

UNCORRECTED PROOF

GENERAL PURPOSE STANDING COMMITTEE NO. 5

Thursday 1 December 2011

Examination of proposed expenditure for the portfolio area

ENVIRONMENT

The Committee met at 11.00 a.m.

MEMBERS

The Hon. P. T. Primrose (Acting-Chair)

The Hon. G. J. Donnelly
The Hon C. Faehrmann
The Hon. L. Foley

The Hon. T. J. Khan
The Hon. M. R. Mason-Cox
The Hon. M. J. Pavey

PRESENT

The Hon Robyn Parker, *Minister for the Environment, and Minister for Heritage*

Office of Environment and Heritage

Ms L. Corbyn, *Chief Executive*

Mr G. Sullivan, *Deputy Chief Executive*

Mr B. Carlon, *Acting Deputy Chief Executive*

Mr N. Hayman, *Director, Finance*

Mr R. Conroy, *Executive Director, Park Management*

Mr T. Grosskopf, *Director, Landscapes and Ecosystems Conservation*

CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS

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

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

ACTING-CHAIR: I declare this hearing for the inquiry into the budget estimates 2011-12 open to the public. I have an apology from the Chair of the Committee, the Hon. Robert Brown. I thank the witnesses who have returned for this supplementary hearing. Today the Committee will examine the proposed expenditure for the Environment portfolio. Before we commence I will make some comments about procedural matters. In accordance with the Legislative Council guidelines for the broadcast of proceedings only Committee members and witnesses may be filmed or recorded. People in the public gallery should not be the primary focus of any filming or photographs. In reporting the proceedings of this Committee, the media must take responsibility for what they publish or what interpretation is placed on anything that is said before the Committee.

The guidelines for the broadcast of proceedings are available on the table by the door. Any messages from attendees in the public gallery should be delivered through the Chamber and support staff or the Committee clerks. Transcripts of this hearing will be available on the web from tomorrow morning. The House has resolved that answers to questions on notice must be provided within 21 days, which is 23 December 2011. I remind everyone to turn off their mobile phones. For the information of the witnesses, the Committee has agreed to the following format for the hearing: The sequence of questions to be asked will alternate between the Opposition, crossbench and Government members in that order with 20 minutes allocated to each. Those witnesses who were sworn in at the initial budget estimates hearing will give evidence today under their previous oath or affirmation.

LISA CORBYN, Chief Executive, Office of Environment and Heritage,

GREG SULLIVAN, Deputy Chief Executive, Office of Environment and Heritage,

BERNARD CARLON, Acting Deputy Chief Executive, Office of Environment and Heritage and

NEIL DOUGLAS HAYMAN, Director, Finance, Office of Environment and Heritage, on former oath;

ROBERT JAMES CONROY, Executive Director, Park Management, Office of Environment and Heritage and

THOMAS ANDREW GROSSKOPF, Director, Landscapes and Ecosystems Conservation, Office of Environment and Heritage, affirmed and examined:

ACTING-CHAIR: I declare the proposed expenditure for the portfolio of Environment open for examination. We will begin with questions from the Opposition.

The Hon. LUKE FOLEY: Ms Corbyn, I will start with some questions about the State's recovery plan for the koala, which is a document with which you are familiar.

Ms CORBYN: Yes.

The Hon. LUKE FOLEY: One of the priority actions for conserving koalas states that the Department of Environmental and Conservation [DEC], as it was known when the plan was approved, will determine the distribution of koalas across New South Wales by conducting a community-based survey. Has that survey been conducted?

Ms CORBYN: I am aware that we have done some survey work and we also require others to do survey work, so there has been a significant amount of survey work done on the South Coast. We have required Forests NSW also to undertake survey work.

The Hon. LUKE FOLEY: Is that survey work published in the form of documents that are available for inspection by the public?

Ms CORBYN: I will have to ask my colleagues because I am not sure about the publication. I will get Mr Grosskopf to answer that question.

Mr GROSSKOPF: I can add partly to that answer. Community survey work has been undertaken through our services division which has covered areas across the Gunnedah region as well as on the South Coast. I would have to take on notice the status of reporting on that but I know we have undertaken work in areas.

The Hon. LUKE FOLEY: I am interested in action 1.2, which talks about a community-based survey, but also action 1.7, which goes to what you have both told us, which is the notion of local and regional surveys. Could the survey work that has been completed be provided to members of this Committee?

Ms CORBYN: Yes, it could be provided. I am not sure in what form it is collected; it may be in scientific information versus a published report but we would certainly make that information available.

Mr SULLIVAN: Other survey work is undertaken by the forestry teams, my compliance teams. Periodically in their audits they also do survey work around particular species including the koala. I know that quite recently they have done some work on surveys in particular locations, so we are happy to provide that if it is of assistance.

The Hon. LUKE FOLEY: Yes, that would be, thank you very much.

Ms CORBYN: I know that we have been doing additional work in the national context—

The Hon. LUKE FOLEY: Since the Senate report?

Ms CORBYN: And prior to that as well in developing an overall approach to identifying both where pressure points might be and what actions might be taken at both a State and national level. There may be some further information at a national level as well.

The Hon. LUKE FOLEY: Excellent. Will you take that on notice and provide to Committee members all survey work done by all the people reporting to you? We would very much appreciate that. I refer to action 1.8, which seems an important action to me. It states that DEC will identify important koala populations in New South Wales for active management, monitoring and conservation. For example, Coffs Harbour and Bellingen koala populations have been identified as two of approximately 12 important populations within New South Wales. Could you tell us or take on notice what or where the important koala populations are in New South Wales that you have identified?

Ms CORBYN: I can name a few but Mr Grosskopf can probably assist me because we have been working also with local councils in the development of koala plans of management. It might be too broad for you, but the South Coast and the Coffs Harbour area have been a focus for us. We have been working with, I think, six councils on koala plans of management. Mr Grosskopf can probably give you those—Tweed and a few other areas.

Mr GROSSKOPF: Kempsey, Tweed, Coffs Harbour, Lismore and Hastings.

Ms CORBYN: We also have done substantial work, as Mr Grosskopf mentioned, in the Gunnedah area. We have a research program underway that has been tracking koalas particularly to understand their foraging patterns and not only where they sleep but where they feed and the avenues they use to get to where they forage which might put them in danger on roads or in other circumstances. Quite a substantial amount of work has been done in that regard.

The Hon. LUKE FOLEY: I recall Mr Khan dragging us up to Gunnedah last year to look at koalas.

The Hon. TREVOR KHAN: And you were quite informed by the experience obviously.

Ms CORBYN: Were you able to speak to our researcher, Dan Lunney, who is a focused koala person?

The Hon. LUKE FOLEY: No.

Mr CONROY: We have undertaken some recent survey work in the Monaro area where we did not think we would find lots of koalas but we were quite surprised that there is quite a large population, quite a healthy population in fact, of koalas in the Monaro.

Ms CORBYN: We also have done some work in Dharawal State Conservation Area, which is to become a national park under the Government's policies, and there are koala populations there as well.

The Hon. LUKE FOLEY: That is terrific. I am very interested in the work that everyone in the Office of Environment and Heritage [OEH] is doing on koala conservation and implementing the actions and performance criteria under the approved koala recovery plan, so whatever information you could provide to the Committee within 21 days would be greatly appreciated. I refer to the section of the koala recovery plan that talks about the Department of Conservation and Environment collaborating with Forests NSW because that seems to me an important action if we are to conserve the remaining koala populations. Action 1.24 speaks of collaboration in developing policy and practice consistent with the New South Wales recovery plan. Could you update the Committee on that collaboration?

Ms CORBYN: There are two parts to our relationship with Forests NSW. One is that as government agencies we work together to develop the survey methodologies and better understanding of where koalas might be and how they might be managed. The second role we have is a very strong role in regulating Forests NSW, for which Mr Sullivan's area is responsible. We collaborate in development particularly of scientific methods and information gathering and understanding but we then also are a regulator of their activities. In the development of the regulatory tools that we have we work hard to have a clear understanding of, and put processes in place to protect, the habitat of the koala where forest activities may be being undertaken. Mr Sullivan might want to comment on the regulatory side and Mr Grosskopf can probably add detail to what I said about the collaborative side.

Mr SULLIVAN: From the regulatory perspective, typically what might happen would be that where an endangered species is identified we would have preliminary discussions with Forests NSW prior to any logging taking place. We would look, for example, to get them potentially to undertake extra survey work as we have done recently with some species. We would generally try to identify the habitat as high, medium and low quality and develop prescriptions with Forests NSW that address that specific habitat. For example, with high quality habitat there will be tighter prescriptions around what they can do, the number of trees that are to be retained and the pre-surveys that need to be conducted. It will also influence the level of inspection and audit that we will undertake.

Ms CORBYN: We have also been doing work with planning and with local councils in their planning roles because you can also get preventive programs in place if you get the right kind of planning approach around habitat, particularly koala habitat.

Mr GROSSKOPF: The kind of work we have been looking at particularly in relation to management of forestry issues is how koalas use the habitat. There are two distinct ways koalas use the habitat. One is a more sedentary habit, which relates to breeding females; they tend to stay in certain locations and use that habitat. We are looking for the features of those habitats and the relationship between the koalas and those habitats. Then there is the more wide-ranging behaviour of male koalas, particularly adolescent males as they go to find new territory and move through the landscape. We look at those two elements and how you manage connectivity—providing pathways and all those dimensions of koala management—and then feed that into our regulatory programs.

Ms CORBYN: Mr Conroy has reminded me that from a national parks perspective there are issues that we try to deal with from a protection perspective with both fire and wild dog management.

Mr CONROY: Two of the major threats to maintaining viable koala populations are wild dogs and wildfire. We have developed prescriptions jointly with Forests NSW and also the Rural Fire Service that address that to identify significant koala populations in our bushfire risk management plans. Our objective is to minimise the occurrence of high intensity fire wherever there are known koala populations. Similarly, in our wild dog control programs we work with the Livestock Health and Pest Authorities and Forests NSW to target wild dog control programs where there are significant koala populations.

The Hon. LUKE FOLEY: Could all policy that the Office of Environment and Heritage has developed with Forests NSW and the Department of Primary Industries that is in written form be provided to the Committee within 21 days?

Ms CORBYN: Yes, I am happy to provide written policies, if we have them. I note that it is 1 December so we will be working very hard to get it in on 23 December. There may be some challenges in finding all that information.

The Hon. LUKE FOLEY: Thank you. The recovery plan talks about collaboration with Forests NSW and contributing to a plan that covers a landscape cross-tenure. Has such a plan been developed for the Coffs Harbour area that you are aware of?

Ms CORBYN: There is a local council koala management plan but I am not aware of a plan that we have developed for that region.

The Hon. LUKE FOLEY: Has the Office of Environment and Heritage prepared this year any reports or maps on koala habitat in New South Wales State forests?

Ms CORBYN: I know survey work has been done in the Eden area. Mr Sullivan might know more detail about that.

Mr SULLIVAN: I am not sure whether koala management plans or population plans have been specifically developed but periodically we require Forests NSW to develop a population plan for a particular threatened species. One of the challenges we find is that much of the mapping tends to be modelling-based. We often need Forests NSW to go out and do some ground truthing and on-ground transects to try to identify specifically the situation in the particular area where it is proposing to undertake logging operations. When they do that, one of the tools we can look at requiring of them is to develop a population plan for a species in a particular area. We do that from time to time.

The Hon. LUKE FOLEY: Would the information that Forests NSW provides the OEH include information on koala habitat and koala corridors?

Mr SULLIVAN: Yes it would, if we asked them to provide a plan of that nature to identify, as I said, high, medium and low-quality habitat. There will be different prescriptions once they identify that.

The Hon. LUKE FOLEY: Once again could you provide to the Committee any reports or plans that have been developed by the OEH or by Forests NSW and provided to the OEH?

Ms CORBYN: Yes, if we have plans that have been developed, we will provide them.

Mr CONROY: Could I add to that?

The Hon. LUKE FOLEY: Yes.

Mr CONROY: We have also a wildlife atlas, which is a database of information on wildlife occurrences across New South Wales. It certainly includes records for koalas. We share that information with State Forests. When you insert the information into the wildlife atlas it prompts you for information on habitat, habitat condition, et cetera.

The Hon. LUKE FOLEY: Would it be possible to provide the Committee with the information within your wildlife atlas specifically regarding koala populations?

Ms CORBYN: We can probably provide a link to the atlas.

The Hon. LUKE FOLEY: Great, thank you.

Mr GROSSKOPF: I suggest that the most effective way to look at the atlas because there are many records would be to look at it online. It is all spatial and you can see where they are.

The Hon. LUKE FOLEY: Terrific. Is the OEH in dispute with the Coffs Harbour City Council regarding the logging of koala habitat?

Ms CORBYN: There have been long discussions with members of the Coffs Harbour City Council about the interpretation of the application of the Private Native Forestry Code and State environmental planning policy 44, which is the koala SEPP, and how the interpretations and definitions intersect with the Coffs Harbour City Council Koala Plan of Management. So we have been having detailed discussions with them about how those two processes interact with each other and how we come up with common definitions that would be clear for everyone that we are getting a positive plan of action to protect the koala in the context of the different roles that we have. Mr Grosskopf has been having detailed discussions with the Coffs Harbour City Council so that we can make sure we have, I guess, a collaborative approach working forward. I will ask Mr Grosskopf to comment in more detail, but in my view there were some technical definitions on which people focused. Mr Grosskopf has been able to have very productive discussions with the city council to overcome the focus on very detailed technical discussions and to come back to what we are trying to achieve from a policy perspective. I think we have made good progress in that area. Mr Grosskopf might want to comment further.

Mr GROSSKOPF: As Ms Corbyn has described, there was a lot of debate about whether this cause or that cause applied, et cetera. Rather than continuing to focus on that, after several discussions with the council we came to the point of being quite focused on the environmental outcome and how we are attempting to achieve and ensure protection of important koala habitat. The Coffs Harbour City Council Koala Plan of Management identifies three classes of potential koala habitat: primary, secondary and tertiary. There is a different expectation of the presence of koalas in those different areas. We are very much focused on ensuring that we achieve high levels of protection—in fact, exclusion—of forestry from primary habitat and modified levels of forestry production in those other environments. So yes, we have been working collaboratively with council. At an officer level we had discussions and found some agreement around that and we now will be escalating those issues.

The Hon. LUKE FOLEY: Are you aware that Forests NSW is advertising on the mid North Coast inviting private landholders to undertake logging on their properties?

Ms CORBYN: No, I am not. I am sorry; they are advertising for private people to log on public land?

The Hon. LUKE FOLEY: No, for private native forestry operations.

Ms CORBYN: I was not aware of that.

The Hon. LUKE FOLEY: The Department of Primary Industries is advertising—I am happy to show you—and offering to secure approvals under the Native Vegetation Act for such logging.

Ms CORBYN: It would be my view that Forests NSW is not the approval body for private native forestry.

The Hon. LUKE FOLEY: It is you, is it not?

Ms CORBYN: It is us. I do not know how they would expect that they would secure approvals because we have a clear process that we would go through with the approval body. I was not aware that they were advertising that.

The Hon. LUKE FOLEY: I might show you those advertisements and then put some questions on notice to you.

Ms CORBYN: Yes.

ACTING-CHAIR: We will now move to questions from crossbench members.

The Hon. CATE FAEHRMANN: I refer to the issue of storage of nuclear waste at Lidcombe. Has the OEH investigated the option, firstly, of onsite remediation of radioactive waste at Hunters Hill in Nelson Parade?

Ms CORBYN: I should probably clarify that. I think we do not consider the storage facility that we have at Lidcombe for storing nuclear waste. We should be clear about that.

The Hon. CATE FAEHRMANN: Radioactive waste?

Ms CORBYN: Yes. I will get Mr Sullivan to answer the question on what is happening at Hunters Hill.

Mr SULLIVAN: Perhaps I can update because I remember that we did cover this to an extent on the last occasion and, in fact, there was a question on notice for which we provided some further information. I am not sure whether you have that back yet.

The Hon. CATE FAEHRMANN: I have had a look at that.

Mr SULLIVAN: As you might recall, the site has been the subject of multiple analyses and surveys conducted by a range of different bodies, the most recent of which was the Australian Nuclear Science and Technology Organisation [ANSTO] in 2011. The analysis from ANSTO took 34 samples at 25 locations. Five of those samples at four specific locations had what is called a total specific activity greater than the 100 becquerels per gram limit. The highest total specific activity was 269 becquerels per gram. However, when the results are analysed they have a particular system they have to operate in assessing the overall results. They use a 95 per cent upper confidence limit. That is the statistical way it is expressed, which means that the value was lower than the 100 becquerels per gram limit at an estimated value of 97. That figure itself is inflated because of the high standard deviation from one of those samples. What ANSTO concluded then, having conducted that statistical assessment from those 25 locations, was that the overall result is lower than the limit 100 becquerels per gram. When it used its statistical analysis it concluded that the entire site, after consideration was given to the total volume soil present and when it used its continuous walkover radiological survey, meets the requirements of the restricted solid waste classification. In summary, that means that there are a number of hot spots, but they are relatively small in area, given the total volume of soil involved.

The Hon. CATE FAEHRMANN: How many lots on Nelson Parade were analysed by ANSTO during that survey?

Mr SULLIVAN: ANSTO covered all the areas not covered by the 2000 AEGIS Survey. That survey focused on 7 and 9 Nelson Parade. All the remaining lots were covered by the ANSTO survey. As I said, its conclusion was that the result of the continuous walkover radiological survey indicates that the hot spots are relatively small in area and then when consideration is given to the total volume of soil present, the collective site meets the requirements of restricted solid waste classification.

The Hon. CATE FAEHRMANN: Correct me if I am wrong, but I believe that 7 and 9 Nelson Parade had the highest radioactive legacy, is that correct?

Mr SULLIVAN: That is my understanding.

The Hon. CATE FAEHRMANN: So the department did not think it was worthwhile getting ANSTO to assess 7 and 9 Nelson Parade along with all the other lots it has just assessed?

Mr SULLIVAN: I believe that 7 and 9 Nelson Parade have formed part of some of the previous assessments as well. There have been assessments since 1966, 1977, a major assessment in 1987 by Sinclair Knight, the 2000 AEGIS survey which, again, is a significant survey, and then the ANSTO work, which reviewed all that as well as conducted its own survey work from a site. As I said, its conclusion, and it is the expert, is that collectively the site meets the classification of restricted solid waste.

The Hon. CATE FAEHRMANN: As I understand from the most recent ANSTO report, it undertook the sampling in 2010 and reported in September 2011. Has that report been made public?

Mr SULLIVAN: I would have to get some advice on whether that particular report is public.

The Hon. CATE FAEHRMANN: Could that report be tabled?

Mr SULLIVAN: Certainly; I will find out for you.

The Hon. CATE FAEHRMANN: I understand that approximately 5,000 tonnes of materials may need to be remediated and removed. How much do you think will be classified as radioactive and transferred to Lidcombe? Will the whole amount need treatment?

Mr SULLIVAN: Not at all. The expectation from my staff, who have been involved with this site for many years, is that only a very small fraction of the 5,000 cubic metres would need to be transferred to a facility such as Lidcombe. They estimate that it might be something that could, for example, be contained in a series of 20-litre containers, perhaps even smaller. So they are expecting that the hot spots would be quite small and relatively easy to identify. With the equipment that is available they will be able to narrow down the hot spots very precisely.

The Hon. CATE FAEHRMANN: Will the rest of the material be remediated and remain on site?

Mr SULLIVAN: No. All the material is a matter for the State Property Authority. If it is classified as restricted solid waste, it can be disposed of in a facility licensed to take restricted solid waste.

The Hon. CATE FAEHRMANN: I suppose that is like the Kemps Creek facility, which is licensed to take restricted solid waste, is that what you mean?

Mr SULLIVAN: Yes. That facility is licensed for that purpose.

Ms CORBYN: That step is important. It is the State Property Authority that is managing while we oversee the regulation of the site. It will need to look at the circumstances as it goes through that process particularly.

The Hon. CATE FAEHRMANN: Is it an option at all for any of the radioactive waste that is currently being considered for Lidcombe to be taken to Lucas Heights for storage?

Mr SULLIVAN: There are quite a large number of facilities spread across the State that are licensed to be able to store low-level radioactive material. Lidcombe is only one of them. The question about where any radioactive material, if it is identified, would go is a matter for the State Property Authority. I think we said last time that they will need to engage appropriately qualified contractors to undertake this work and there would have to be very careful planning around the management of the site, removal of any material from the site, and communication with the local residents and the wider community. There will be a whole range of things that we will be requiring the contractors and the State Property Authority to look at. Ultimately, we will have to put a licence in place as well.

The Hon. CATE FAEHRMANN: You are quite confident that the amount of radioactive waste that will need to be taken from Hunters Hill to Lidcombe will be small enough and able to be handled competently by that facility? It will not need any upgrading?

Mr SULLIVAN: Based on our understanding, all the survey work that has been done and the expert advice, the facility would be able to handle the level of waste that we anticipate will have to be stored, which we expect to be very small.

The Hon. CATE FAEHRMANN: Will OEH officers be on site? When the soil is assessed, do OEH officers do that assessment and ultimately dictate what soil is more radioactive than others, or is that the job of the State Property Authority?

Mr SULLIVAN: No, it will not be done by OEH staff and it will not be done by the State Property Authority staff; it will be done by experts contracted on behalf of the State Property Authority. For example, there may well be an organisation like ANSTO that supervises the operation, but that is something that the State Property Authority will have to deal with in getting appropriately experienced and qualified operators who can manage that property.

Ms CORBYN: I expect that the State Property Authority also would need to have an accredited auditor who would sign off on the process. There are several layers of independence in the process as well as us, as an agency, satisfying ourselves that all the appropriate steps have been taken.

Mr SULLIVAN: The chief executive is correct: there would be an independent site auditor appointed for the project. To return to the earlier part of the question, there would be visits by Environment Protection Authority staff once the licence is in place to check that it has been complied with.

The Hon. CATE FAEHRMANN: Turning now to the reporting of pollution incidents. Mr Sullivan, I asked you questions about this during the Orica inquiry. I want to be clear on what procedure is followed when members of the public ring the environment hotline and report possible negative health impacts as a result of a pollution incident.

Mr SULLIVAN: As we outlined at that parliamentary inquiry, the process is that phone calls are received by the environment line and if an individual, in the course of making their report to the environment line officer, raises health issues the standard response is to advise them to seek medical advice from a medical practitioner—for example, their general practitioner. Where there is an incident that is underway—the Orica incident being an example—and we have other information to hand then we also provide the standard advice provided by the health authorities. In that case we would provide advice, and did provide advice, to contact the local area health office as well as any information that might be provided in a facts sheet that could be released by the health authorities.

The Hon. CATE FAEHRMANN: I assume you keep records of calls that come through the pollution line?

Ms CORBYN: Yes, very clear records of every call taken and what action follows on from that.

The Hon. CATE FAEHRMANN: If the people that telephone your pollution line to report pollution incidents near them do not suffer adverse health impacts are they more likely to get a response from the department than if they do suffer adverse health impacts?

Mr SULLIVAN: No, I do not think that is the case. They are quite separate issues. If there is an environmental aspect to what they are reporting then we will action that and go and investigate and ultimately

provide advice back to them as to what the outcome was. If they happen to raise information or an issue which is the responsibility of another agency then we will provide advice about which agency that might be, provide details and encourage them to contact that agency. If there is standard advice that is available we provide that standard advice as well. They are two separate issues.

Ms CORBYN: Mr Sullivan's staff would be looking at whether there was an interaction with the licence that they might hold—if it is a licensee—to make sure they get the information or reports from the facility to ensure they are complying with their licence conditions. The staff would look at the circumstance as a whole but we would not be giving health advice. If health advice was required we would refer them to health authorities. That does not mean we would not follow up on the incident itself.

The Hon. CATE FAEHRMANN: On the "Pollution page" for reporting pollution on the Office of Environment and Heritage website it states:

In most cases, concerns about pollution should be referred to the source or person causing the problem. The contact telephone numbers on this page should be used when an approach to the person causing the problem has not been or is unlikely to be successful.

Do you think this is a suitable instruction?

Mr SULLIVAN: Yes, I do. Our general position is that we encourage people, to the extent they can, to attempt to resolve issues and gain information themselves. They should raise an issue with a neighbouring property, or a licensed facility in this case, and if they do not get a satisfactory response we encourage them to bring that issue to our attention and we will investigate. If the matter is happening at that moment, or if they are very concerned about it, we would encourage them to contact the environment line, from there it will be sent to the appropriate operations staff to investigate.

Ms CORBYN: The rationale behind that is that we find there is more accountability by the industry if the community contacts the industry and discusses the problem or issue they have directly with the industry. It is often the case when there is an intermediary that the person that might be conducting the operations does not hear directly from the community what their concerns are. Additionally—in terms of contacting us—it is an accountability mechanism for the industry itself. The industry then responds directly to people that are contacting it—if their system works well. We are there to follow up as well.

Mr SULLIVAN: Could I add that many of our licences would require the licensee to maintain a telephone complaint handling procedure and process. They must have a means of receiving complaints—a complaints hotline, if you like. It is a requirement of the licensee to receive complaints and action them. They have a reporting requirement as part of the environment protection licence to report the complaints they have received as part of their ongoing reporting obligation. There are mechanisms in place that capture the complaints but encourage the licensee to be a good neighbour and be responsible for handling the complaints.

The Hon. CATE FAEHRMANN: What mechanisms does the department have in place in relation to these calls? Are you able to determine some of the cumulative impacts of certain pollution incidents by the reports that come in on the pollution line? That is a fairly broad question about what you do with the data and how it influences whether we need stronger action for air targets or whether certain industries you are not aware of are polluting or breaching their licences: What do you do with the data in terms of cumulative health impacts?

Ms CORBYN: Our pollution line, "enviro-line" as we call it, staff are very skilled in assessing if there is a trend in terms of public reporting. They are not technical people who monitor to determine or assess whether there is a cumulative impact in the individual pollutants, but they are skilled to know if there start to be numbers of calls around a particular area or an incident. They would not only refer the matter but refer up any concern of a trend occurring. The pollution line staff have a good relationship with the regional staff and in many ways they are a central call centre so they can understand whether they need to escalate the issue. Generally that is done in the regional level because they can understand what is happening in the particular circumstance. Each year staff review the national pollutant inventory report to assess the additional information that would not be available from the Environment Protection Authority pollution line to determine whether there are trends of increased emissions. We have licence information that we do track where we have load-base licensees in place. That is in place to understand and force a reduction in the pollutant load emitted from a particular facility.

There are a number of different avenues for people to try to determine whether there is a cumulative impact or not. In the greater metropolitan region from Newcastle through Sydney down to Wollongong and now expanding into the upper Hunter from an air quality perspective we have air monitoring that we report on publicly. Our air monitoring program is on the website and we report annually through the national process where our air monitoring programs are peer reviewed nationally. From an air quality perspective there is a second round. Finally, from a cumulative impact, every three years we do the state of the environment report, which looks more broadly at whether there are increases in pollutant loads.

Mr SULLIVAN: Could I add to the chief executive's observations? There is a series of tools and it might be helpful to think of them if you start from the sources. There are five sources: natural sources, mobile sources, domestic sources, the Protection of the Environment Operations Act non-licensed industry and the Protection of the Environment Operations Act licensed industry. A step up from that level is State Environmental Planning Policy [SEPP] 33, which sets requirements about emergency management plans, provides guidance documents, hazard operability and so on. Then there is consent: The council consents or the department of planning consents and they can set emission limits and link those environment protection licences. As Ms Corbyn mentioned you have the clean air regulation which sets standards such as fuel standards and those for wood heaters. Then there are environment protection licences, which include load limits and concentration limits. The concentration limits are about acute impacts on human health and they are based on national or international standards. The load-based licensing limits are designed to drive better performance overall by putting a price on pollution. There is ambient air quality, which is generally conducted at a regional level and provides useful indicators to help us focus where to put policy effort and interventions.

The national pollutant inventory provides a further source of information to the community and the Government. Changes at the New South Wales air inventory level are used to scope and design the regulatory interventions and to potentially look at amending licences: For example; the introduction of vapour recovery systems or particular fuel standards. It is a layered approach and the higher up the layers you move the more strategic the information you use to shape the regulatory intervention at the lower scale.

The Hon. TREVOR KHAN: There are two broad areas of inquiry that I anticipate Government members will look at. Can you take the Committee through the role that the Environment Protection Authority has with respect to regulating the Straits Hillgrove mine?

Mr SULLIVAN: Thank you for that question. At a general level my first observation would be that the Straits Hillgrove mine is in caretaker mode, which means it is not operating. However, it is maintained in a state where either the current owner or a future owner could potentially bring it back into operation. It is not in the same state in which we have many abandoned mining operations. It has a caretaker mode and an environment protection licence. What we do through that licence is to work with the company involved, which is Straits Resources Limited and the Straits Hillgrove division of that company, to ensure as far as we can achieve that there is no environmental impact off site. We conduct regular inspections. Straits Hillgrove do have staff on the site. That is not always the case in caretaker mode but it is the case on this site. They are conducting monitoring at our direction and provide regular reports.

The facility is in the process of being sold. The company may well have reached agreement with a purchaser but it now is a matter of finance. It is unclear as to whether or not a new purchaser will ultimately be on the scene and bring this facility back into operation. To that extent it is essentially like any other environmental protection licensee in that it has a licence, we do regular inspections, they have to conduct certain activities, particularly monitoring, and provide regular reports to us. There has been some recent information or concern about that facility. I do not know whether you want me to go and talk a little bit about our reaction there.

The Hon. TREVOR KHAN: Yes. Clearly some pollution incidents have occurred. You might be able to indicate the nature and extent of those incidents.

Mr SULLIVAN: Certainly.

Ms CORBYN: Whilst Mr Sullivan is getting that information from his perspective, one of the things I can say is that it is quite a challenge, particularly where there are mining operations and there are extreme weather events that occur, to make sure that there are appropriate controls and systems in place to be able to cope with the variability of extreme weather events. With Straits Hillgrove that has certainly been the case most recently and we have been trying to work out how to control a really big meteorological event.

The Hon. MELINDA PAVEY: We have had that over many, many years. That is a typical rainfall pattern on the mid North Coast.

Ms CORBYN: It is. Often the challenge is that it comes in bursts. So you try to get the systems in place to deal with it. If they are extreme events they can have the potential to overload the systems and that creates a great challenge.

The Hon. MELINDA PAVEY: We had a very wet winter last year.

Ms CORBYN: We did.

Mr SULLIVAN: To provide context to the Committee, there are two systems on the site that contain water that is contaminated to one degree or another. Those two systems are, first, the stormwater system. There are three dams on the site which contain stormwater run-off. There is a level of residual contamination in the stormwater run-off which comes from the site and the previous use of the site. It is not particularly high but it is still present. Then there is the tailings dam. The water in the tailings dam is far more contaminated. It has been taken out of the mine itself. One of the challenges we have is that if this mine site were operating the water there would be used in the operation and the levels of the dam would be much lower.

As you mentioned, there have been a number of significant rainfall events and there have been essentially six overflows since August where the degree of rainfall has led to an overflow from the stormwater system. I want to emphasise that the stormwater system has overflowed, not the tailings dam. Those stormwater overflows have occurred at times obviously where there has been high rainfall, which means there has been increased water flow in both the creek and the river. That has meant that our conclusion from the environmental perspective is that those overflows whilst at elevated levels were at the point of leaving the stormwater dams. The dilution effect means that there is no measurable impact on the background water quality of Bakers Creek and the river itself.

There is a current issue which we are using a prevention notice to address and that is that the tailings dam is getting to fairly high levels. We have directed Hillgrove Straits that they need to lower the level of that tailings dam. The way they have come up with is a proposal to which we have now agreed. They will empty one of the stormwater dams, or basins, and then draw down the tailings dam into the stormwater basin, which will be isolated so that it cannot overflow and isolated from further inflow of stormwater. They will use their evaporators which they are required to have in place. They are now working five evaporators designed to keep the levels down. They will use their evaporators to get the level of the tailings dam down as low as possible. Then the tailings material that was drawn out will be pumped back into the tailings dam. It will end up being at a lower level and the stormwater basin will then be allowed to be returned to the stormwater system.

We hope to significantly limit the risk of a tailings dam overflow by this means. That is the management of the site in terms of the immediate challenges. There has been a meeting recently coordinated by the Department of Premier and Cabinet and attended by some 35 people, I understand, from a whole range of agencies, local councils and the University of New England and others looking at these issues. I understand the consensus there was that they are two separate issues. There is the immediate, which I have just described. I think broadly the consensus there is that if it is the stormwater overflowing there is negligible impact in terms of the environment but there is a communication challenge in making sure that local residents and the local community understand that the risk is very low.

Then there is the legacy issue, the more significant issue, which is that some 9 million tonnes of tailings were dumped as a result of mining operations 50, 100 years ago and now metals from those tailings have been washed into the Macleay River and are moving as a plume slowly through the sediments. That is a much more significant challenge and it is one that certainly that group felt there needed to be further research on. One of the proposals to come out was that the Environment Protection Authority would work to provide a letter of support to the University of New England in terms of its seeking grants funding from the Australian Research Council grants in relation to what might be the environmental health implications of this plume of metals which has been moving there for 100 years now and creates a very complex and difficult problem. It is quite possibly the case that disturbing that plume would create a worse outcome than simply allowing it to gradually move through the system.

The Hon. TREVOR KHAN: I will ask one short question because I am aware of the time and we want to move on to another issue. You have spoken about incidents of post-August 2011 in terms of overflow events to a greater or lesser extent. Have these problems been only since August 2011 or are they a longstanding issue?

Mr SULLIVAN: These issues have become pressing because the mine is not in operation. It is really the closure of the operation and putting it into caretaker mode that has now led to the dams filling up because the water is not being used. Otherwise it would be used in the processing of the mineral ores being taken out of the mine.

The Hon. TREVOR KHAN: When did the mine close or cease operation?

Mr SULLIVAN: I would have to get the specific date of that. It was some years ago now.

Ms CORBYN: One of the challenges also for us now would be that it has been a wet year. We were in a drought for the last decade almost.

The Hon. MELINDA PAVEY: It was very wet the year before.

Ms CORBYN: Yes.

The Hon. TREVOR KHAN: It is not only this year it has been wet. In fact last year was wetter up there than this year.

The Hon. MELINDA PAVEY: And there were major floods. Did this situation occur the year before?

Mr SULLIVAN: I will have to take that on notice.

The Hon. MATTHEW MASON-COX: I turn to the start-up of the Orica facility. I direct my question to Mr Sullivan. Can you update the Committee on the start-up of the facility, including what Orica has to do to satisfy the Environment Protection Authority that it can safely operate that facility?

Mr SULLIVAN: Thank you for that question. I am pleased to be able to provide an update on the work of the start-up committee. The start-up committee met for the eighth time yesterday. As some of you might recall, the committee comprises agencies that have had in one form or another involvement in the Orica incidents. They are Fire and Rescue NSW, WorkCover, the NSW Police Force, the Ministry of Health, the Department of Planning and Infrastructure, Newcastle City Council, Port Stephens council and, of course, the Environment Protection Authority.

What the committee has been doing over the last eight meetings, which has spanned some 2½ months now, is, firstly, developing a verification plan. We identified what was required to be undertaken by Orica in order for the committee, and ultimately myself, who will have to make the decision about the prevention notices, to be satisfied that Orica can actually operate the plant in an environmentally satisfactory manner. We identified a four-part plan, which is technical, clean-up, consultation with the community and emergency. In terms of those plans and where we are at the moment, I will work backwards through that list. The emergency plan has been approved by WorkCover and endorsed by Fire and Rescue NSW. They also have conducted tests—actual testing of the new, rewritten emergency plan—and they are satisfied that Orica can implement the plan as it is now written. They have conducted testing and they have checked the testing of the Orica staff and they are satisfied that it meets the appropriate standards. So the emergency plan part of the work is complete.

The Hon. TREVOR KHAN: Are you able to provide us with a copy of the emergency plan?

Mr SULLIVAN: Yes, I am happy to table that. In relation to consultation with the community, this is not an area where the start-up committee directs Orica. What it has done is require them to provide a plan and we have been checking to make sure that they have been following the plan. They have been following the plan in the sense that they have been placing the various advertisements, conducting the public meetings, conducting the reference group meetings, doing their letterbox drops and so on. That work has been progressing and we have been noting that it is underway. The start-up committee has its own communications strategy as well, I might add.

That leaves the cleanup and technical. The cleanup is broken into two parts. The first is the cleanup, most importantly, of Stockton. That was undertaken by Orica pursuant to clean-up notices issued by the Environment Protection Authority and it has been completed to our satisfaction. Some 300-plus homes were attended ultimately by Orica and cleaning undertaken. The other part of the clean-up is the clean-up of the plant itself, both internal and external surfaces. We have required them to get an audit to audit that work. The auditor's advice was that they had conducted the cleanup to a standard that was consistent with best practice for industrial cleaning. The external surfaces have been cleaned and as a precaution the stormwater has been captured and does not leave the site—in case it has high levels of chromium, for example. The internal cleaning has been more challenging. They actually had to pull the stack down, some 50 metres of stack, to clean it internally.

The Hon. TREVOR KHAN: Fifty-four, in fact.

Mr SULLIVAN: That is right, 54 metres—although the second part, which is 48 metres, I think, was the one in question. It has been cleaned. They are at the final test right now. We have asked them to do what is called a steam puff test which is to put a small amount of steam up the stack and then take measurements at the top to ensure the level of chromium is either non-existent or very low. That is underway almost as we speak, I understand. Apart from that, the cleanup is essentially now complete.

The technical has been the most challenging in that it has required both physical changes to the plan and changes to procedures as well as the training and implementation of those procedures and rehearsals. As to the remaining task in the technical area, there have been a number of questions raised by the independent engineer and members of the committee about the implications of using nitrogen in the plant. There is a risk with nitrogen that it can be asphyxic in certain circumstances. So they have required procedures that require Orica to write procedures to deal with that risk. There also has been a focus on the start-up checklist, which was woefully inadequate in the original start-up but which is now in much better shape. The independent engineer is meeting today with Orica to require some further changes to the checklist. I expect those will be made very shortly.

The key remaining technical part is the testing. One of the challenges we have is that the plant has been out of operation now for more than 20 weeks. It consists of a vast number of valves and seals and other safety systems. The only way that we can be as confident as possible that the plant can operate as safely as possible is to undertake tests that simulate operating conditions. To do that we have varied our prevention notice and required Orica to undertake what is generically referred to as pressure tests. That testing is underway at the moment. It will take some time. It might be finished by either late today or early tomorrow potentially. Once we have those results will have a much better indication of whether the plan is in a position that we can enable start-up. I can say that all the requirements by the independent engineers, and there have been several of them now, have been met in terms of physical changes to the property.

The other point I would make generally is that the start-up committee has had eight meetings now. At the last meeting we also invited the Stockton Community Action Group to come and address the start-up committee in terms of expressing its concerns. We spent an hour speaking to five members of the Stockton Community Action Group. They raised a whole range of issues. Some of them were outside the remit of the committee, others we were able to answer and able to provide some information on. There were perhaps some factual misapprehensions with some of the members of the committee but we were able to address those.

There were some concerns about security which we have asked WorkCover to look at. There were also concerns about the Toulouse incident that some of you might be aware of—there was an explosion in the ammonium nitrate plant. We emphasised to the Stockton Action Group that that was a very different incident; that involved the incorrect storage of off-spec ammonium nitrate with possibly chlorine, I think—some other inappropriate thing that they should not have had together—and ultimately an explosive situation was created. That is not what exists on Kooragang Island. Ammonium nitrate, as the Committee might be aware, is not explosive in its own right, it is a precursor to an explosion, and if it is properly stored the explosion risk is very low. That is where we are up to with the start-up committee. We are very much at the business end of the process. It remains now to be seen whether Orica can demonstrate that these safety tests, these pressure tests, can be completed adequately.

The Hon. TREVOR KHAN: You are aware from the hearing that it has been difficult to pin down anyone from Orica as to who is doing things or who is responsible. Who from Orica is on the start-up committee?

Mr SULLIVAN: Orica is not a member of the start-up committee; it is not represented on the start-up committee. The way that the start-up committee is operated is that where we need to ask questions of Orica—and, to be frank, the start-up committee has put Orica through the wringer—we have called in their site manager, their senior manager—

The Hon. TREVOR KHAN: Is that Mr Newman that you are dealing with?

Mr SULLIVAN: No, Mr Newman is no longer the site manager. We deal with a gentleman named Mr Sean Winstone—he is now the site manager. We have called Mr Winstone before the committee repeatedly and questioned him at length—he has had his fortnightly grilling from the committee—and once we have finished asking him questions and getting answers then he is asked to leave whilst the committee continues its deliberations.

The Hon. TREVOR KHAN: Does Mr Bonner play any role in the exercise?

Mr SULLIVAN: No, the committee's only dealings with Orica essentially have been through Mr Sean Winstone, although I as the chair have had direct dealings on numerous occasions with the chief executive officer of Orica.

The Hon. MATTHEW MASON-COX: Mr Sullivan, could you tell us when the start-up committee is likely to meet? Is it likely to meet tomorrow, assuming the pressure tests are satisfactory? When do you expect them to meet to consider the final outcomes?

Mr SULLIVAN: The start-up committee has scheduled a meeting for tomorrow but premised on the basis that it requires Orica to report back with the results of the tests. So we are really in Orica's hands. If the meeting is to go ahead it is going to require Orica to furnish the results of these pressure tests.

ACTING-CHAIR: I thank all witnesses. I understand you may be staying. As per resolution of the Committee we will stand adjourned for five minutes, after which we will resume and seek evidence from the Minister.

(Short adjournment)

ACTING-CHAIR: I declare this section of the hearing open and thank you, Minister, for attending today. We will begin with 20 minutes of questions from the Opposition and 20 minutes of questions from the crossbench. I understand that the Government does not propose to ask questions, so at that point the hearing will adjourn.

The Hon. LUKE FOLEY: Are you going to consent to coal seam gas mining in the Pilliga's State conservation areas?

Ms ROBYN PARKER: All of us are concerned about coal seam gas mining. There is a Federal inquiry into coal seam gas and a New South Wales inquiry into coal seam gas and I think all of us want to get this right. Since we have come into government we have adopted an approach in relation to strategic regional land use where we are looking at the strategic land uses of a variety of mechanisms. We are looking at how we can best plan and manage strategic land across agricultural uses, making sure we have got the best biodiversity in place, that we have got mapping, making sure that we have an understanding of what the competing land use needs might be and developing strategic regional land use. In relation to the Pilliga, I understand that the application by Eastern Star Gas to undertake exploration in the Pilliga was in the wrong form and a further application has not been made.

Mr SULLIVAN: Perhaps I could just add there that we have had some dealings with Eastern Star Gas on our Environment Protection Authority approaches. So in the exploration phase the Environment Protection Authority does not have a formal regulatory role, it has a decision-making role, but the role that we do have is that we provide advice to the energy part of the Department of Trade and Investment, Regional Infrastructure and Services—it is the lead agency in exploration. We have had an example involving Eastern Star Gas where there were complaints about environmental impacts, dead frogs, for example, trees that had died, so we provided support to the Department of Trade and Investment, Regional Infrastructure and Services in the form of officers, investigators and operation officers to attend the site and conduct investigations. The Department of Trade and Investment, Regional Infrastructure and Services is still finalising its investigation.

We were satisfied that environmental impacts were not significant from those particular complaints. They have been investigated and that is essentially the role that whenever there are complaints that come to our attention by the working group we then work with other agencies involved, particularly the Department of Trade and Investment, Regional Infrastructure and Services and the Department of Planning and Infrastructure, to respond to those types of issues, including Eastern Star Gas.

The Hon. LUKE FOLEY: You are right in general about the principal role that the Department of Trade and Investment, Regional Infrastructure and Services has, but I am particularly interested today in the application that Eastern Star Gas made for coal seam gas mining to proceed in the Pilliga's State conservation areas. Minister, is it not the case that that brings you in as Minister for the Environment in that you have a statutory role, do you not, under the National Parks and Wildlife Act, where you need to consent to that before any approval can be granted by Government?

Ms ROBYN PARKER: The Office of Environment and Heritage has reviewed the application by Eastern Star Gas to undertake exploration in the Pilliga East State conservation area. As I said before, the application is not in the right form to meet the appropriate environmental assessment and approval requirements, and Eastern Star Gas—or Santos—has yet to notify the Office of Environment and Heritage of its intention to continue with the proposal. So there is nothing on the table at the moment. Coal seam gas operations in the Pilliga forest are regulated under exploration licences issued by the Department of Trade and Investment, Regional Infrastructure and Services. Any questions relating to regulation of activities in the Pilliga should be referred to the Minister for Trade and Investment.

I am also advised that Eastern Star Gas applied to the Department of Planning for planning approval in 2010 for the Narrabri gas field project. That proposed project covers a section of the Pilliga State Forest and the Pilliga East conservation area. The director general's requirements for this project were issued by the Department of Planning in 2010. The Environment Protection Authority does not have a formal statutory approval role but it does review the associated environmental assessments and provides advice to the Department of Planning. Eastern Star Gas will need to seek landowner's consent for the project prior to the project being determined, but at this stage the Environment Protection Authority, as Mr Sullivan said, will be looking at biodiversity and there is nothing at this point in terms of the proposal.

Ms CORBYN: My understanding as well is that the National Parks regional people looked at some of the information, but we have not provided advice to the Minister because the application was not in the appropriate form and did not have sufficient information. So as an agency we have sent it back to Eastern Star Gas and they have yet to determine what the next step is going to be. As the Minister said, if it is in the Pilliga East State conservation area there will be a need for the Minister to give landholder consent if it were to proceed, but because we do not have that information and they have not sent material back to us we have not assessed it under that stage and so we have not provided any advice on that at this point.

Mr SULLIVAN: More generally, Mr Foley, your question actually highlights an important issue that has been of concern to the coal seam gas working group of which the Environment Protection Authority is a part. That is the standard of these reviews of environmental factors, or REFs as they are referred to, that broadly are unsatisfactory. In some cases there was very limited information being provided that would enable proper decision-making by all agencies in government. As a consequence, the agencies have done two things. Through the auspices of the Coal Seam Gas Working Group applications are sent back. If they do not have sufficient information, with the Department of Trade and Investment, Regional Infrastructure and Services as the lead, they are simply sent back and told to resubmit.

But secondly, and perhaps more importantly, there is a review underway which is developing essentially guidelines for industry so that if they are going to submit one of these reviews, these REFs, they are going to have to comply with the guidelines that are being agreed to almost as we speak in terms of being provided to industry. So what we are hoping is we are going to get a much better standard of product being sent into government so that we can make these decisions.

The Hon. LUKE FOLEY: Where we are at on the Pilliga is that the application from Eastern Star Gas was not adequate, it has been sent back by you to them and so there is nothing before you at the moment. Am I right?

Ms ROBYN PARKER: That is correct.

The Hon. LUKE FOLEY: Could I then ask you a policy question, Minister. Do you think it is appropriate for coal seam gas mining to be approved in the State's protected areas?

The Hon. TREVOR KHAN: That is not a policy question; that is asking for an opinion.

Ms ROBYN PARKER: That is asking for an opinion and clearly in terms of coal seam gas there are some things that you need to understand. It is an exploration industry. The O'Farrell Government has taken a number of steps in terms of coal seam gas because it is one of the most pressing issues before us today as a nation. The O'Farrell Government has taken some steps on what we feel about coal seam gas in terms of our stringent environmental—

The Hon. LUKE FOLEY: Yes, but I would like to know particularly with respect to protected areas what is the policy of the Government. Do you have one?

Ms ROBYN PARKER: We are developing—far more than your Government had—stringent environmental standards for coal seam gas. That includes a ban on benzene, toluene, ethylbenzene and xylene [BTEX] and includes extending the moratorium on hydraulic fracturing, or fracking.

The Hon. LUKE FOLEY: The question is about protected areas.

The Hon. TREVOR KHAN: Point of order: The Hon. Luke Foley is engaging in the same technique that he has on other committees and that is to not allow Ministers to answer the question. The Minister is being generally relevant.

The Hon. LUKE FOLEY: I may have learnt that one from you. You are engaging in the technique of shielding your Minister from answering the questions I ask.

ACTING-CHAIR: Order! I would ask the Minister to please answer the question as she sees fit.

Ms ROBYN PARKER: In terms of other activities we are undertaking, I have mentioned our strategic land use policy. There is through the O'Farrell Government increased transparency, new consultation guidelines and a ban on evaporation ponds for coal seam gas production.

The Hon. LUKE FOLEY: What about protected areas?

Ms ROBYN PARKER: In addition, we are developing drilling and hydraulic fracturing standards for the coal seam gas industry.

The Hon. LUKE FOLEY: Can you tell us anything about protected areas, Minister?

Ms ROBYN PARKER: We are certainly making sure that the community is engaged and involved and there is certainty between mining, agriculture and community issues. It is about proactive steps to regulate coal seam gas—

The Hon. LUKE FOLEY: What about conservation?

Ms ROBYN PARKER: —exploration and production to protect agriculture land and the environment. We are about seeking the right balance and certainly protecting our aquifers.

The Hon. LUKE FOLEY: Minister, I asked you whether coal seam gas mining was ever to be allowed by you in a protected area. That would be a first, would it not?

Ms CORBYN: There is a category in the legislation, not a policy question but a legislation question, of a State conservation area. Pilliga East would be a State conservation area. The legislation which was passed by the Parliament actually does allow some mining activities in those State conservation areas. There are different categories of protected areas in which certain activities are allowed and other activities are not. If it would be in a State conservation area the legislative provision is that some mining activities would be able to occur but we have to assess that.

The Hon. MELINDA PAVEY: That was a decision made prior to the March election.

Ms ROBYN PARKER: It was.

Ms CORBYN: We would have to assess that, so what would happen is the national parks staff would go through and determine on the merits an assessment whether there was an impact that would affect the conservation values under the State conservation area and make a determination from their perspective as to what the impacts might be on the merit. But the legislation does allow in State conservation areas some mining activities.

The Hon. LUKE FOLEY: Underground mining. Indeed it does, Ms Corbyn, but I am talking about coal seam gas mining in particular. Perhaps you could inform us. Can I put to you there has been no approval granted for coal seam gas mining in a protected area, in a State conservation area, in New South Wales to date, has there?

Ms ROBYN PARKER: They have all been under your Government. All the licences for coal seam gas were under your Government.

Mr SULLIVAN: Mr Foley, perhaps if I could assist there. It is actually an industry which is very much in exploration. There is only one production licence or production facility—

Ms ROBYN PARKER: Granted by your Government.

Mr SULLIVAN: —that reaches the threshold of five petajoules, which is where the Environment Protection Authority licence kicks in. So that one licensed facility is at Camden. It is an AGL facility. Really the remainder, there are a number of others that are reasonably well advanced in terms of—

The Hon. LUKE FOLEY: Are you talking to me about State conservation areas?

Mr SULLIVAN: I am talking about generally in the industry.

The Hon. LUKE FOLEY: I am asking about State conservation areas.

Ms CORBYN: From a State conservation area perspective, I would have to check and take on notice whether exploration activities have been allowed in State conservation areas. As far as I am aware we have not given an approval for coal seam gas mining in the State conservation areas, but I will have to check on exploration because they are different categorisations. We would have to take that on notice.

Ms ROBYN PARKER: There certainly has been nothing under our Government. The licences for coal seam gas have been under the previous Government of which you were a member.

The Hon. LUKE FOLEY: It has never been granted, Minister. Your director general just told us that.

Mr SULLIVAN: Mr Foley, my general point was that there are actually relatively few activities underway. We are talking in the dozens. A couple of dozen REFs are what has been received across all tenders. So there are very few of these in a general sense.

The Hon. LUKE FOLEY: Indeed you are right, Mr Sullivan. We are talking about an industry in its infancy in many ways. What I am trying to get to is the policy of the Government now regarding the future of the coal seam gas industry, if any, in our protected areas. Minister, can I invite you to give our Committee a guarantee that on your watch there will be no approval given under the National Parks and Wildlife Act that would permit coal seam gas mining in the State's protected areas? I invite you to give us that commitment today.

Ms ROBYN PARKER: I can tell you that I have given you the commitments we already have in place, which are that we are undertaking stringent research and work on coal seam gas in terms of the environmental standards for coal seam gas. We are certainly looking at making sure that we have in place more protections than were in existence when your Government granted licences for coal seam gas in Camden. We have a strategic land use policy.

The Hon. LUKE FOLEY: I am asking about protected areas.

Ms ROBYN PARKER: In fact, Dharawal State Conservation Area will be made into a national park very soon. A large protection for a very big area of New South Wales which was promised under the Carr Government will be delivered under the O'Farrell Government. There will not be coal seam gas mining.

The Hon. LUKE FOLEY: You know that is not my question, Minister.

Ms ROBYN PARKER: You can keep going but I will keep telling you the same things.

The Hon. LUKE FOLEY: Will you give us a guarantee that on your watch you will use your powers to stop any coal seam gas mining being approved in the State's protected areas? Will you give us that commitment? It has never been approved to date.

Ms ROBYN PARKER: I have already told you we will make sure—

The Hon. MATTHEW MASON-COX: Point of order: The member continues to berate the Minister. He will not give the Minister an opportunity to answer the question before he goes on to ask another question and make another statement.

ACTING-CHAIR: Order! The member may ask whatever questions he wishes and, provided she is generally relevant, the Minister may answer it in any way she wishes.

The Hon. MATTHEW MASON-COX: To the point of order, Mr Acting-Chair—

ACTING-CHAIR: Order! The point of order has been ruled on.

The Hon. LUKE FOLEY: Minister, it is the case that coal seam gas has never been approved in the State's protected areas. Will you give us a guarantee that that will remain the case while you are the Minister for the Environment?

Ms ROBYN PARKER: I will be taking proactive steps to regulate coal seam gas. We will be working within the legislation which means that we will consider proposals on their merits. There are under the O'Farrell Government a number of steps in place in terms of regulating coal seam gas, in terms of finding more transparency, protecting our aquifers, banning BTEX and currently no licences have been approved and there is no licence before us.

The Hon. LUKE FOLEY: Will you honour the Liberals' and The Nationals' election commitment to conserve an extra 100 hectares of Cumberland Plain Woodland at the Australian Defence Industries [ADI] site in western Sydney?

Ms ROBYN PARKER: In terms of western Sydney we are doing a great deal in protecting some of the Cumberland Plain Woodland. The Wianamatta State conservation area has just been announced recently by our Government. That is a large section of Cumberland Plain Woodland which has been made into a protected area. I have been out there and had a look at that and made sure that we have got the strongest protections in place as a nature reserve.

The Hon. LUKE FOLEY: What about the 100 hectares you promised in the campaign to protect? Are you going to honour that?

Ms ROBYN PARKER: Most definitely in terms of western Sydney we have got a number of commitments in terms of Cumberland Plain Woodland and on the ADI site. Following extensive environmental studies it was zoned to enable a mix of conservation and development outcomes. The majority of the habitat on the ADI site is to be conserved in a regional park. That is about 900 hectares. The regional park will contain the highest quality remnant native vegetation which is the Cumberland Plain Woodland. We are focusing at the moment on finalising the plan of management for Wianamatta Regional Park. In terms of the ongoing commitment to conserve a further 100 hectares of Cumberland Plain Woodland, the regional environmental plan identifies that 900 hectares and that overall offset was agreed to prior to the land plan—

The Hon. LUKE FOLEY: That is a different area. I am asking you whether you are going to honour—

Ms CORBYN: My understanding is we are actually progressing at Shanes Park, which is where the 100 hectares was identified. So we are actually progressing that, yes.

The Hon. CATE FAEHRMANN: Minister, there is coal seam gas exploration going on in special areas, is there not?

Ms ROBYN PARKER: Coal seam gas is something that I think you need to clarify in terms of what you mean. But there are no licences.

The Hon. CATE FAEHRMANN: For clarification, does the department consider special areas in relation to Sydney Catchment Authority land part of protected areas or do they manage that differently?

Ms CORBYN: No, generally it is managed differently. Mr Conroy can comment on this, but the special areas are areas that actually surround the Sydney catchment dams and drinking water area. We transferred quite a significant amount of land partly into the national parks and then designated other parts of the areas as special areas, but I will get Mr Conroy to comment on that.

Mr CONROY: It is true there are national parks and nature reserves within special areas but there is no coal seam gas extraction happening within those park areas that are special areas. There may well be coal seam gas extraction within special areas that are not protected areas.

The Hon. CATE FAEHRMANN: Minister, are you aware whether there is coal seam gas exploration taking place within special areas of Sydney Catchment Authority land?

Ms ROBYN PARKER: Special areas are managed by—you need to ask those questions of Katrina Hodgkinson, the Minister for Primary Industries.

The Hon. CATE FAEHRMANN: Special areas as managed under the Sydney Catchment Authority land are jointly managed, so the Sydney Catchment Authority website tells me—

Ms CORBYN: I might be able to clarify that.

The Hon. CATE FAEHRMANN: Just to get clarification by the Minister, the website tells me the land is jointly managed by the Office of Environment and Heritage and Sydney Catchment Authority. These are the lands that are managed for the protection of Sydney's water supply. It has nothing to do with the Department of Primary Industries.

Ms ROBYN PARKER: No, catchment management authorities are under the Department of Primary Industries.

Ms CORBYN: I guess it is a complexity of the way we manage the land with the Sydney Catchment Authority and national parks. In particular, we have split up some of the functions. So the Sydney Catchment Authority, particularly because of its concern about water quality and drinking water quality, would deal with some of the activities that might affect water quality, where national parks would deal with pest, weeds, fire and a range of other activities. So we have a joint agreement with the Sydney Catchment Authority that covers the wide range of areas of how we coordinate the management across—that is why it is called joint management—both the Sydney Catchment Authority itself and the national parks. Mr Conroy, do you want to comment there? It is a collaborative relationship that is defined quite clearly in something called the Special Areas Strategic Plan of Management.

Mr CONROY: Special areas are like a planning layer; they cover a very wide area and a number of land tenures: private land, Sydney Catchment Authority land, Crown land, national parks and nature reserves. It covers all of those categories. Special areas protect the drinking water catchments of Sydney.

The Hon. CATE FAEHRMANN: Minister, what is the role of Katrina Hodgkinson in managing special areas that you referred to before?

Ms ROBYN PARKER: Sydney Catchment is slightly different from a catchment management authority but she handles the catchment management authority—

The Hon. CATE FAEHRMANN: She does?

Ms ROBYN PARKER: She is the Minister for water as well, and one of the other things we are developing in terms of coal seam gas is an aquifer interference bill. She is also the regulator of the Sydney Catchment Authority as the Minister for water.

Ms CORBYN: The Hawkesbury Nepean Catchment Management Authority covers some of the same areas as the Sydney Catchment Authority, and then national parks manages some of the land as well. So there are quite a number of people involved across both agencies and ministerial portfolios.

The Hon. CATE FAEHRMANN: Minister, as I understand it, only two weeks ago an additional coal seam gas exploration bore hole was approved on Sydney Catchment Authority land. Are you aware of that?

Ms ROBYN PARKER: I think that is a question for Minister Hodgkinson.

The Hon. CATE FAEHRMANN: Even though the Office of Environment and Heritage is jointly responsible?

Ms ROBYN PARKER: I think it is the Department of Trade and Investment, Regional Infrastructures and Services that you should be asking those questions of, not me.

The Hon. CATE FAEHRMANN: In answer to an earlier question by the Hon. Luke Foley I think you mentioned there was no exploration—

Ms CORBYN: I said I would have to take that on notice because I was not aware of exploration licences—I was not aware of that information so I would have to come back and respond to that. We do not have the data with us.

Mr CONROY: If I could just add to that. We would only have joint responsibility if the coal seam gas exploration licence was for a protected area within the special areas. As far as I am aware that is not the case.

The Hon. CATE FAEHRMANN: Is the Government considering allowing logging of any type to take place in national parks?

Ms ROBYN PARKER: There is firewood collection but not—a trial is going to be undertaken with Victoria and New South Wales on some ecological thinning in the river red gums. Is that what you are referring to?

The Hon. CATE FAEHRMANN: Yes.

Ms ROBYN PARKER: That is not technically what you would call logging. It is a trial to see whether if you take—Mr Grosskopf can give you some more detail on that.

Mr GROSSKOPF: Some of the new parks in the river red gum area are in various conditions as they have moved from private or other forms of State ownership into a park management regime. In order to restore and enhance the kind of ecological values and environmental values that we have for those areas we are looking at options for ecological thinning, which is a silvicultural practice to change your forest structure. Importantly, if you want large trees with large crowns, creating opportunities for hollows and all that sort of thing, you want a more open woodland structure. If you are looking for trees with a more straight habit, you tend to have those trees in a more dense forest environment. The logging activity referred to could relate to that. We have a program attached to the river red gum program which is all about adaptive management, looking at those treatments, close environmental monitoring and scientific monitoring to see what the results in relation to the form and structure of the forests are, and then adapting our management activities to achieve those outcomes.

Ms CORBYN: Could I just say that the adaptive management process that Mr Grosskopf just mentioned in the Riverina is being scientifically designed very carefully. Also, a committee is going to be set up to provide advice to us as we progress the scientific basis and really get demonstration sites in place so we can understand—there is a controversy, I suppose, around how you progress ecological thinning. I think the scientific basis really needs to be provided to everyone so that all that science is out there. We have a joint scientific committee that is independently chaired, that provides advice to us. I have not got the results yet but it

was meeting yesterday to talk about the next stage of the ecological thinning and adaptive management program, which is to occur over time to allow us to understand, as Mr Grosskopf said, whether we can get higher conservation values by the way we manage the parks in the Riverina.

The Hon. CATE FAEHRMANN: As I understand it, the next stages you refer to may involve commercial operators, operating under contract, doing the logging or thinning?

Ms CORBYN: We have not defined at this point as to who will do the work.

The Hon. CATE FAEHRMANN: Not who, but a response to a question on notice by the Hon. Robert Brown says, "it is expected that once OEH establishes a demonstration site all remaining thinning works within New South Wales will be undertaken by commercial operators under contract following an open tender process."

Ms CORBYN: We have not done that process yet.

The Hon. CATE FAEHRMANN: So that is expected to happen?

Ms CORBYN: We would do an open tender process, so it could be commercial operators that undertook that but we have not defined that process.

The Hon. TREVOR KHAN: Point of order: The wonderful Cate Faehrmann, bless her, does not seem to be prepared to allow the witness to answer the question. She cuts her off. The witness is entitled to answer the question.

Ms CORBYN: We are going through a staged approach that is starting with the scientific design outlining the concepts for adaptive management, then looking at the scientific basis and then going out to tender as to who might undertake that activity. If people who tender are commercial operators then we would certainly consider them, absolutely.

Ms ROBYN PARKER: It is ecological thinning and it is a trial. So we need to emphasise that before people get overexcited about this. It is a trial between New South Wales and Victoria, supervised by an independent scientific committee. Mr Grosskopf can give you some more detail on that, but it is a small trial and it is a demonstration.

The Hon. CATE FAEHRMANN: Minister, would you be able to give a guarantee today that that trial will stay within the river red gum national parks and that no logging of national parks will take place under your watch outside of this demonstration?

Ms ROBYN PARKER: This is an approach—Mr Grosskopf can give you the details—to trial better growth in a small section. It is not logging per se; it is particularly stimulating that growth. That is why I think it is incorrect to talk about logging as such. It is about promoting regrowth of trees that have a limited habitat.

The Hon. CATE FAEHRMANN: Just in the river red gum national park?

Ms CORBYN: Yes.

Mr GROSSKOPF: There are a limited number of people with the required skills and capacity to undertake the kinds of operations we are looking to do by way of ecological thinning. We should not think about it as a forestry logging activity; it is an ecological thinning trial and there are a limited of people with those skills and abilities, so some commercial operators may be involved.

The Hon. CATE FAEHRMANN: To clarify that in relation to commercial operators, do you mean that operators will come in and do the ecological thinning, as you call it, but then onsell those products, the logs, for commercial gain?

Mr GROSSKOPF: It is not a commercial operation and it is not designed to create a commercial return to an operator, no.

Ms CORBYN: If it is shown to be beneficial from an ecological management perspective that is a good thing. As I recall, we have had some thinning in the past in some cypress areas associated with the brigalow. We want to establish sound science that lets us know that the management practices, from an ecological perspective, are beneficial. That is the real focus of this work. I think it is a fantastic opportunity because the Victorians are involved as well. I believe the Chief Scientist of Victoria is chairing the scientific committee. I have met with them at least once and all the scientists across the board are making a huge contribution to our understanding of how to manage national parks from an ecological perspective.

Ms ROBYN PARKER: It is about stimulating growth. It is about making sure the trees are growing to the right levels so that you get a broad diversity in their value.

The Hon. CATE FAEHRMANN: By the sound of it, it does not seem to be limited to the river red gum national park. You are undertaking a demonstration trial there and then, judging by the responses to questions, you will seek tenders for commercial operators—

Ms CORBYN: For the river red gums.

The Hon. CATE FAEHRMANN: For the river red gums?

Ms ROBYN PARKER: Yes. As Mr Grosskopf has already explained, that is the type of tree that will grow well. That is what the scientific study is designed to do—to make sure you promote growth of that type of tree. It is a scientific trial; we are not then opening this up broadly to ecological thinning everywhere. It is appropriate to this species of tree.

Mr GROSSKOPF: It is appropriate to this environment and it is appropriate in relation to the transition from one previous form of management to a park management environment. I do not want to talk too much about stands replacing forests and those that are replaced through different levels of natural disturbance and those sorts of things. It is basically about creating stands with different age ranges, different forest structure, and providing different kinds of habitat niches that are required, to promote the environmental values of those areas.

Ms ROBYN PARKER: It is about better management.

Ms CORBYN: The scientists involved, particularly the scientific advisory panel, have expertise in floodplain ecology as well so we are particularly interested to understand how that operates.

The Hon. CATE FAEHRMANN: I refer now to monitoring of coal dust and air quality, particularly in the Upper Hunter and the Newcastle area. Minister, are you aware of the problems associated with particles less than 2.5 microns, or PM 2.5, when it comes to air quality and how much this could be affecting residents' health in the Upper Hunter?

Ms ROBYN PARKER: Sure. Seven of the 14 air quality monitors that we are establishing in the Upper Hunter are established—Mr Sullivan might provide an update—and it is really exciting in terms of making sure we have real-time information that the community can understand—

The Hon. CATE FAEHRMANN: Can I clarify something you just said? Are seven out of 14 air monitoring units established?

Mr SULLIVAN: The Minister is absolutely correct. A total of 14 are planned by the end of this calendar year. Seven are fully operational and are returning data which is being published on the website. Four have been fully constructed and are ready for launch but they are being tested and there is information coming from them.

The Hon. CATE FAEHRMANN: Are they measuring 2.5?

Mr SULLIVAN: We have 2.5s at Singleton, Muswellbrook and Camberwell and the remaining three stations are under construction and are on track to be completed and commissioned by the end of this year. We are well on the way to completing the 14-station network.

The Hon. CATE FAEHRMANN: Are those at Singleton, Muswellbrook and Camberwell that are measuring 2.5 part of the seven in operation?

Ms ROBYN PARKER: Yes.

The Hon. CATE FAEHRMANN: I know you are asked this question a fair bit in budget estimates hearings but what is the department's reasoning behind not ensuring that all of these air quality monitoring units measure 2.5 micron particles, which have been found to be the most harmful to human health?

Ms CORBYN: There is a national process underway and a national standard-setting process is underway. Currently we do not have a compliant standard for PM 2.5. It is being developed and New South Wales is pushing very hard to make sure that particles are the priority and that we get a standard for PM 2.5. That is the standard setting part of the equation. The second part of the equation is the equipment you use to monitor PM 2.5 and there are different technological standards and equipment that people use. We also have been pushing very hard at the national level to get a common agreement across all jurisdictions that we use particular equipment, one way or the other, so that we all monitor the same when we get the PM 2.5 standard. New South Wales has taken a lead, if you will, to put in equipment that we thought was useful to monitor at three stations, but it is clearly the case that that standard could be changed at the national level and if we had it across all 14 stations we would have to change all the equipment that we were using for monitoring.

In the absence of a national agreement and establishment of what they call an equivalency test—if you have one monitor can you have an equivalency to use a different kind of monitor—we went out on a limb to some extent and put in the equipment in the absence of that standard. The process is progressing so our expectation is that we will bring in PM 2.5 monitoring once we know what the national standard is. We also have PM 2.5—there is a misconception that we do not monitor PM 2.5 even in the Sydney region but we do. I think we are using tapered element oscillating microbalances [TEOM]—I am going into my technical history here—which is a particular type of monitoring equipment. We want to make sure when we roll it out fully that we have the standard equipment that they specify and is agreed at a national level.

ACTING-CHAIR: I thank the Minister and her officers for coming today. I remind witnesses who have taken questions on notice that the information should be provided within 21 days. Technically that takes us to 26 December but we ask that if possible we receive them by 23 December.

(The witnesses withdrew)

The Committee proceeded to deliberate.
