makes it more prevalent in the industry to make sure they are aware that they need to ask the vet what sort of procedure they are going to be conducting before it is conducted.

**The Hon. EMMA HURST:** I know that the POCTA Act is currently being reviewed into the new Animal Welfare Act. Should the broader definition be included in this new Animal Welfare Act? Is it something that is missing from POCTAA? Is it too narrow a definition as it currently stands?

**STEVE GRIFFIN:** I think that that is certainly a matter for Government policy. But in terms of how the racing rules operate, it operates effectively given that we have now created a local rule.

**The Hon. EMMA HURST:** Do you know how many industry participants have actually been investigated or charged with that offence under section 21A of POCTAA? Is it something that is common?

**STEVE GRIFFIN:** No, thankfully it is not common. We did come across five cases that you would be aware of from last year. In each of those instances we have issued warnings to participants. We are still looking at the actual veterinary surgeon who undertook the procedures, along with the Veterinary Practitioners Board. But we issued warnings to those participants because they advised us they weren't aware of the actual nature of the veterinary process that was going to be undertaken that was akin to pin firing.

**The Hon. EMMA HURST:** How will the new local rule be enforced? Is it something where we will see greyhounds examined during inspections and race events?

**STEVE GRIFFIN:** Yes, absolutely. That is how this all came about. It was through a veterinary inspection by one of our on-track veterinary surgeons at a race meeting. We will continue to do that through our own kennel inspections and race meeting inspections.

**The Hon. EMMA HURST:** I also want to ask about surgical artificial insemination. It is estimated that 80 per cent of greyhound breeders in New South Wales use surgical artificial insemination. There is a significant veterinary and community concern around this procedure. I note that the frozen version is actually banned in several countries overseas and it was proposed to be banned in early drafts of the New South Wales proposed Animal Welfare Bill. Do you know if there is any work that has been done within the greyhound industry to actually shift away from this procedure at all?

**STEVE GRIFFIN:** I understand there is some research work being done by Greyhound Australasia, because the greyhound industry operates under national rules. If they were going to move in a different direction in this sense, they believe there should be a national approach, which makes sense. I think at the moment Greyhound Australasia is conducting that research to determine whether there should be a change in policy across the country.

**The Hon. EMMA HURST:** Another concern raised that has been raised with me by animal protection groups is around footage of greyhound races where an animal is injured or killed and the footage is quickly edited on racing sites to actually hide the injury. So, in effect, they are actually sanitising what occurs to the public. I wanted to ask if this was an issue that has been raised with GWIC at all.

**STEVE GRIFFIN:** Yes, it has, and in other forums. The actual footage is not GWIC's. It belongs to Greyhound Racing NSW with their proprietary and commercial arrangements with various service providers. So GWIC does not have any control of that vision.

**The Hon. EMMA HURST:** And so you have no way of actually accessing the footage. What if you needed it for enforcement or investigation?

**STEVE GRIFFIN:** Sorry, I should've made myself clear. We do access the footage when we do race injury review. We review all the major and catastrophic injuries, looking for causations, so we do have access to that footage. It is just that it is not provided publicly.

**The Hon. EMMA HURST:** Mr Keon, I think you took a few questions from me and said you might have something in the afternoon.

**ANTHONY KEON:** Yes, and I can answer those for you now. In relation to the TAWWG report, in relation to recommendations coming out of that, the recommendation in relation to creating a national welfare standard, that is being considered by the Department of Primary Industries. The Minister for Agriculture would be the responsible Minister in relation to that. In relation to the national traceability register, there has been a national working group formed, which is led by being the Victorian Department of Jobs, Precincts and Regions. That working group has been consulting with the industry about a property identification code and the potential use of microchipping. The latest advice we have is that they will bring their report to the upcoming Agricultural Ministers Conference in a couple of months. The balance of the recommendations, I am advised, are a matter for Racing NSW to consider.

**Mr JUSTIN FIELD:** Mr Barnes, just to clarify something from your last evidence, of those 26 instances currently under investigation—these are of potential floodplain harvesting irregularities in events over the last couple of years—are you able to break down which of the valleys these investigations are condensed in? Do you have any idea of the numbers in each of the valleys?

**GRANT BARNES:** We prioritised those 26 to be seven that we are on-farm at the moment. They are in the Gwydir and the border rivers.

**Mr JUSTIN FIELD:** All of them in the Gwydir and the border rivers?

**GRANT BARNES:** The seven are in the Gwydir and the border rivers.

**Mr JUSTIN FIELD:** Is the reason that you've focused there because that's where the licences have been issued or that is just where the take has been identified?

**GRANT BARNES:** It's one of determinants that have led us to prioritise those cases.

**Mr JUSTIN FIELD:** Mr Keon, I have couple of questions for you, if I could. You would be aware of this joint investigation that was conducted—law enforcement agencies, I think ILGA, liquor and gaming, were involved, the Crime Commission was involved—into money laundering in pubs and clubs. There was a report that I think was leaked to *The Daily Telegraph* that described it as "the overview of findings relating to COVID re-opening anti-money laundering investigations at New South Wales pubs and clubs". Are you aware of that?

**ANTHONY KEON:** Yes, I certainly am.

**Mr JUSTIN FIELD:** The report is out there now. It's probably not what you would like to have out there. You would be aware that that report, in the section that says "Implication and considerations," states that "Evidence collected leaves little doubt that electronic gaming machines are being used for large-scale money laundering by organised criminal groups in New South Wales."

**ANTHONY KEON:** Yes, I'm aware that that report states that.

**Mr JUSTIN FIELD:** Has there been any ongoing data tracking and surveillance activities since that report was published?

**ANTHONY KEON:** Yes. As you are aware and as you point out, the Independent Liquor & Gaming Authority and the NSW Crime Commission have set up an inquiry.

**Mr JUSTIN FIELD:** Sure.

**ANTHONY KEON:** Liquor and Gaming NSW, as well as other regulatory agencies, are part of a joint task force helping to assist that. As part of our activities, we have issued 189 notices to 36 premises, seeking further information. That information is then supplied to the Crime Commission for their consideration. It's important to note that we don't directly regulate money laundering. It's largely a police matter and AUSTRAC.

**Mr JUSTIN FIELD:** Absolutely. I understand.

**ANTHONY KEON:** Our involvement is really from an intelligence or assisting where required in relation to that.

**Mr JUSTIN FIELD:** Those notices to those venues, is that as a result of this particular investigation? I understand there is ongoing data tracking through the CMS, Liquor and Gaming, and monitoring suspicious transactions. It gets raised in this report there might be some constraints around resourcing to continue to do that sort of monitoring. I'm trying to get a sense if you're still doing that data analysis, still forwarding those suspicious transactions on for investigation.

**ANTHONY KEON:** Yes, there are quite a few things we've done. At the start of the year, we actually increased our resourcing in our intelligence team, so we put on three new intelligence officers. As part of that, we've also improved, through the CMS provider, their reporting available directly to venues to try to tackle that. I think it was about four weeks ago or five weeks ago that we released a suspicious transaction report to industry. The CMS made that now freely available for each venue to be able to help detect that. Now we're awaiting the Crime Commission's report to see how else we can assist and what we need to do going forward, bearing in mind we are not the experts in this space, so we are looking for their guidance in terms of what they want. In addition to that, we are developing a data lake and a data warehouse. At the moment the way that we can get into the CMS data and evaluate that is quite challenging and quite clunky. Through the development of the data lake and the data warehouse, we will be able to better interrogate that data and then support our regulatory partners.

**Mr JUSTIN FIELD:** You might not be the expert, but you are the keepers of the data. You receive it, and you are the ones that are able to interrogate it.

**ANTHONY KEON:** We can, and we can also make that available to other regulatory agencies as well, yes.

**Mr JUSTIN FIELD:** But the CMS system reports back to your people?

**ANTHONY KEON:** We can access the CMS data, yes. That's correct.

**Mr JUSTIN FIELD:** You would be aware of the public statements made by Mr Troy Stolz about the compliance levels at New South Wales clubs with regard to any money laundering?

**ANTHONY KEON:** I've read some of those media articles, yes.

**Mr JUSTIN FIELD:** My understanding is that those documents raising concerns—these were internal ClubsNSW board documents—were provided to Liquor and Gaming at the time. It was before your time, I might add.

**ANTHONY KEON:** Yes.

**Mr JUSTIN FIELD:** Were they ever investigated by Liquor and Gaming?

**ANTHONY KEON:** I would have to take that on notice because it was prior to my time.

**Mr JUSTIN FIELD:** Sure. I mean, these issues are live at the moment. Subsequent to that, we have had this reporting which shows that there is—

**ANTHONY KEON:** What I would say is that—

**Mr JUSTIN FIELD:** As I said before, it states that "little doubt that electronic gaming machines are being used for large-scale money laundering by organised criminal groups in New South Wales". They were exactly the concerns that were flagged in these board reports about compliance with money laundering. You must be aware of this.

**ANTHONY KEON:** I'm aware of those media reports, but we have no enforcement powers in relation to that. If they are not complying with their AML/CTF requirements, that's a matter for AUSTRAC to enforce.

**Mr JUSTIN FIELD:** My understanding is that Liquor and Gaming received these reports at the time that they were being made public through the Parliament and the like. They were provided by Mr Stolz. Are you saying that Liquor and Gaming has no obligations at all in the event that clubs that it regulates aren't complying

with their obligations with regard to any money laundering and organised crime? You've got absolutely no interest in that?

**ANTHONY KEON:** No, I didn't say we had no interest. I said we had no enforcement powers. The general process should be that they would be then referred through to the current Crime Commission inquiry or to AUSTRAC at those times.

**Mr JUSTIN FIELD:** This all occurred before that. That's my point.

**ANTHONY KEON:** That's what I'm saying. In terms of what we specifically did with it, I can take that on notice and come back to you and confirm that. But what I was saying was in terms of our ability to then take action coming out of that, in terms of direct enforcement action, we have no legislative basis to that. Anything that we could do with it, we should be appropriately referring it to those agencies that can take that action.

**Mr JUSTIN FIELD:** Are you aware that just today it has been made public—because the suppression order has not been made by a court today—that ClubsNSW are bringing criminal contempt proceedings against Mr Stolz for making this information about low levels of compliance with any money laundering and organised crime obligations by clubs in New South Wales into the public arena? Are you aware of that?

**ANTHONY KEON:** No, I wasn't aware of that.

**Mr JUSTIN FIELD:** It seems like a really strange approach for ClubsNSW to take when there is literally a Crime Commission investigation into these very issues at the moment.

**ANTHONY KEON:** And that's something you would have to take up with ClubsNSW. I wasn't aware of that.

**Mr JUSTIN FIELD:** If only I can invite them to estimates, Mr Keon.

**ANTHONY KEON:** I know, and I don't think it is appropriate for me to comment on their civil actions.

**Mr JUSTIN FIELD:** Sure, but you can understand why I tried.

**ANTHONY KEON:** Yes.

**The CHAIR:** Before I go back to the Opposition, they have indicated they no longer require the services of Mr Barnes. But I am looking to you, Mr Field, to see whether you still have further questions.

**Mr JUSTIN FIELD:** I will survive.

**The CHAIR:** Are you sure?

**Mr JUSTIN FIELD:** I'm sure.

**The CHAIR:** Mr Barnes, you are free to leave as well. Thank you for your time.

**(Mr Grant Barnes withdrew.)**

**The CHAIR:** I will throw back to the Opposition.

**The Hon. COURTNEY HOUSSOS:** Mr Griffin, I just wanted to ask you about this Greyhound Racing NSW survey.

**STEVE GRIFFIN:** Yes.

**The Hon. COURTNEY HOUSSOS:** The Minister referenced that you knew about it as well or you had been part of the discussions about it as well. I say at the outset that I am a member of the GWIC inquiry and I understand the relationship between Greyhound Racing NSW. I have read those questions, and I understand that some of those questions went to the heart of some of those issues between the two organisations. I am just merely wanting to understand: When did you first find out about the Greyhound Racing NSW survey?

**STEVE GRIFFIN:** I think it was on or about the day I notified the Minister's office of the survey.

**The Hon. COURTNEY HOUSSOS:** According to the answers he has provided to my questions on notice, that was on 12 November. Does that sound about right?

**STEVE GRIFFIN:** It sounds right. I think there was a section 52 order in relation to it where—I guess, all the documentation and emails exchanged between myself and the Minister's office and others. So I think I would rely upon those documents as to the accuracy of the date.

**The Hon. COURTNEY HOUSSOS:** So it's safe to say you notified the Minister's office?

**STEVE GRIFFIN:** I did. I notified the Minister's office of the survey.



**The Hon. COURTNEY HOUSSOS:** Yes.

**STEVE GRIFFIN:** I had been sent the survey. I was delivered the survey by industry participants.

**The Hon. COURTNEY HOUSSOS:** Yes.

**STEVE GRIFFIN:** Given the nature of it, that there was a telephone survey that had been done a number of months earlier that I wasn't really happy about, I wrote to the Minister's office.

**The Hon. COURTNEY HOUSSOS:** Do you want to tell us why you weren't happy with the telephone survey?

**STEVE GRIFFIN:** It actually was a survey that canvassed participants' views about the role of the commission and how it was performing, and I did not believe that was the right of the GRNSW to canvass those views. This is not its charter.

**The Hon. COURTNEY HOUSSOS:** Is it your understanding that that telephone survey had similar questions to what was in the online survey?

**STEVE GRIFFIN:** The telephone survey had more in-depth GWIC-specific and other—they were certainly non-political, the telephone surveys. Certainly more about GWIC and participants' views about racing generally and some aspect of the GRNSW services as well. But, no, the actual online survey was somewhat about GWIC but also, obviously, about political views as well.

**The Hon. COURTNEY HOUSSOS:** Canvassing political favourabilities on leaders, which is not really the right thing for government organisations to be doing. But I understand that the Minister communicated back to Greyhound Racing NSW. Have you ever received any information about the outcome of the survey? Has that ever been communicated to you—the results, I should say?

**STEVE GRIFFIN:** No.

**The Hon. COURTNEY HOUSSOS:** Okay. I didn't expect it would be; I just wanted to check. Dr Bentley, I am not sure if you are the right person to be asking about this Cooks River issue, about the steel pilings. Is there anyone here who can answer some questions about that for me?

**JIM BENTLEY:** No, it's not a WaterNSW issue. I'm not aware that it's a water department issue, for want of a better name, but I will find that out for you. We will do our best to come back to you.

**The Hon. COURTNEY HOUSSOS:** Of course. I understand. Dr Bentley, I just had one final question. Obviously, the Warragamba Dam is a big issue, raising the wall.

**JIM BENTLEY:** Yes.

**The Hon. COURTNEY HOUSSOS:** Who is your understanding of the Minister responsible for that?

**JIM BENTLEY:** My understanding is that it's the infrastructure Minister.

**Mr JUSTIN FIELD:** That's two out of four for him now, is it? Two bids for Rob.

**The Hon. COURTNEY HOUSSOS:** It has been an interesting ongoing question in estimates that you have probably been following. I think that's all we have. Can I just say thank you very much to everyone for all your assistance today.

**Mr JUSTIN FIELD:** Dr Bentley, I wanted to go to this email that I referred to earlier in the day, if I could, from Dan Connor to yourself. It was from back in February, and I do appreciate that things have moved on a little bit. You may or may not be aware of it. You don't really need to have the specific details in front of you other than that. In making an argument for how to move forward with progressing floodplain harvesting reforms, as he has put it, he suggested the establishment of downstream flow targets. At that stage, they hadn't been part of the discussion. He specifically says that this would include rules that prevent floodplain harvesting access when there are downstream critical human environmental needs—of course, that's what they're about.

He then goes on to say, "We will propose using the draft section 324 triggers now published on our website." Then it says to you, "FYI, Angus has developed alternative targets that do not have a strong technical basis and that we consider will not address stakeholder concerns or the inquiry recommendations." That was the upper House inquiry that had been conducted. I assume he would have been speaking of Angus Mackie from the Minister's office here. Would you know?

**JIM BENTLEY:** I haven't got the email but that's not an unreasonable assumption.

**Mr JUSTIN FIELD:** Do you know which of those target options are the ones that ultimately have been pursued?

**JIM BENTLEY:** No. It is some months ago and it's not in front of me. But I think, given what you said this morning, Mr Field, you used the phrase, "It's not a subjective thing; it's a legislative thing."

**Mr JUSTIN FIELD:** I think we all realise it's pretty subjective.

**JIM BENTLEY:** When you look at the whole system, it's very hard to say how much of each of these things you should do. Fundamentally, what these reforms are doing, according to the modelling which the MDBA has now verified is appropriate for Murray-Darling Basin Plan use for—

**Mr JUSTIN FIELD:** Which has nothing to do with the priority of use provisions of the New South Wales Act though. You would agree? Whether or not it meets Murray-Darling Basin Plan limits is not a measure of meeting the legislative requirements of the New South Wales Act.

**JIM BENTLEY:** It's a pretty important factor. When our numbers have been challenged about what we're saying floodplain harvesting would achieve—as they have been repeatedly, and the modelling has been questioned—it's really helpful. But anyway, whether you believe the modelling or not, we're saying for those two valleys 45 or 46 gigalitres per year on average would be removed from the amount that is being harvested off the flood plain. So, to me, it's really hard to argue that that is not, in itself, satisfying to quite some degree our responsibilities under the principles of the Act. The ecosystems would be benefited—

**Mr JUSTIN FIELD:** Then why would Dan Connor say at the end of this that it will strengthen the case that the Minister is taking all reasonable steps to comply with the Water Management Act? I agreed because I remember in December last year I was raising this as an issue and the fact it couldn't meet priority of use provisions because you weren't making these efforts. Now he's acknowledging that, if we put downstream targets in, we can help address this requirement under the Act. I get that. It is a step towards that—somewhat subjective. He is saying that a legal challenge on these grounds is considered likely. Do you have legal advice to suggest that it's a bit shaky—the flood plain?

**JIM BENTLEY:** No.

**Mr JUSTIN FIELD:** What would he have been referring to there—a legal challenge is likely? Why would he have thought a legal challenge was likely?

**JIM BENTLEY:** You would be aware that in other aspects of the work that we're doing—water sharing plans, for example—legal challenge is there. That doesn't mean that we think that we're on shaky ground. Thank goodness we live in an environment where people have the opportunity to challenge things legally, and they have done and they do. But when I'm talking about subjectivity from our point of view, Mr Field, it's not about whether or not we believe numerically this is making an improvement. Clearly, if you want to minimise the chance that anyone is going to challenge you, you say, "If we did this and this and this, that would minimise that chance." Does that mean that, to satisfy the principles of the Act, you have to do all of those things? Our argument would be no. The subjectivity is how many of them is it reasonable to do, given that—and I know you don't like the "balance" word, and we discussed some of those matters—

**Mr JUSTIN FIELD:** It's not in the Act. The Act is pretty clear. It says meet the environmental needs, which are based on water-dependent ecosystems, meet critical needs and sharing for other uses should not prejudice those two things. It's not a question of balance at all, according to the Act.

**JIM BENTLEY:** I provided you before with the legal advice that I was provided with by our former general counsel.

**Mr JUSTIN FIELD:** That's a question whether or not the take is legal according to whether someone has used a licence in the right way and are they entitled to that take. That is not in any way or shape an answer of whether or not you've met the requirements of the Act with regards to priority of use.

**JIM BENTLEY:** I think I provided you with advice from our former general counsel that said that, to satisfy those principles under the Act, you don't have to do everything for the ecosystem before you consider doing anything for the next order. That's where we have differed before, Mr Field, and we will clearly differ going forward. What we're putting forward is the fact that we're leaving 45 or 46 gigalitres per year from those two valleys to do environmental good in the flood plain—that water sharing is enhancing the ecosystem. Now you might argue—and it's not an unreasonable argument—yes, but you could do more value. But that water sharing change we're making is improving the ecosystem. It's really hard to argue that it's not.

I'm saying the subjectivity comes in when you say, "How much more improvement do you need to do before you also make other considerations?" But we're not actually making more water available for industry;

we're making less water available for industry and more water available for the environment. I don't see how that doesn't satisfy those principles.

**Mr JUSTIN FIELD:** It depends on what baseline you're starting from, of course. The argument that has been made around using downstream triggers built around the environmental water requirements—it's not just my argument; the argument made by the environment department, the EHG officials. Very clearly in these documents to the Minister, it says, "Your targets are too low and may not comply with the Act." If you're not grounding them on the environmental water requirements set up by the environment department, when the Act specifies deliver on the needs of the river ecosystems, what are you basing it on?

You have an objective measure available to you. It's work by the government. So I don't understand how you then say, "It's a matter of balance. We're doing a bit better anyway." If the river doesn't get the drink it needs at the time it needs it, certain ecosystem functions just don't happen. It's an opportunity take, and what you are doing by licensing it now is making it some of the most secure take, actually. What we are arguing is not that it shouldn't happen nor should it be licensed but that, when required to meet the ecosystem needs and critical human needs, the water should be allowed to get downstream. It's the same argument being made by the environmental group.

You're taking a different view, quite clearly, and I don't think that the documents that you've put out—the various tables where you are trying to show how you're delivering against the principles of the Act—show how that's delivering the environmental functions. It's just saying that it's doing that because we are operating according to the basin plan or the sustainable diversion limits or the long-term average annual take. As you well know, the NRC have criticised that approach on an ongoing basis. And I note the Minister's seeming disdain by the NRC's advice on this this morning.

**JIM BENTLEY:** I'm not sure I heard any disdain; I didn't hear him say anything that was disdainful.

**Mr JUSTIN FIELD:** I think the NRC would've heard it.

**JIM BENTLEY:** I met with the NRC. I met with Professor Hugh Durrant-Whyte and his team and some of my team a just few weeks ago to discuss, in their view, what we should be doing to improve the water sharing plans for all those reasons that they have that oversight. So we take that very seriously. I think it would be amazing if we lived in an environment where an independent body like the NRC reviewed what we were doing in such a complex field as water sharing planning and didn't find improvements for us to make. They also, incidentally, find some things that are working quite well. We don't give much attention to those.

**Mr JUSTIN FIELD:** I don't disagree with that.

**JIM BENTLEY:** Some things are working well. Some things need to be improved. We take into account the advice of the NRC as we consult with communities over all the improvements we make to water sharing plans as they're reviewed. When I first started this job, you were quite rightly critical of the fact that we were behind on those reviews. We're doing well on those reviews now and we're taking the advice of the NRC whenever we can. We're certainly taking it into account in consultation. Could I add, Mr Field, we're not just saying we're saving that amount or reducing that amount of floodplain harvesting. If you look at the changes we've made in the Barwon-Darling water sharing plan and in that system, the frequency of low-flow events and no-flow events will be reduced as a result of the changes that we made.

**Mr JUSTIN FIELD:** I agree.

**JIM BENTLEY:** So when you take all of that as a system—

**Mr JUSTIN FIELD:** But you know it has been a very long and drawn-out process to get to the point of acknowledging the problems with regard to those plans. When they last for a decade—I don't want to belabour this point, but I acknowledge that.

**JIM BENTLEY:** Thank you.

**Mr JUSTIN FIELD:** There is a requirement in the Act to do section 10 reviews.

**JIM BENTLEY:** Yes.

**Mr JUSTIN FIELD:** It's not just me. It's ICAC saying—

**JIM BENTLEY:** And I agree with you.

**Mr JUSTIN FIELD:** Yes, and we've had this debate before.

**JIM BENTLEY:** We have.

**Mr JUSTIN FIELD:** The Government acknowledged and said that they would do this section 10 review to address this issue of systemic noncompliance, in the views of ICAC, with the priority of use provisions of the Act. That has now being pushed off from—

**JIM BENTLEY:** No, it has started.

**Mr JUSTIN FIELD:** Well, it was supposed to be delivered by March 2022, right?

**JIM BENTLEY:** It has started and it's due—

**Mr JUSTIN FIELD:** When will it report?

**JIM BENTLEY:** June 2023.

**Mr JUSTIN FIELD:** That's just after the election. Jeez, that's convenient, isn't it? When was the last one?

**JIM BENTLEY:** I think you know the answer to this.

**Mr JUSTIN FIELD:** I do know the answer.

**JIM BENTLEY:** Shall I say it?

**Mr JUSTIN FIELD:** Please.

**JIM BENTLEY:** It was 2011.

**Mr JUSTIN FIELD:** So this Government has never done one of the five-year reviews that are required. The language in section 10 states:

The Minister is to ensure that the work and activities of the Department are reviewed at intervals of not more than 5 years for the purpose of determining whether they have been effective in giving effect to the water management principles of this Act and the State Water Management Outcomes Plan.

This Government, since it got elected in 2011, has never done that, have they? Until now.

**JIM BENTLEY:** It's a matter of fact that the last one was 2011, so I'm not arguing with that. All I can be accountable for is what I have done since I came into this post just over three years ago. In our response to the ICAC report, one of the things that we've done in the interim while getting this review now underway is that review of policies that we discussed last time at estimates.

**Mr JUSTIN FIELD:** Sure. You and I are in here having a debate right now about whether or not you've been effective in giving effect to the water management principles of the Act, and the review that's supposed to decide whether or not you've been effective in giving effect to the water management principles of the Act has never been done. This is a frustrating process, right?

**JIM BENTLEY:** It's now underway. I wouldn't say that review is the only thing that determines, right?

**Mr JUSTIN FIELD:** Sure.

**JIM BENTLEY:** That's one thing. You asked me last time—we had some to and fro over the number of our policies that have been reviewed to show that they're compliant. And 10 out of 14 is a yes. One isn't relevant. Three are partially so. Those things we committed to in the ICAC response we have been delivering on, and those are improving our understanding of the extent to which we are complying with the principles of the Act. I accept that some of these things should have been done quicker, but we are—

**Mr JUSTIN FIELD:** Was it ever put to a Minister sometime in the last five years, "Hey, we've never done one of these; maybe you should," and the Minister went, "No, I don't want to do that"?

**JIM BENTLEY:** In the last three years and two months I can certainly say to you that I've never heard a Minister say that to me about any such thing, and I have not recommended that we do this and the Minister said no. Whatever we think of the fact that the MDBA has verified our modelling, Mr Field, I think that, again, is another important step towards saying that at least there's a basis for some of the decisions that we've been making and it's not all as subjective as it sounds.

**Mr JUSTIN FIELD:** How much technical knowledge have you got on the new, redrafted greater metropolitan region unregulated water sharing plan? If I was to ask you quite a specific question about Tallowa Dam and environmental releases, would you have a clue?

**JIM BENTLEY:** I'd have a clue what they're about. The specifics I would have to take on notice.

**Mr JUSTIN FIELD:** The NRC reviewed the water sharing plan and made recommendations to review the environmental release regime for the Shoalhaven River, I think by 2025 or 2027. In the redraft that has been done now by the department that's out for consultation, you have proposed what I see as quite substantial changes to the environmental flow regime for the Shoalhaven River without having done that review. It will see more water transferred from Tallowa Dam, I think, but also provide for less environmental releases. What they're doing is going to make the releases from Tallowa downstream into the Shoalhaven—it's going to be linked to the storages in the Greater Sydney area for the first time. That seems to me to mean that if the storages are falling then less water is released from Tallowa Dam into the Shoalhaven. I want to know what modelling is being done about how that is going to change the environmental flows in the Shoalhaven over the cycle?

**JIM BENTLEY:** I was really hoping, as you were asking that, that we were going to get to something I would know the answer to. I will be taking that bit on notice.

**Mr JUSTIN FIELD:** No, that's fine.

**JIM BENTLEY:** When you said more water will be transferred, are you talking about from Tallowa to the Sydney system?

**Mr JUSTIN FIELD:** I get the sense that that's what it's being set up for. It's to make sure that there's more water in Tallowa for when it's needed in Sydney. It could be transferred. I know it's not transferred at the moment until you hit 75 per cent but it's pretty clear in the strategy just released that you're looking at changing the regime for transfers. It's not spelled out. It sort of makes mention of this draft water sharing plan.

**JIM BENTLEY:** If I could, because I know a little bit about this—my colleague probably knows more than I do. The approach of the Greater Sydney Water Strategy—something I did inherit when I came into this job was the Metropolitan Water Plan that preceded it. There were rules and triggers in there that—when we were facing the last drought, it turned out they weren't fit for purpose. The Government did the right thing in deciding, "Well, we need to look at those rules." This is a good opportunity—before the next drought comes along, while we still have a lot of water—to say, "Are these things we're recommending the right things?" That's really where we are.

**Mr JUSTIN FIELD:** I appreciate that you might want to change the triggers where you start transfers. I get that it was built for that purpose. But can you please do the review on the environmental flow regime for the Shoalhaven when you do that, instead of just changing the triggers without having done the review that has been recommended by the NRC? At the moment, changes are being proposed, but we haven't actually looked at the outcomes for the river downstream of the dam.

**JIM BENTLEY:** Let me look at the totality of your question and give you a reasoned and considered answer. But could I say, as you mentioned the Greater Sydney Water Strategy, I think we should be acknowledging that it has the biggest focus on conservation, demand management, leakage reduction and making the best use of what we've got than we have ever had before.

**Mr JUSTIN FIELD:** It has been a decade wasted, I would say.

**JIM BENTLEY:** But it has come. It has come, and it's a blooming good piece of work, I think. I'm a little bit biased, but I'm proud of the fact that we are putting first, right up there, conservation and demand management and efficient use of this precious resource. It does show, as we were talking about earlier, that some more augmentation will be needed in the future. But it comes off the back of—let's make the most of demand management.

**Mr JUSTIN FIELD:** I acknowledge that. Thank you, Dr Bentley.

**The Hon. TAYLOR MARTIN:** Dr Bentley, if we could just go back a few minutes there to the exchange you had with Mr Field in regard to floodplain harvesting, I heard you mention in regard to the modelling—how can the public have confidence in the veracity of the modelling and also the accreditation of it?

**JIM BENTLEY:** How can they have confidence in it? Because it has been independently verified multiple times, including now by people appointed by the Murray-Darling Basin Authority. Sometimes I think people have a misconception that my department and the Murray-Darling Basin Authority are working hand in glove—seriously. That's why it's a challenge to get our water resource plans accredited, because we're not all just backing each other in. We are seriously challenging. For a body like that to say that their experts have reviewed the modelling and it's appropriate—I think the public should have confidence in it on that basis.

**The Hon. TAYLOR MARTIN:** Thank you, Dr Bentley. I'm convinced.

**The CHAIR:** That's pleasing to hear. That's a good note to end on. Unless people want to clear the decks in terms of things they've taken on notice but they've got here, ready to go, we can call it a day.

**JIM BENTLEY:** I have one quick one, Chair. Mr Veitch, I think you asked me about the Safe and Secure Water Program and numbers. There is nothing left that's unallocated.

**The Hon. MICK VEITCH:** So it's all allocated?

**JIM BENTLEY:** It is all allocated of the billion. In the budget that was just completed, we were given another \$90 million. That money will be used to be shovel ready for all the remaining high-risk schemes, whether it's water security, water quality or wastewater. So we've got two years to be shovel ready for everything that's left to be done to clear those high risks, which will still be a high investment requirement following that. But I'm really pleased that that's where we've got to.

**The CHAIR:** That concludes today's hearing. All the remaining questions that are still on notice—you have 21 days, and the Committee secretariat will be in touch with those for you. Thank you all for your time. We'll see you next time.

**(The witnesses withdrew.)**

**The Committee proceeded to deliberate.**