

GENERAL PURPOSE STANDING COMMITTEE No. 5

Tuesday 2 September 2003

Examination of proposed expenditure for the portfolio area

ENVIRONMENT

The Committee met at 8.00 p.m.

MEMBERS

Mr Ian Cohen (Chair)

The Hon. Kayee Griffin
The Hon. Charlie Lynn
The Hon. Gregory Pearce

The Hon. Henry Tsang
The Hon. Ian West

PRESENT

The Hon. R. J. Debus, *Attorney General, and Minister for the Environment*

Environment Protection Authority

Ms L. Corbyn, *Director-General*

Mr T. Robinson, *Executive Director, Finance and Administration*

Ms C. Hamilton, *Director, Finance and Facilities*

National Parks and Wildlife Service

Mr B. Gilligan, *Director-General*

Mr A. Diakos, *Director, Corporate Services*

Resource New South Wales

Mr T. Rogers, *Chief Executive*

CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS

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

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

CHAIR: At this meeting the Committee will examine the proposed expenditure for the portfolio area of the Environment. Before questions commence there are some procedural matters that need to be dealt with. Part 4 of the resolution referring the budget estimates to the Committee requires evidence to be heard in public. Previously the Committee resolved to authorise the media to broadcast sound and video excerpts of the public proceedings. Copies of the guidelines on broadcasting are available from the attendants. I point out that in accordance with the Legislative Council's guidelines for the broadcasting of proceedings, only members of the Committee and witnesses may be filmed or recorded. People in the public gallery should not be the primary focus of any filming or photos. In reporting the proceedings of this Committee the media must take responsibility for what is published or what interpretation is placed on anything that is said before the Committee.

There is no provision for members to refer to their staff while at the table. Normally, messages are delivered to members through the attendants on duty or the Committee clerk. However, because of the size of the room the attendants have requested that staff hand messages directly to the Minister and staff at the table. Minister, as the lower House is sitting, would you need to attend divisions this evening?

Mr DEBUS: I would have to go to a division, if one were called. I have not been advised otherwise.

CHAIR: The Committee has agreed to continue to question departmental officers during the Minister's absence for a division. During the hearing I intend to allocate questions to the Opposition, crossbench and Government members in 20-minute segments, although Government members may not require the full 20 minutes. However, if a member wants to ask a question that is relevant to the issues raised by another member, I will be flexible and allow the question to be asked. The Committee has resolved to provide Ministers with 35 days in which to respond to questions taken on notice during the hearing.

For the benefit of members and Hansard, could department officials identify themselves by name, position and department or agency before answering any question referred to them. Where a member is seeking information in relation to particular aspects of a program or sub-program, it would be helpful if the program or sub-program be identified. I declare the proposed expenditure open for examination. Minister, do you wish to make a brief opening statement?

Mr DEBUS: No, thank you, Mr Chair. Is there an intention to deal with any particular agency serially, or will questions be asked across the portfolio?

CHAIR: There are various approaches taken by members. I suggest that we ask questions across the portfolio. If there is too much shuffling around, we may need to focus our attention on one agency.

Mr DEBUS: That will be fine.

CHAIR: Minister, would you and your officers be available if further hearings are required?

Mr DEBUS: Yes.

The Hon. CHARLIE LYNN: Minister, my first series of questions is in regard to Taronga Park Zoo. Have you had any meetings recently about allegations of corruption at Taronga Park Zoo?

Mr DEBUS: I have not.

The Hon. GREG PEARCE: What was your answer?

Mr DEBUS: No.

The Hon. GREG PEARCE: No meetings at all?

Mr DEBUS: No.

The Hon. GREG PEARCE: In relation to allegations of corruption?

Mr DEBUS: No.

The Hon. CHARLIE LYNN: The information we had was that you were informed of certain allegations on 7 July and subsequently held meetings in regard to that topic.

Mr DEBUS: I have briefly discussed some industrial issues at Taronga zoo, which spun off into some allegations that I, like you, have read about in the newspaper. I have had no meetings about it with any individual outside a staff member.

The Hon. GREG PEARCE: Were the discussions on the telephone?

Mr DEBUS: No. I said I had none.

The Hon. GREG PEARCE: You discussed it without a meeting and without being on the telephone? How did you have a discussion if you were not physically present?

Mr DEBUS: I said I had a brief discussion. That is to say I was briefed by a staff member. I do not know the date. That is the only discussion I recall having about those matters.

The Hon. CHARLIE LYNN: About corruption?

Mr DEBUS: Yes.

The Hon. GREG PEARCE: One staff member?

Mr DEBUS: Yes.

The Hon. GREG PEARCE: Did you subsequently follow that up in any meetings yourself?

Mr DEBUS: No.

The Hon. GREG PEARCE: Or any discussions yourself?

Mr DEBUS: No.

The Hon. CHARLIE LYNN: Have any matters been referred to the Independent Commission Against Corruption [ICAC] in regard to that?

Mr DEBUS: I believe they have.

The Hon. CHARLIE LYNN: Was that in regard to corruption?

Mr DEBUS: Yes, for the same matters that we have read about in the newspapers.

The Hon. GREG PEARCE: Who referred them to the ICAC?

Mr DEBUS: I do not know.

The Hon. GREG PEARCE: You did not?

Mr DEBUS: Certainly not me, no.

The Hon. GREG PEARCE: How do you know that they have been referred to the ICAC?

Mr DEBUS: I read it in the newspaper.

The Hon. CHARLIE LYNN: Minister, how many days were lost at the zoo in 2002-03 as a result of industrial action?

Mr DEBUS: I will take that question on notice/

The Hon. CHARLIE LYNN: How much money has the zoo spent on legal expenses associated with industrial action in 2002-03?

Mr DEBUS: I will take that question on notice.

The Hon. CHARLIE LYNN: Minister, is the zoo's General Manager, Assets currently on stress leave?

Mr DEBUS: I am not certain.

The Hon. GREG PEARCE: Could you ask some of your advisers? Would any of them know? Perhaps they could let us know during the evening.

Mr DEBUS: I will try to get an answer during the evening.

The Hon. CHARLIE LYNN: Is the zoo's Manager, Facilities, Assets Division currently on stress leave?

Mr DEBUS: I will try to get an answer on that during the evening, if possible.

The Hon. GREG PEARCE: Minister, you had a briefing on potential corruption and we have all read about it in the newspaper.

Mr DEBUS: No, I had a briefing about industrial difficulties at the zoo.

The Hon. GREG PEARCE: What other action have you taken to investigate whether there was anything of substance in those concerns?

Mr DEBUS: I await further briefings as time goes by. There is an industrial difficulty and, as I understand it, in association with that industrial difficulty some allegations have been made and, in turn, they have been reported to the ICAC.

The Hon. GREG PEARCE: And you have done nothing. Minister. You had those briefings about industrial concerns that also indicated to you that there were potentially corruption issues. You then read in the newspaper that corruption issues were referred to the ICAC. You are telling us that you have not initiated any departmental inquiry or sought any information from relevant people in the department. You are just happy to read it in the newspaper, have a briefing and wait for the next little briefing?

Mr DEBUS: On the contrary, I am aware that the zoo has industrial matters before the Industrial Relations Commission, where they ought to be. It is conducting investigations into the allegations that have been made associated with that industrial action. I will receive a report in due course. That is exactly what you would expect me to do.

The Hon. GREG PEARCE: Did you direct some investigation of those issues? Have you asked someone to give you a report? You cannot seriously tell the Committee that you are sitting back, taking no notice of these things and are waiting until someone gives you a report?

Mr DEBUS: An investigation of those matters is under way. I will receive a report when the investigation is completed.

The Hon. GREG PEARCE: The independent investigation is by the ICAC, is it?

Mr DEBUS: No.

The Hon. GREG PEARCE: Who is doing the independent report?

Mr DEBUS: Independent auditors commissioned by the management of the zoo.

The Hon. GREG PEARCE: Do you know who they are?

Mr DEBUS: No, I do not.

The Hon. GREG PEARCE: Are you happy to not take charge of what is happening in your department? Are you prepared to rely on newspapers to tell you that those problems have been referred to the ICAC, and that there is some sort of independent report by people, but you do not know who they are? I suppose you are sure that they are independent. Will you happily wait there, smoking a peace pipe until they report to you? Is that how you run your department?

Mr DEBUS: I do not run my department in the colourful way you choose to express it.

The Hon. GREG PEARCE: Could you explain to me how you run your department?

Mr DEBUS: There is a zoo board.

The Hon. GREG PEARCE: No, let me finish the question, Minister.

Mr DEBUS: No. There is a zoo board. I have answered your question.

The Hon. GREG PEARCE: There was a briefing about industrial matters and corruption.

Mr DEBUS: I will answer the question that you have asked.

The Hon. GREG PEARCE: You read about an ICAC—

CHAIR: Minister and the Hon. Greg Pearce, you are both shouting at the same time. The question has been asked and the Minister should be given an opportunity to answer it.

Mr DEBUS: There was so much rhetoric in the question that it was hard for me to understand what it is that you want to know. Could you ask me in plain English what you want to know?

The Hon. GREG PEARCE: Would you like me to repeat the question?

CHAIR: Please repeat the question.

The Hon. GREG PEARCE: Minister, you have had a briefing from a departmental officer about industrial problems at the zoo, and that briefing also included allegations of corruption, which you did nothing about. You then read about—

Mr DEBUS: The allegations of corruption—

The Hon. GREG PEARCE: Excuse me, I have not finished the question.

Mr DEBUS: The allegations of corruption were of a relatively minor nature. I am aware that there is an independent audit being carried out under the auspices of the zoo board and the zoo management. When that audit is completed I will receive a report.

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That is an entirely appropriate way for me to proceed in the circumstances. In the meantime, the industrial disputation with which these allegations have been associated is in the Industrial Commission and the appropriate officials within the Premier's Department are assisting in the conduct of those matters.

The Hon. GREG PEARCE: You did not allow me to finish the question. My question is specifically about how you run your department. If you have received a briefing and read about the

ICAC inquiry what proactive steps have you taken, or are you sitting back, waiting like whimsy, for someone else to tell you what is going on?

The Hon. HENRY TSANG: Mr Chairman—

CHAIR: Mr Pearce, one moment—

The Hon. GREG PEARCE: I want to know whether you know what is going on in your own department.

CHAIR: Mr Pearce, I ask you to direct your questions to the Chair. I asked you to stop. In response to complaints from Government members, Mr Pearce has the right to ask his questions. I ask him to do so succinctly and then allow the Minister to answer.

Mr DEBUS: You can put the proposition however many times you want in whatever form you want but it is not the role of the Minister to undertake a corruption investigation and it is not the role of the Minister to conduct day-to-day industrial relations. It is the role of the Minister to ensure that those who are responsible within the appropriate department are doing that—and I believe that is exactly what they are doing in this case. So far as ICAC is concerned, it is obviously an independent body that will investigate and report as it thinks appropriate.

The Hon. GREG PEARCE: You just said that it is the role of the Minister to ensure that those who are responsible in the department are doing whatever they should be doing. What did you do to ensure that whoever they are in the department who are responsible in this situation—the "those"—had investigated the corruption claims and other activities that are of such concern? What did you do as the Minister? Did you do nothing? That is the simple core of the question.

Mr DEBUS: What I did was receive a report that the investigations are being carried out. They are being carried out.

The Hon. GREG PEARCE: But you do not know by whom.

Mr DEBUS: I do not know the exact name of the appointed auditing body, that is all.

The Hon. GREG PEARCE: If I were a Minister and I was told about corruption allegations I wonder whether I would be bothered finding out who was investigating it. Which of your officers is conducting the investigation? Who is responsible for it?

Mr DEBUS: The management of the zoo has ensured that such an investigation is under way.

The Hon. GREG PEARCE: When will we have that report?

Mr DEBUS: That report will be received when the investigation is completed. How do I know exactly when that will be?

The Hon. GREG PEARCE: You are very relaxed. I have a couple of questions about Lord Howe Island. Some environmental damage was caused by a hydraulic fluid spill from the motor vessel *Sitka* in December 1996. Can you give us an update as to what action has been taken in relation to that incident?

Mr DEBUS: Waterways is conducting that investigation.

The Hon. GREG PEARCE: Have there been some proceedings already in relation to that spill?

Mr DEBUS: The investigation is conducted under the appropriate legislation by Waterways, not by any agency within my portfolio.

The Hon. GREG PEARCE: It is being conducted by Waterways, not the Environment Protection Authority [EPA]?

Mr DEBUS: That is correct.

The Hon. GREG PEARCE: There has not been any environmental damage as a result of that spill, has there?

Mr DEBUS: I do not believe there has been substantial environmental damage. In any event, it is a matter to be investigated by Waterways and prosecuted by Waterways should that be appropriate.

The Hon. GREG PEARCE: Do we know at this stage the quantity of liquid that was spilled? Was it four or five milk bottles worth, for instance?

Mr DEBUS: I do not know.

The Hon. GREG PEARCE: In relation to Lord Howe Island, some concern has been expressed about the possible creation of a monopoly by awarding the two Lord Howe Island Board contracts to the same shipping company. How have you handled that issue? That criticism was made by the Director-General of the Department of Public Works, Mr Dick Perssons, who is concerned about the issue.

Mr DEBUS: The Lord Howe Island Board has negotiated the shipping contracts and it is some time since those criticisms were made. My understanding is that now the board has essentially settled the matter of the shipping contracts.

The Hon. GREG PEARCE: Were the two contracts awarded to just one company? Is there a conflict of interest?

Mr DEBUS: I will take the question on notice and study the exact details.

The Hon. GREG PEARCE: What do you intend to do about the spill of some 80 tonnes of fuel oil by the British warship HMS *Nottingham*, which ran aground on 7 July 2002?

Mr DEBUS: That, too, is a matter that is within the responsibility of the board and of Waterways.

The Hon. GREG PEARCE: Is it not the responsibility of the EPA?

Mr DEBUS: No. I am informed that all of those oil spill matters are considered under the provisions of the Marine Oil Pollution Act. I confirm that the Waterways Authority and not the EPA considers those matters.

The Hon. GREG PEARCE: What is your attitude, as Minister for the Environment, about an 80-tonne fuel spill right on Lord Howe Island?

Mr DEBUS: I was not exactly pleased, but I am not responsible for the British Navy.

The Hon. GREG PEARCE: Have you followed up that matter or is it a bit like the corruption allegations: You sit back and wait until somebody—

The Hon. Ian West: Ask a question.

The Hon. GREG PEARCE: I am asking a question.

Mr DEBUS: That is not a question; that is a disguised assertion.

The Hon. GREG PEARCE: Have you done anything about the matter or are you just sitting back and waiting for somebody—whoever it may be—to prepare a report and give it to you?

Mr DEBUS: You seem to think I should be a sailor, a policeman and a pollution inspector. I have different kinds of responsibilities. I am confident that the responsible authorities are dealing as best they can with those problems.

The Hon. GREG PEARCE: But you do not follow them up?

Mr DEBUS: What I do is assure myself that things are being dealt with appropriately.

The Hon. GREG PEARCE: How have you assured yourself that things have been appropriately dealt with in relation to the spill of 80 tonnes of fuel oil by HMS *Nottingham*?

Mr DEBUS: Waterways has been engaged in the necessary work that has followed.

The Hon. GREG PEARCE: What has it done? You said that you assured yourself—

CHAIR: I ask the Hon. Greg Pearce to give the Minister time to answer the question. The Minister can answer the question as he sees fit.

The Hon. GREG PEARCE: Minister, you said that you assured yourself that Waterways is responding. What has it done?

Mr DEBUS: I will provide some more information on notice, but it is self-evidently the case that both the Lord Howe Island Board and probably the EPA—that is less self-evident but it is probably the case—would have alerted me if it was concerned that the appropriate action was not being taken with respect to that matter.

The Hon. GREG PEARCE: Finally in this section, what specifically did you do to assure yourself that the appropriate action was being taken in respect of both those events: the corruption allegations and the incident involving the HMS *Nottingham*? You said earlier that you assured yourself. What did you do in those cases to assure yourself that the appropriate action was being taken?

Mr DEBUS: In each case I continue to assure myself that the boards in charge of each of those institutions and their management are conducting themselves in an effective way.

The Hon. GREG PEARCE: How did you do that? Did you ask them about the 80-tonne spill?

CHAIR: Mr Pearce, your time for questions has expired.

The Hon. GREG PEARCE: Let the Minister finish his answer.

CHAIR: I let the Minister finish his answer to your previous question. Do Government members have any questions?

The Hon. HENRY TSANG: The Government wishes that this Committee could be conducted in a manner—

CHAIR: Mr Tsang, does the Government have questions for the Minister?

The Hon. HENRY TSANG: I have a question for the Minister: Do you think perhaps you should ask John Howard and Robert Hill to send in the Australian Navy to prevent all future—

CHAIR: Mr Tsang, you might consider this estimates committee hearing to be frivolous but I ask that your questions pertain to the Minister's portfolio.

The Hon. HENRY TSANG: I am asking the same sorts of questions as the Opposition.

CHAIR: You are making a mockery of the Committee. If you have no serious questions I will ask questions for the 20 minutes allocated to crossbench members and divide the remaining time between other members.

Mr DEBUS: I can give a little further information on the question about Taronga Zoo—it is consistent with what I have said but in several respects more explicit. As I have said, the corruption claim at Taronga Zoo is in the context of an industrial dispute about the dismissal of a probationary staff member. The corruption claim has been referred, as I suggested, to ICAC by both the zoo board and the Public Service Association. The zoo board has commissioned an independent audit into this claim, as I said, and I can now tell you that the auditors so commissioned are Ernst and Young. In relation to stress leave, I can now confirm that, as I suspected, the two officers mentioned previously are on leave at the present time.

CHAIR: Thank you, Minister. I direct you to the issue of vegetation restoration. Can you tell the Committee how many hectares of new native vegetation have been replanted or rehabilitated in the past year? Can you give a breakdown of the percentage of land in New South Wales so rehabilitated?

Mr DEBUS: Native vegetation is within the portfolio responsibility of my colleague the Minister for Infrastructure and Planning, and Minister for Natural Resources.

CHAIR: Turning to the issue of feral pests, particularly horses, in national parks, how many feral horses have been removed from Kosciusko National Park since the implementation of the wild horse strategy in the past financial year?

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Mr GILLIGAN: The work on wild horse management that has been undertaken within Kosciusko National Park has been co-ordinated by a local committee with expert veterinary assistance and the involvement also of the RSPCA. The formulation work that has been done has attempted to address all the issues that are involved, including environmental damage within the park and animal welfare issues as well as exploring all the options for how to actually remove the horses. The extent of the work that has actually been done removing horses to date is limited to a very restricted trial, which has removed only a handful of horses because of the nature of the trial. I cannot give you that precise number offhand, but I am happy to take the question on notice and provide some formal detail in due course.

CHAIR: What is your estimate of the number of feral horses within the boundaries of the Kosciusko National Park?

Mr GILLIGAN: The estimates of horse populations in Kosciusko were of the order of about 2,000 just prior to the fires of last Christmas. We are aware that in some sections of the park the numbers have been significantly reduced as a result of the fires to perhaps as many as 50 per cent in some of the southern sections of the park, but we have been unable at this stage to do a comprehensive count to get a meaningful estimate. We are aware that certainly in the northern sections there have not been significant reductions in the number of horses. So it is hard to put a total figure on it, and I do not imagine we would be able to do so on notice in the short term. The reductions have occurred mainly in the south.

Mr DEBUS: The tenders are about to be called for a new round of horse removal.

CHAIR: In relation to the method that you will undertake, would it be reasonable to say that it is matching the natural increase?

Mr GILLIGAN: I could not give such an undertaking without knowing some more details of what the current populations are, and the increases under the current circumstances. I think there would be a lot of conjecture in trying to take it further.

Mr DEBUS: A lot will depend on the success of the tenders that are about to be let. First of all, there has been quite a long period of, as it were, pruning up the methods for enticing horses, especially out of the higher subalpine areas, and then working on methods to actually capture them, using other riders a lot of the time. But the round of horse removal that is about to start will really tell

us whether we can make substantial inroads into the existing population. The director-general says it seems that the Kosciusko fire actually caused the death of horses in some places, but not all.

CHAIR: Has consideration been given to more effective and humane methods of removal, such as ground or aerial culling in the Kosciusko National Park?

Mr DEBUS: As you would know, Mr Chair, I have adopted a policy of banning aerial shooting. Instead, the removal of horses involves an alternative strategy which we strive to find humane. We have some considerable hope that the methods that have been used—to some extent before the fires and now to be applied in a much more vigorous way in the near future—will have a substantial effect.

CHAIR: In relation to land acquisition, will you provide details of the National Parks and Wildlife Service and the Environmental Trust Land Acquisition Funding Program, the new conservation for reserves including details of the purposes of each fund, funds available and budgeted spending for 2003-04?

Mr DEBUS: It may well be appropriate to call on someone from the National Parks and Wildlife Service to provide you with the fullest details. In the 2003-04 budget year we expect that approximately \$15 million will be spent on land acquisition. That will be \$9.3 million from sources that are in the published capital program within the budget papers. Even since the budget was finalised we have arrived at expectations of additional funds of between \$5 million and \$6 million that will be received from sources such as the funding through the national reserves system coming from the National Heritage Trust of the Federal Government, the State's Government's Environmental Trust Fund and also, in particular circumstances, from the Sydney Catchment Authority's catchment lands acquisition budget. The total is likely to be approximately \$15 million, even though the budget indicates that from various sources we would be spending \$9.3 million. I mention that in the last year of the Coalition Government \$6.8 million was spent on land acquisition. During the last Coalition Government approximately \$15.50 per hectare was being spent to manage national parks, and the figure is about \$34 per hectare on management as distinct from acquisition.

CHAIR: Is it not the case that the Government has cut the funding for the general Land Acquisition Fund by 40 per cent from \$2.5 million to \$1.5 million?

Mr DEBUS: There is, amongst some environmental groups which I might venture to suggest may have been informing you, something of an obsession with this \$2.2 million. The fact is that the budget for land acquisition for the National Parks and Wildlife Service comes from a variety of sources. No doubt Mr Gilligan could detail them for you more thoroughly than I, but whichever way you look at it the end result is that we are going to spend about \$15 million.

CHAIR: Minister, what funding was set down in the budgets for 2001-02 and 2002-03 for threatened species conservation?

Mr DEBUS: I am informed that in the 2003-04 budget, \$8 million is set down for threatened species conservation. That is in the context of an undertaking given in the election campaign to spend \$32 million over four years.

CHAIR: What funding was allocated in the 2001-02 and 2002-03 budgets?

Mr DEBUS: We can take that question on notice, but the general answer is slightly less.

Mr GILLIGAN: The question may well relate to the specific targeting of some money in the program that was conducted during the past three years by the Government in order to accelerate the process of preparation and finalisation of recovery plans and threat abatement plans. That particular program concluded at the end of the last financial year. The detail that the Minister announced for the next financial year is the Government's new initiative that was announced at the time of the election and will flow on from that. They should not be compared, because the other was a specifically targeted allocation on the recovery plan.

CHAIR: Can you indicate what resources were allocated to complete the finalisation of recovery plans in the 2002-03 budget?

Mr GILLIGAN: We can take that question on notice and provide the detail.

CHAIR: Are western New South Wales National Parks and Wildlife Service reserves significantly underrepresented in our parks system? What action do you intend to take in the coming year to address this deficiency?

Mr DEBUS: In the 2002-03 financial year the Government spent approximately \$4.14 million buying significant properties in western New South Wales, that is to say, in the arid zone. That added something like 22,500 hectares of land to the reserve system. There were five new additions gazetted in October 2002, including a rather wide range of environments that were not previously seriously underrepresented in the reserve system. The areas gazetted in October 2002 added up to something like 3,000 hectares and included significant additions to some of the icon parks in those areas. We propose to continue a very active acquisition program in that part of the world.

CHAIR: During estimates committees in the past two years, when Mr Jones was the Chair, I understand honourable members asked the department to provide details of the actual spending and income of the National Parks and Wildlife Service for the current financial year and the budgeted spending income for the coming financial year to be broken down to the lowest department area level. I understand that environment groups such as the National Parks Association of New South Wales have also requested this information, including through a freedom of information request, but were asked to pay some \$6,500 for information. Can you provide this information?

Mr DEBUS: I acknowledge that the Hon. Richard Jones, a former member, was an Olympic-class provider of questions on notice to estimates committees. I do not entirely look forward to you replacing him in that respect, but Mr Gilligan will provide you with a deal of information for nothing.

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CHAIR: Much appreciated.

Mr GILLIGAN: This matter has been the subject of quite some discussion with the National Parks Association. The careful discussions and clarifications that were sought during the FOI process led to a conclusion that the level of detail that the National Parks Association was looking for was simply not available without doing a massive amount of work. In fact, to the extent to which the FOI legislation is based on the principle of supplying existing available documentation, rather than creating new documentation, the level of information that the association was looking for would have involved the creation of significant new documentation.

The other point that I have been at pains to point out to the National Parks Association in our repeated discussions on the topic is that the National Parks budget is obviously discussed at great length in this forum. It is also reported back to the Parliament in terms of expenditure in the annual report. In recent years we have had the additional check on our operation through the institution of a compliance and audit committee, which goes beyond the previously existing internal compliance and audit committee. The new compliance and audit committee arrangement reports independently to the Minister annually on the performance of the Director-General and the agency.

I have been at pains to point out to the National Parks Association that I thought that the accountability that was implicit and explicit in all of those arrangements, along with the oversight that is provided to our expenditure and our regional operations programs by both the statutorily constituted advisory council that oversees our operations across the State and advises the Minister, as well as that independent audit and compliance committee, and also the 19 regional advisory committees throughout the State that advise us, I felt made us well served in terms of scrutiny and advice on whether we had our funding priorities appropriately allocated and whether we were effectively implementing those programs. I believe the work of the compliance and audit committee and the advisory council and committees is now standing us in very good stead.

I would also point out that the National Parks Association and other nominees of the Nature Conservation Council and the Total Environment Centre also have places at the table on most, if not all, of those regional advisory committees and on the advisory council and on the audit and

compliance committee. I challenge that not too many other organisations operate with greater scrutiny of the way in which we organise our affairs.

CHAIR: Does the budget for the National Parks and Wildlife Service ensure the continued administration of the Threatened Species Protection Act by the National Parks and Wildlife Service?

Mr DEBUS: You said does the budget ensure it?

CHAIR: Yes.

Mr DEBUS: Is that the budget as it currently stands?

CHAIR: Yes.

Mr DEBUS: It is doing rather well, I think, in that respect. This is the money that has been promised before the election, \$32 million over four years. It is like every other area of government spending: I am sure we could, with effort, find ways to spend more. But I do think it is a more than respectable effort.

CHAIR: Could you inform the Committee of the western land acquisition budget for the year 2003-04? Perhaps you could also inform the Committee in which five bioregions purchases will be made.

Mr GILLIGAN: Mr Chairman, we can provide you with the detailed figures. But, in response to your question about the bioregions that are being targeted, we are targeting those bioregions where the representation in terms of lands that are managed for conservation is very low. In several of the bioregions in the west, it is less than 2 per cent. Recent acquisitions have focused on the mulga lands bioregion, and the major focus there has been the establishment of the Paroo-Darling National Park, which is now heading towards 300,000 hectares in area, taking that bioregion significantly above that paltry reservation percentage it previously had. In our current round of negotiations on property acquisitions, we are focusing on the Riverina bioregion, which has been down less than 1 per cent in reservation status. But we are also giving particular attention to the Nandewar bioregion and the South West Slopes. So they are the priority areas. I will happily ensure that you get the detail of the expenditure last year and this year.

Mr DEBUS: Until very recently the Riverina region had had almost no reserve land. It was less than half a percent of that bioregion that was actually reserved. There have been considerable improvements over the last several years, including the rather well-known new park called Oolambeyan and another called Darcoola, which are very important just because of their representative quality. That, as I say, is a focus that will continue. We are getting a little bit closer to giving you figures. We expect that over the next year \$7 million will be spent on western acquisitions.

Mr GILLIGAN: If I might explain that estimates of what is spent in any one year are always difficult to be precise about, because it depends, in the first instance, on what is on the market—since we only buy what is on offer—and then the progress of negotiations sometimes carries us across a financial year boundary and into the next financial year. So we will attempt to give you as precise a figure as we can, but you will appreciate that it is an estimate for those reasons.

CHAIR: Minister, could you provide the Committee with an update on the plans of the National Parks and Wildlife Service to commercialise the wollemi pine?

Mr GILLIGAN: I can.

Mr DEBUS: The Director-General appears to know the answer to that question.

Mr GILLIGAN: I understand the work that is being undertaken in Queensland by the Department of Primary Industry in Queensland botanic gardens, in collaboration with the Royal Botanic Gardens in Sydney, is in fact progressing well, and many thousands of propagules have in fact been produced, and they are simply being grown on to a point where they may be saleable. But I understand the program is going well. I am not sure about a release date at this stage.

CHAIR: Thank you, Mr Gilligan. Mr Lynn would now like to ask some questions.

Mr DEBUS: If Mr Lynn intends to ask any questions with respect to the Lord Howe Island shipping contract: as I have suggested, this is a matter that is progressing according to normal administrative arrangements. The Department of Public Works and Services, now the Department of Commerce, has been conducting the tender and contracting process concerning the shipping contract for Lord Howe Island. However, the final contract arrangement is not yet decided, and that is not the least because the present contract does not expire until March 2004.

The Hon. CHARLIE LYNN: Minister, I have a question on the waste levy. When do you intend to restore to the waste fund the \$40 million from the waste levy that you have put into consolidated revenue this year?

Mr DEBUS: The suspension of the payment of the levy of the waste fund is of a year's duration. A lot of quite inaccurate things have been said about this particular matter. The waste fund has not been abandoned. What we have is a one-off suspension of new transfer payments from State revenue into the waste fund. They are expected to resume next financial year in the context of what will be the Government's announced proposals for a broader sustainability trusts. The suspension actually represents some quite sound financial management in the context of the large surplus that had been accumulated in the waste fund over several years. That, in turn, had been accumulated because the Government has been so thoroughly revamping its whole waste program and just was not in a position to spend money in the way it had previously done for waste projects. But, as I say, I have every confidence that it will be restored in the next financial year.

The Hon. CHARLIE LYNN: Minister, what goods or services did the Environment Protection Authority obtain for the \$14,591.25 that it paid to Airfare.Com.Au between 17 April and 28 June 2000, ostensibly for assistance in the IT section by Ms Rachel Priest?

Mr DEBUS: It will hardly surprise you to know that I would take that on notice.

The Hon. CHARLIE LYNN: Could you advise whether it is the Environment Protection Authority's practice to employ a travel agent to carry out work in the authority's IT section? Were you persuaded, perhaps, by the company's slogan "Discover in style"?

Mr DEBUS: There are many assumptions in that question. We will take the matter on notice.

The Hon. CHARLIE LYNN: My next question is in regard to the Botany groundwater pollution. When did the EPA first learn about the EDC pollution of Botany groundwater?

Mr DEBUS: There has been activity as far back as the late eighties and early nineties, and that by the State Pollution Control Commission. So the first contact between government environment authorities and this issue goes as far back as 1991, and there might even have been some activity before that. In 1996 the Department of Land and Water Conservation sent out a letter to bore users not to use groundwater for drinking or for preparing food, and there have been a number of clean-up orders issued by the EPA at various times since then.

The Hon. CHARLIE LYNN: Are you saying that in 1996 the residents were advised of the potential danger of the highly toxic substance? I think the concentrations of EDC have now been found in the Hereford Street bore water to be three thousand times higher than the drinking water standard. Were they advised of that in 1996?

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Mr DEBUS: I think it might be more efficient if I ask the director-general, Lisa Corbyn, to deal with the issue. It has a long and complex history, with EPA being frequently engaged at one time or another. Perhaps Ms Corbyn could give you some more precise information in this respect.

Ms CORBYN: Most recently, in early August, we found the results of the testing associated with EDC, the chemical you have mentioned. In relation to the Minister's comments, in particular about the history, we have known for a long time that there has been ground water contamination in the Botany aquifer, but the specific chemical you mentioned, EDC, has most recently just been found

in a deep-water bore that was a council bore. We have had some test results, both the EPA and the company. Orica has consultants called URS, which has done samples, not only in residential bores, in particular in residential bores that are the more shallow bores, and we found no EDC in those samples.

However, there have been findings in the test results in a 30-metre deep council bore at Herford Street, which shows that the ground water has been contaminated significantly with EDC. The levels detected were between 5.2 milligrams per litre and 14.6 milligrams per litre. We acted very swiftly from the EPA's perspective as soon as we found that information, and did a letterbox drop to residents in the area so that they were aware. Urgent action was taken once we found those new results, which showed that the ground water was moving and the contamination plume was moving faster than originally had been expected. We think that is because of the drought and there has been a greater draw on ground water as a result of the drought, which made the ground water plume move potentially more quickly.

Also, we have been working very closely with our colleague department, the Department of Infrastructure, Planning and Natural Resources, because they are the licensees of bores, to ensure that they have the information, and we have been supplying information to people who have licences for bores to make sure that appropriate caution is given to people who might be using those bores. We have no secrets associated with the Botany aquifer. There has been ongoing community consultation from very early days, even before the EPA, about the potential contamination. We have had a strong, regulatory program with the new Contaminated Land Management Act to make sure that Orica remediates the ground water. It is a legal framework that comes forward in a voluntary sense, but it is still a legal framework for mediation. The EPA is currently finalising a clean-up notice based on the new results to make sure that any exposure might be minimised.

The Hon. CHARLIE LYNN: Have you tested every bore in the affected area?

Ms CORBYN: We have done two tests. I have samples of residential bores in Trevelyan Street. The ground water was tested at depths of 6 metres and 15 metres below the surface. As I said before, no EDC was found in that ground water. From our perspective it means that residents are unlikely to have been exposed to any EDC from using backyard bore water. But, as I said, we are also working with our colleagues in the Department of Infrastructure, Planning and Natural Resources who are the managers of the ground water resources. I understand they have asked that people do not use that bore water until we have completed further investigations to determine if pumping is what is causing the contamination to spread. But we have actually tested two residential bores.

The Hon. CHARLIE LYNN: Why you have not tested every bore in the affected area, including around Dent and Fremlin Streets, which lie between Herford Street and Penhryn estuary, where you carried out testing.

Ms CORBYN: Generally, if we have been able to get test results that show there has not been EDC in residential areas it allows us to get a basic picture of what is happening, although it is very challenging with ground water, which is why we have taken precautionary steps. The challenge for us is that there are different movements within ground water. We are trying to establish whether the ground water contamination plume may be moving. We are concerned at this point about the deep-water ground water.

The Hon. CHARLIE LYNN: You are happy with the time that elapsed between discovering the level off EDC contamination and advising the residents?

Ms CORBYN: The EPA moved very quickly once we found that there was contamination, and we did a hand-delivered letter on 8 August once we understood the information about EDC in the deep-water bore.

Mr DEBUS: It is worth emphasising in this matter that the new information is the result of testing in a bore that is more than twice as deep as most of the bores in the area. Although we cannot be certain, it seems entirely reasonable to draw the conclusion that the changes in the pattern of the spread of contamination related to the drought and the fact that people have been pumping more.

The Hon. GREG PEARCE: I wanted to clear up a couple of things from earlier in the evening. In relation to Lord Howe Island and the Sitka matter, I took the opportunity to pull out some of that material. You are aware that the prosecution involved prosecution in the Land and Environment Court, which then went to the Court of Criminal Appeal and, ultimately, to the High Court?

Mr DEBUS: I cannot recall very much detail of that matter.

The Hon. GREG PEARCE: According to the final judgement—

Mr DEBUS: But that is what happened at Waterways.

The Hon. GREG PEARCE: That is right. I know that you're not responsible for waterways, but I am asking about your response on Lord Howe Island. Just last year the Land and Environment Court finalised the matter, which involved a spill of five litres—five milk bottles—of hydraulic liquid, and found no evidence of environmental harm of any sort. Were you aware of that finding?

Mr DEBUS: I have already indicated to you that I do not recall any precise details of this matter, but if the court found that there was no specific environmental harm, that would help explain why I had not paid the kind of attention to it that would cause me, now, to be able immediately to recall it.

The Hon. GREG PEARCE: I had not realised this when I first started asking about it, but the matter went to the Land and Environment Court, then to the Court of Criminal Appeal and then to the High Court in relation to a spill of five milk bottles of hydraulic liquid at Lord Howe Island. Ultimately, the court held that there was no evidence of any environmental harm of any sort. I accept what you say, that you do not recall that. But I am concerned about the Nottingham spill, which was 80 tonnes of diesel oil in a World Heritage listed area. You, as the custodian of Lord Howe Island, ought to be concerned about that. I would like to know what you are going to do about it.

Mr DEBUS: I cannot see that I can give you an answer that is really different from the one I gave before. Waterways New South Wales is the agency responsible for prosecuting matters of marine pollution and oil pollution. I do not have a direct responsibility at that level. I would otherwise rely on advice from the Lord Howe Island Board if they wanted me to give them assistance in any way. I do not recall being so asked.

The Hon. GREG PEARCE: Could I also seek clarification about the matter raised by the Chair of the Committee about the budget for land acquisition by the National Parks and Wildlife Service? I was looking through the budget papers and I found the reference to the \$2 million, but he repeatedly asserted that there is \$15 million worth of acquisitions. I cannot find it, but I wonder if you could tell me.

Mr DEBUS: I also pointed out that it was not all in the budget papers. Mr Gilligan will provide some more detailed advice, but my recollection is that I said that \$9.3 million might be found in various places in the budget papers and the rest of that money is money that has become available, known to be available, since the budget came down from places like the Environment Trust and Commonwealth funds such as the National Heritage Trust. Mr Gilligan will give you more detail on what is in the budget.

Mr GILLIGAN: Brian Gilligan, Director-General, National Parks and Wildlife Service. I direct the honourable member to the Capital Works allocation. From the Consolidated Fund there is an amount of—

The Hon. GREG PEARCE: What page of which volume?

Mr GILLIGAN: Page 48, Budget Paper No.4, State Acquisition Program 2003-04. You will see there an amount of \$0.6 million, which is in fact land acquisition—open spaces.

The Hon. GREG PEARCE: Which is \$600,000, yes

Mr GILLIGAN: Which is \$600,000 for North Coast parks and what we call the 8B land program. As well as that there is an amount just above that of \$1 million for land acquisition—Dunphy Wilderness.

The Hon. GREG PEARCE: Is that part of the \$2 million that is listed in the \$2 million?

Mr GILLIGAN: Sorry, that is listed in which \$2 million?

The Hon. GREG PEARCE: In Budget Paper No. 3, Volume 1, page 4-19, Asset Acquisitions, the second paragraph states:

For 2003-04 new major capital works projects will focus on:

further land acquisitions, including \$2 million for purchases under specific government programs (for example the Dunphy Wilderness Fund), purchasing high conservation lands in Western New South Wales, and further reservations in North East New South Wales.

Mr GILLIGAN: That is right. If you turn to Budget Paper No. 4 and look at page 48 you will find \$2 million for finalising the Northern Regional Forest Agreement, \$1 million for the land acquisition—

The Hon. GREG PEARCE: Hang on. How is that purchasing land?

Mr GILLIGAN: Sorry, \$1.5 million is for land acquisition associated with the finalisation of the northern regional agreement.

The Hon. GREG PEARCE: So it is not \$2 million, it is \$1.5 million?

Mr GILLIGAN: The \$1.5 million of it is directly associated with land acquisition. I can get more detail—

The Hon. GREG PEARCE: I am just trying to get clear how much is being used for land acquisition. Is it \$1.5 million or the \$2 million?

Mr GILLIGAN: Okay. If we just run through these figures, if we go to the land acquisition—Dunphy Wilderness of—

The Hon. GREG PEARCE: No.

CHAIR: Mr Pearce, if you would just allow the—

The Hon. GREG PEARCE: He said \$2 million. He now says it is also 1.5 million. I want to know which one.

CHAIR: If you would just allow the answer to be completed and then you can ask an additional question.

The Hon. GREG PEARCE: Well, no.

CHAIR: Excuse me! If you just allow him—

The Hon. GREG PEARCE: No.

CHAIR: Excuse me, Mr Pearce!

The Hon. GREG PEARCE: I need to understand what he said.

CHAIR: Would you just allow the answer to be undertaken in full and then you will have plenty of time to ask an additional question.

The Hon. GREG PEARCE: By now he should have worked out whether it is \$1.5 million or \$2 million. Surely, we can continue on that basis.

Mr GILLIGAN: Against "Finalise Northern Regional Forest Agreement" is an amount of \$2 million, with \$1.5 million allocated for land acquisition and \$500,000 for establishment costs on those new acquisitions. "Land acquisition—Dunphy Wilderness" shows an amount of \$1 million, followed by "Land acquisition—open spaces", an amount of \$0.6 million. "Land purchases—funded by grants and donations", at \$5 million, includes the western land acquisitions that have been talked about before.

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Within the minor miscellaneous works of \$8.9 million, the service has allocated \$1.2 million out of that towards land acquisitions, giving a total, if all those figures that I have just listed are added up, of \$9.3 million. That is how the figure is derived, and it is all on page 48 of the State Asset Acquisition Program in Budget Paper No. 4.

The Hon. GREG PEARCE: I am sorry but—

CHAIR: Once again, it is my turn.

The Hon. GREG PEARCE: Do you mind if I just clarify that? We have plenty of time left.

CHAIR: Very well.

The Hon. GREG PEARCE: I just want to get the figures clear. Is there any element of establishment costs in the open space, Dunphy Wilderness, grants and donations, given that the northern forest's \$2 million turned out to be \$1.5 million? Are those other figures purely land costs, or are they establishment costs as well?

Mr GILLIGAN: They are all for acquisitions, just for land costs in total. That is why, in the total of \$9.3 million, only \$1.5 million is derived from that finalised Northern Regional Forest Agreement line item.

The Hon. GREG PEARCE: And the grants?

CHAIR: Thank you, Mr Pearce.

The Hon. GREG PEARCE: Mr Chairman—

CHAIR: Excuse me. If you want to have an argument about this, you will get no more time for questions. I seem to have to butt in every time. When you become Chair of the Committee, you can run it the way you like.

The Hon. HENRY TSANG: You had 15 minutes.

CHAIR: Excuse me, Mr Tsang. What do I have to do to get some degree of authority here? Do I have to get a cane or something like that?

The Hon. HENRY TSANG: I am helping you.

The Hon. GREG PEARCE: If I could just ask—

CHAIR: Excuse me. I am taking my allocated time. Mr Pearce, you are free to leave, if you like. I have a question on the Hunter River Salinity Trading Scheme. How much did the Hunter River Salinity Trading Scheme make last year? What total volume of saline discharge entered the Hunter River last year?

Mr DEBUS: We will have to take the question on notice, Mr Chairman. It did sell. It did make some money, and did get rid of a lot of salt, but we will have to get the figures for you as a matter of notice.

Mr IAN COHEN: Can you indicate how many times the river salinity exceeded the drinking water standard and also the agricultural standard last year?

Ms CORBYN: I cannot give you the actual number off the top of my head, so I will need to take that on notice and come back to you. I would have to say that the progress through the Hunter River Salinity Scheme has been very positive. We have had a five-year trial which most recently came to a final program. It has been gazetted to a new regulation with an option scheme just starting out. We will be seeing increasing improvement in salinity. My broad understanding is that the Hunter River Salinity Scheme has had a significant impact in being able to allow a reduction in salinity as well as management of the juxtaposition of salinity levels with both farming as well as the mining communities.

We have been able to reduce any real exposure, not only from an environmental perspective but also from an agricultural perspective so that the agricultural users downstream have not suffered from the high salinity levels that they had historically. We are very proud of this scheme in bringing forward a new auctioning process that will ensure that we have a continuing reduction in salinity levels throughout the upper reaches of the river all the way down to the agricultural leases.

CHAIR: The EPA tests beach and harbour water quality using two indicators, enterococci and faecal coliforms. The former is considered a primary indicator and the latter is considered a secondary indicator.

Mr DEBUS: Yes.

CHAIR: Is it not true that the EPA's reliance on the primary indicator in its beach and harbour watch report provides an exaggerated result as regards good swimming water quality? As the secondary indicator includes the presence of animal faeces, would that not provide the public with a more realistic picture of water quality?

Mr DEBUS: I think it is fair to propose that the EPA reports openly on both of those tests. I will ask Ms Corbyn to give you more detail, but I do not think you can really say that one is superior to the other. They test somewhat different things and both are reported on. That is the key—both are reported on.

Ms CORBYN: That is right. We actually follow national guidelines in the broad and there has been some controversy over time as to which indicator should be used and whether you should call one a primary or a secondary, so the standard we have taken as an EPA is to make sure that we do report on both, the faecal coliforms and enterococci, and we are very clear about that in the reporting that we do, not only on the beach watch and harbour watch but working in the pilot program in trying to get good results out along the coast. We are very clear that we do identify both faecal coliforms and enterococci, and we report not only on the results but in percentages.

We have some watching brief, based on the national guidelines that are being developed, because there is some discussion that is happening between health departments, the National Health and Medical Research Council and the Australian and New Zealand Environment and Conservation Council [ANZECC] on which indicator we should report. Our position has always been to report on both. The reason that they are called primary and secondary is because of the way the national guidelines are developed, but we report on both.

CHAIR: Are the results or declarations of clean water, particularly after rainfall in Sydney, not skewed by the presence of animal faeces, so that you do not get a clear indication, despite the fact that the outfalls have removed human faecal contaminants? We do have a major problem with animal tissues.

Ms CORBYN: The enterococci test will actually pick up those as an indicator if there is concern, which is the reason why we report both. It is fair to say that faecal coliform does not last as long as enterococci. You will find in the reports that we release on beach watch regularly that the enterococci results generally are not as successful as the faecal coliforms, but we actually report both so that people can make that judgment. Enterococci tend to last longer in the water column and that

gives a different kind of indicator. That does not mean that it is necessarily better or worse because, as a human, running into a faecal coliform is the thing that you would be concerned about initially. The overall exposure levels are different, but they are both important. That is why we report both.

CHAIR: One of the issues for many years has been the lack of viral testing, particularly considering the tenacity of viruses in the water medium. With technological advances, has there been any reconsideration by the EPA about undertaking viral testing?

Ms CORBYN: It is my understanding that it is still quite complex and very difficult to do, so we do not require people to do viral testing at this point.

CHAIR: Do you think there is a gap, perhaps, in the protection of beach and harbour swimmers and users against the potential danger of viruses persisting in the water after particularly heavy rain?

Ms CORBYN: I think our expectation today, because the guidelines have been developed, is that it is quite a common occurrence that you have to use surrogates as indicators for different kinds of pollution events. We work quite closely with the health authorities and in particular, as I said, the National Medical Health and Research Council which is bringing forward the guidelines. It is quite common to find that there would be surrogates. As I said, we have a watching brief under way and a review of guidelines is currently being done at the national level. We certainly will be watching what happens and we are trying to understand if there are further health consequences. We would take advice from our Health colleagues in that regard, but to date the national guidelines, which we apply, rely on faecal coliforms and enterococci.

CHAIR: Minister and Ms Corbyn, perhaps you could enlighten me on this. The Hon. Charlie Lynn asked you about the contaminant levels at the Orica site at Botany. I wonder whether hexachlorobenzene [HCB] is still stored on that site.

Ms CORBYN: At Orica, yes. My understanding is that a commission of inquiry that has examined the potential destruction of HCB. It has been quite a public process associated with the storage of HCB at the Orica site. My understanding is, although this falls within a different portfolio than the Minister's, that a decision on the inquiry's results has not been finalised, so there would be HCB still stored on that site.

Mr IAN COHEN: Can you indicate how the HCBs are stored on that site?

Ms CORBYN: No, I am sorry. I will have to take that on notice.

Mr IAN COHEN: Can you indicate whether the car park, which used to have signs saying "Do not pierce the asphalt capping on the car park", is still used for HCB storage?

Ms CORBYN: I am sorry, but I cannot add to that off the top of my head. I do not know. I do know that there has been public scrutiny as a result of the commission of inquiry that is under way. We will ensure that the storage will be appropriately regulated, but I cannot answer the question about the car park signage. I will have to take that on notice.

Mr IAN COHEN: I appreciate that. I know that some years ago the car park was an asphalt cap on a mountain of what was effectively HCB contaminated material that sat over a plastic liner on a rising water table. I would be very interested to know if there is any current information on the condition of that system of storage.

Ms CORBYN: There certainly has been quite significant scrutiny flowing from the national process to look at the national planning for the destruction of HCB or the disposal of HCB, but I would have to take that on notice.

Mr IAN COHEN: Minister, regarding the green offsets scheme last year, I wonder if you could indicate to the Committee how much money was allocated to that scheme?

Mr DEBUS: We are just attempting to find the amount of money for you, Mr Chairman. Just as recently as two weeks ago, the green offsets scheme that is operating in the South Creek catchment in western Sydney was launched. We have very, very high hopes for its success for the clean-up of that particularly difficult area. There has been engagement with a significant number of market gardeners and other farmers with people from the Department of Agriculture, some of whom are able to speak Vietnamese, which is very helpful, given the ethnic background of many of those market gardeners. The possibilities of reducing the level of pollution through co-operation of local government, Sydney Water and the primary producers of the South Creek catchment are very promising indeed. I think we can now give you the amount of money.

Mr IAN COHEN: What overall amount of money was spent on the South Creek pilot study?

Ms CORBYN: We have actually just started the pilot, as the Minister has referred to, on the South Creek scheme. We have approximately \$150,000 that has been contributed to allow us to initiate that pilot. That is an innovative approach to try to deal with refuse-source pollution. We would not specifically have a cash allocation within the EPA but we have two full-time equivalent [EFT] people who are working on green offsets. That would equate to approximately \$120,000 that we contribute in-kind from an EPA perspective.

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CHAIR: That was the actual cost for South Creek?

Ms CORBYN: The \$150,000 was for South Creek.

CHAIR: What was the total allocation?

Ms CORBYN: I would like to confirm that, but I think in total it was \$250,000.

CHAIR: Could you inform the Committee how the implementation of the scheme is monitored?

Ms CORBYN: Yes, we have a reference group which, as the Minister mentioned, comprises a range of different people. This is particularly for the South Creek pilot scheme and it has only just been launched. We have a reference group comprising community people, councils and State Government agencies. The group is assisting us in monitoring the overall scheme. As well, water quality monitoring will be undertaken.

CHAIR: Minister, how many voluntary conservation agreements [VCA] were entered into in 2002 and 2003?

Mr DEBUS: The number has risen consistently over recent years. The cumulative figure is 137, but I cannot tell you how many were signed last year. There was one on my desk for most of the time—of course, that was a different one. I sign them quite quickly but they are always replaced by another. We are getting close to 10,000 hectares of land covered by voluntary conservation agreements.

CHAIR: How much money was dedicated to fulfilling those agreements in 2002-03? How much money is assigned to agreements of that nature for 2003-04?

Mr DEBUS: Funding of \$250,000 was provided to new VCA land-holders to support on-ground conservation. The program will continue in 2003-04, supplemented by a funding grant of \$200,000 from the Environmental Trust. That will be used for several purposes. The director-general will elaborate.

Mr GILLIGAN: It is probably best not to consider voluntary conservation agreements in isolation. We have a comprehensive program that is called the Conservation Partners Program, which involves voluntary conservation agreements that have a covenant on a title. We also have wildlife refuges that do not have such a covenant on a title, but through which we provide support and advice to people who have an interest in managing land for conservation. We have the Land for Wildlife

Program, which is organised widely on a local government area basis, more along the lines of the Landcare Program. People work together to achieve some conservation outcomes on private land.

Last year recurrent funding of \$100,000 was allocated to support the overall Conservation Partners Program, to give people the full menu of options from which to choose the level of support and assistance they require. It also gave them the opportunity to decide on the level of commitment they wished to enter into when I came to managing land for conservation. The program will continue in 2003-04 supplemented by a grant of \$200,000, as the Minister indicated, from the Environmental Trust. It will be supported by a joint initiative between National Parks and the Royal Botanic Gardens to bring up to date the conservation assessment plans on priority wildlife refuges, in particular to establish a flora inventory. We need to get a handle on what conservation outcomes are being achieved on these off-park conservation programs.

CHAIR: Minister, 15 new north-east icon areas were recently protected, and 26,000 hectares of the 42,000 hectares, or 62 per cent of the new reserves, were State conservation areas. Many of the State conservation areas were next to or linked to World Heritage rainforest parks. Why were those areas not protected as national parks or nature reserves rather than State conservation areas?

Mr DEBUS: If I recall, there were different reasons in different localities. In the major instances there are existing mineral exploration leases, several of which are not expected to last for more than a relatively short period. Mr Gilligan can give more detail. That was certainly the main reason. As you would recall, we have established a new category of nature reserves or conservation reserves called a State conservation area to allow us to manage conservation on the surface while mineral exploration can continue. In the case of the northern icons, obviously we are dealing with land on which leases or exploration licences had already been granted.

CHAIR: Mr Gilligan, can you add any information on why important rainforest areas that are not able to be logged are not included in the new addition to the Yarrhapinni National Park, despite their providing a more suitable national park boundary?

Mr GILLIGAN: To finish the point made by the Minister, I reinforce that the State conservation area particularly reflects high mineral prospectivity and opens the option to have that exploration continue, either in areas that have existing exploration licences or have been identified to be targeted as such. The other significant point is that the State conservation area category has provision for a five-yearly review of the status of the land and its management. The Minister has the option to upgrade the reservation status of the land if appropriate, subject to that review at the end of the five years. With respect to the Yarrhapinni rainforest areas, it is important to look at the finalisation process for the north-eastern regional forest area.

That was a comprehensive process and it was the Government's determination to complete a program that provided protection for the high conservation values of those icon areas and also provided for sustainable forest industries. The boundaries drawn were ultimately negotiated to try to achieve both ends from the Government's point of view and also to recognise that areas that needed linkages and some element of connectivity between high values were also looked after for any corridor value. I know there has been a lot of discussion about the boundaries of the Yarrhapinni area, but the boundaries have been set as a result of a comprehensive process that has seen the Government trying to address all aspects of the agenda rather than simply one set of outcomes.

CHAIR: In the 20 minutes remaining I propose to give 10 minutes to both the Opposition and the crossbench.

The Hon. CHARLIE LYNN: Minister, are there any plans to transfer the Berowra Valley Regional Park wholly to the National Parks and Wildlife Service? If so, what is the cost of the transfer?

Mr DEBUS: No, no plans. Mr Gilligan will give more detail.

Mr GILLIGAN: The high conservation values of the Berowra Valley Regional Park have been recognised. In discussions in the past few months with the Department of Tourism and Sport and Recreation, we have focused on areas that had basically event and venue capacities rather than those

that had large areas of land that needed to be managed to protect conservation values. The intent is that the Berowra Valley Regional Park will remain as a regional park under the responsibility, care, control and management of National Parks. That is subject to finalisation of the presses with regard to regional parks with the Department of Tourism and Sport and Recreation.

Mr DEBUS: I have a little more information about the alleged oil spill involving HMAS *Nottingham* at Lord Howe Island. I rely on preliminary advice on this matter that suggests the reason why I may have been less than acutely aware of this alleged oil spill. I am advised that the disaster plan for Lord Howe Island for an oil spill was activated at the time that the *Nottingham* grounded. I understand that the *Australian* newspaper reported that there had been an oil spill. I am advised that the incident controller, a Waterways officer, concluded that no oil spill had taken place. Further details will be obtained from the Waterways Authority. It seems to me to explain the state of my understanding of these things with some persuasion.

The Hon. GREG PEARCE: Thank you, Minister. We were relying on the comments of the captain of the *Nottingham*, who was quoted at length.

Mr DEBUS: The reported comments.

The Hon. GREG PEARCE: Yes, and given the fact that he did not seem to be too much in control of his department, perhaps there is something in what you have said. Minister, what has the Sydney Catchment Authority done in relation to security of Sydney's water supply, particularly in relation to potential terrorist action at dams and other major infrastructure?

Mr DEBUS: For self-evident reasons I will not give details of what the authority has done. I merely indicate that the Sydney Catchment Authority is an intimate part of the Government's anti-terrorism plans and has taken very close interest and concern in better protecting its installations from terrorist action.

The Hon. GREG PEARCE: Is this something that you have satisfied yourself about?

Mr DEBUS: Yes, it is.

The Hon. GREG PEARCE: Or is it in the same category as the allegations concerning Taronga zoo? Have the security companies that protect Sydney's water supply employed individuals including foreign students on student visas to undertake the security work? Have such individuals being checked for terrorist connections?

Mr DEBUS: I will take that question on notice.

The Hon. GREG PEARCE: Earlier we were dealing with the land purchases funded by grants and donations. How much of the \$5 million in that item is supplied by the Federal Government or by donations other than consolidated revenue?

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Mr GILLIGAN: We expect to receive this year between \$5 million and \$6 million in funds from other sources that can be directed to land acquisitions. Those sources are the Commonwealth national reserve system, the Environmental Trust Fund and the Sydney Catchment Authority's catchment lands acquisitions budget, as the Minister mentioned previously. There is also the prospect of receiving funds from bequests. It is obviously impossible for us to be precise about the quantum of funds from any of those categories at this stage because they are variable over the course of the year. However, based on past experience and the negotiations we have going with the Commonwealth regarding the national reserve system and proposals that have been supported by the Environmental Trust Fund, we can reasonably estimate that it will be between \$5 million and \$6 million.

The Hon. CHARLIE LYNN: Minister, do you believe it is appropriate for Hornsby shire council to dump car batteries, pesticides, herbicides and other toxic waste at its green waste dump in Beaumont Road, Mount Ku-ring-gai adjacent to the Berowra Regional Park?

Mr DEBUS: There are too many hypothetical elements to that question for me to answer it. If it is true that it really is a green waste area, you are asking me if I have stopped beating my mother yet.

The Hon. CHARLIE LYNN: When does the Government intend to allow Mawland Hotel Management Pty Ltd to go ahead with its plans to lease the whole of the quarantine station site for a period of 21 years? Will the Government debate the Quarantine Station Preservation Trust Bill 2003 in the New South Wales Legislative Council before it allows Mawland to proceed?

Mr DEBUS: The lease will go ahead when all the onerous conditions laid down by various consent authorities, including me, are satisfied. I think that is likely to occur in the relatively near future—perhaps later this year. What was the second part of your question?

The Hon. CHARLIE LYNN: Will the Government debate the Quarantine Station Preservation Trust Bill in the Legislative Council before it allows Mawland to proceed?

Mr DEBUS: Is that Mr Barr's private member's bill?

The Hon. GREG PEARCE: The Hon. Dr Arthur Chesterfield-Evans has carriage of it in the upper House.

Mr DEBUS: No. This issue has been debated one way or another very often over a very long time and the Government is in this sense fulfilling a strategy announced by the then Minister for the Environment, Chris Hartcher, in about 1991 or 1992.

The Hon. CHARLIE LYNN: Has the National Parks and Wildlife Service yet transferred responsibility for the Alpine Way and the Kosciusko Road to the Roads and Traffic Authority, as recommended by the Walker inquiry?

Mr DEBUS: No.

CHAIR: Mr Lynn, your time for questions has expired. I am giving all members equal time. I have divvied up the remaining time exactly.

The Hon. CHARLIE LYNN: I thought the Greens were a bit more flexible than that. You are being very regimented tonight.

The Hon. IAN WEST: You should be used to that.

CHAIR: We take our environmental issues very seriously. Minister, I was on Lord Howe Island when the incident involving HMS *Nottingham* occurred. I was there on another matter—I was tracking a nuclear waste ship. I did not observe any spill at that time although the boat was damaged and waiting to be moved. Do you have any input into the new marine parks proposed by your Government? What is the role of your ministry compared with that of Fisheries?

Mr DEBUS: We are precisely equal partners.

CHAIR: I understand that Fisheries is taking control of zoning for the proposed Byron marine park initiative and there is some concern that your department and the National Parks and Wildlife Service do not have an equal consent role.

Mr DEBUS: I will take that question as a backhanded compliment, but that is not so. I will ask Mr Gilligan to explain in more detail how those zoning arrangements are negotiated.

CHAIR: Perhaps Mr Gilligan can clarify the allocation of employment, which I understand is also in the hands of Fisheries.

Mr GILLIGAN: As Director-General of the National Parks and Wildlife Service I am therefore ex officio a member of the Marine Parks Authority, along with the Director-General of NSW Fisheries and the Director-General of the Premier's Department. The marine park at Byron is currently

the subject of discussion in terms of its zoning plan. An issues paper is on public exhibition that outlines a number of scenarios or examples of zoning plans to give the local community an indication of the range of zoning arrangements that might apply when ultimately we reach the point of exhibiting a draft zone plan. So this is one step back from exhibiting a draft zone plan, which will occur further down the track.

The arrangements in place at a local level for managing the administration of the marine parks are largely a matter of administrative convenience for the two agencies depending on which agency has the critical mass in the local area and is most easily able to cover the administrative functions—by that we mean providing human resources support, employment support and finance and accounting arrangements. We are anything but poor relations in that collaboration with NSW Fisheries. In fact, in discussions with other jurisdictions both in Australia and internationally we found that we were the envy of those jurisdictions as a consequence of the opportunistic arrangements that have been put in place in New South Wales. Other jurisdictions are still grappling with how to devise administrative and policy processes to address the concerns of both conservation and fisheries interests. The fact that New South Wales has grappled with the issue in a fairly direct and obvious manner by establishing an authority comprising the heads of the two key agencies involved plus the head of the public service in New South Wales is viewed by those other jurisdictions as being a very simple and innovative way to get on with addressing some very complex problems.

We are finding that the test of those arrangements is very much in the outcomes that have been achieved. As a professional public servant, it certainly gave me considerable satisfaction to initially take on a role that filled me with a certain amount of awe as to how to achieve the outcomes that the Government was seeking through such an elaborate administrative arrangement. In fact, I think the working arrangements that we have established with Fisheries have been very effective. The test of that is in the parks that have been established, the zoning plans that have been exhibited and adopted after full consultation, and indeed the operational plans that have been established both for Solitary Islands Marine Park and for Jervis Bay Marine Park. We are in the final stages of getting the zoning plan for Lord Howe Island up and at the same time we are completing comprehensive regional assessments to look at the other marine bioregions so that we are well on track for establishing a comprehensive system of marine parks in New South Wales waters.

CHAIR: As the head of the agency charged with protecting our natural environment and in view of your stated satisfaction with your relationship with Fisheries, can you explain why in the marine park report released by the authority the conservation option put forward is in the appendix to that document?

Mr DEBUS: That is your option, Mr Chairman.

CHAIR: Exactly. It is the community conservation option.

Mr GILLIGAN: I would question the assertion that there is only one conservation option in the document. In fact, I stress that in all respects we have tried to avoid the use of the word "option" because it implies that one or other of the scenarios that have been outlined will come to fruition. The intent is simply to give some examples of possible configurations. Three of the possible configurations included the array devised by the agencies and by the Marine Parks Authority as a result of discussions with various stakeholders. In the course of those discussions we came under strong pressure from groups with whom you are extremely familiar, Mr Chair, to enunciate a stronger environmental option or to give a stronger example. The fisheries industry also had an interest in having another possible scenario outlined that might better suit its purposes. As a result, there are five examples in the document and I would argue that all of them to some degree represent an attempt to address conservation issues as well as sustainable fishing issues. That will always be the subject of debate.

CHAIR: I am sure we will debate that matter again. On that theme, are you aware of the abundant scientific evidence around the world that shows that marine sanctuaries not only substantially increase the abundance, mass and diversity of fish species within those sanctuaries but also in the waters surrounding them, thus providing a resource for both recreational and professional fishers that would be greatly enhanced by adequate sanctuary zoning?

Mr DEBUS: We agree with that proposition.

CHAIR: Good. I hope you will consider our conservation option. On another matter regarding the Environmental Protection Authority, are there any plans to amend the Environmental Planning and Assessment Act? If so, can you give the Committee any details?

Mr DEBUS: There is a review under way. Are you referring to the Environmental Planning and Assessment Act?

CHAIR: Yes.

Mr DEBUS: That planning administration now falls within the new ministry of my colleague Minister Knowles.

CHAIR: Has the recovery plan for the grey-headed flying fox been prepared and does it allow for the shooting of these threatened species by farmers who have not netted their fruit crops?

Mr DEBUS: Yes.

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Mr DEBUS: Yes. We are paying attention to the flying fox, which has been declared threatened under both State and Commonwealth threatened species legislation. The plan for recovery is, I believe, under development.

Mr GILLIGAN: It is important to recognise that the grey headed flying fox was listed as a vulnerable species in 2001 under both the New South Wales and the Commonwealth threatened species legislation. It is also the species that is most often implicated in causing damage to commercial fruit crops within New South Wales. The National Parks and Wildlife Service policy on mitigation of crop damage by flying foxes has been the subject of considerable consultation. We have, in fact, established a special purpose flying fox consultative committee, which has helped us devise the policy that allows licences to be issued to orchardists to shoot a limited number of flying foxes.

In 2002 Commonwealth, New South Wales and Victorian wildlife agencies agreed on a national quota of 1.5 per cent of the minimum estimate of the east coast population of this obviously highly mobile species. Of that, 0.9 per cent is allocated to New South Wales in this financial year. This reduced the New South Wales quota to some 3,000 animals from 3,200 animals that were allowed to be shot in the previous year. The intent of this is to have us working with the other jurisdictions whilst the recovery planning process is finalised in a way that is sensitive to the crop mitigation needs of primary producers. Obviously, the focus is on ensuring that the numbers that might be harmed are limited to those very small percentages of the lowest possible estimate of the total population so that we can be assured that we are not authorising activities that will further threaten the species.

Mr DEBUS: The National Parks and Wildlife Service will also allocate licences around the State—or, more likely, up and down the coast—in a flexible way. That has been happening during the course of the present year. The flying fox population has been somewhat lower in the northern part of the State and somewhat higher around the Sydney Basin and on the Central Coast. I would suggest that there has been a fairly sophisticated attempt to balance the interests of the orchardists and of conservation in that respect.

The Hon. IAN WEST: Mr Chair, may I draw your attention to the time?

CHAIR: I remind you that because of earlier inane debate across the table I stopped the clock.

Mr DEBUS: We feel obliged to answer another question from you, Mr Chair.

CHAIR: How effective have the efforts of the National parks and Wildlife Service been in reducing the decline of the little tern along the beaches of New South Wales. In particular I refer to

Lake Woolumboola, which is a significant little tern nesting site, and the rather controversial Becton development site north of Byron Bay, where the little tern is under significant threat?

Mr DEBUS: I will follow the normal pattern in this respect but, certainly, the little tern is one of several threatened species upon which National Parks has been establishing a formal recovery program for some time.

Mr GILLIGAN: Yes.

Mr DEBUS: The results are really very encouraging. The director-general could give you a little more detail.

Mr GILLIGAN: The little tern is, in fact, a bit of a success story.

Mr DEBUS: And we are glad that we agreed to answer another question, Mr Chair.

CHAIR: It might be a success story elsewhere, but it is not at Byron Bay.

Mr GILLIGAN: It is a success story in several locations, largely because of the targeted work that is being done through the implementation of the fox threat abatement plan as little terns are particularly vulnerable to fox attack. In recent years, with the finalisation of the threat abatement plan for foxes, we have been able to do something that has not been possible previously, that is, assess which species are likely to be most impacted by fox predation and then make sure that we target our fox control programs to achieve decent outcomes from a threatened species point of view. In various locations along the coast the little tern populations are recovering much better than we might have hoped. In a couple of locations there are always going to be some local problems. If my recent visit to your part of the world, Mr Chair, is any indication, I think perhaps the number of dogs on the beach at Belongil might have had something to do with the problem. That matter is well and truly beyond our direct jurisdiction, but it is something that we are trying to work with councils along the coast to have addressed.

CHAIR: The examination has concluded. Minister, I advise that the Committee has resolved to provide Ministers with 35 days in which to respond to questions taken on notice during the hearing. Additionally, Minister, if there is a necessity for a further hearing, will you and your departmental officers be available to attend that hearing?

Mr DEBUS: Yes, we would. I remind you, Mr Chair, that there were a number of questions asked of me during the hearing that I said we would attempt to answer before the session was concluded. At least in a number of those cases we have provided answers. We should probably clarify what questions are regarded as being still on notice.

CHAIR: We are instructed to put questions on notice to the House tomorrow, properly labelled as questions from the estimates committee. You will then have 35 days to answer those questions in the normal manner. I thank you and your officers for your attendance.

The Committee proceeded to deliberate.
