

GENERAL PURPOSE STANDING COMMITTEE No. 5

Monday 4 September 2006

Examination of proposed expenditure for the portfolio areas

ENVIRONMENT, ARTS

The Committee met at 2.00 p.m.

MEMBERS

Mr I. Cohen (Chair)

The Hon. J. C. Burnswoods
The Hon. R. H. Colless
The Hon. G. J. Donnelly
The Hon. J. F. Ryan

The Hon. K. F. Griffin
The Hon. D. T. Harwin
Ms S. Hale

PRESENT

The Hon. Bob Debus, *Minister for the Environment, and Minister for the Arts*

Department of the Arts, Sport and Recreation

Mr R. Adby, *Director General*

Ms J. Lindsay, *Deputy Director General*

Ms R. Cheetham, *Executive Manager, Finance and Properties*

Department of Environment and Conservation

Ms L. Corbyn, *Director General*

Mr S. Smith, *Deputy Director General, Environment Protection and Regulation*

Dr T. Entwisle, *Executive Director, Botanic Gardens Trust*

Mr T. Fleming, *Deputy Director General, Parks and Wildlife Division*

Mr A. Diakos, *Executive Director, Corporate Services Division*

Sydney Catchment Authority

Mr G. Head, *Chief Executive Officer*

ROBERT ADBY, Director-General, Department of the Arts, Sport and Recreation, and

RACHEL CHEETHAM, Executive Manager, Finance and Property, Department of the Arts, Sport and Recreation, sworn and examined:

JENNIFER LINDSAY, Deputy Director-General, Department of the Arts, Sport and Recreation, affirmed and examined:

CHAIR: Minister, if you have a short statement to make before we commence questioning, please feel free?

Mr BOB DEBUS: I would appreciate doing that. I seem to have the makings of a long statement here but I will make it short. I just wanted to say that the Government recognises that the arts have intrinsic worth and value because they give intellectual and spiritual sustenance to the community. The arts can be used to improve quality of life, but they also have social, health and economic benefits that can be used to regenerate our cities and regions. It is worth pointing out that New South Wales is Australia's premier arts State. It is internationally recognised as the centre for the arts. Sydney is the leading city in the country in terms of audiences by a long way. It is the leading city for cultural employment and cultural industries and the only city in Australia that provides the kind of cultural and arts profile that will attract international business. Therefore, it is important that we should make strategic partnerships across government to increase the significance of the arts and culture.

I draw attention to our important indigenous art program. I point out that the arts portfolio provides support in a number of ways, through operational subsidies to a range of arts companies and subsidised accommodation, and infrastructure for peak professional arts organisations. The creation of cultural precincts in areas like Walsh Bay, Redfern-Waterloo with the CarriageWorks, and the complex at Lilyfield with the Red Box rehearsal studios are all facilities that lead to an important form of urban renewal. The partnership of local government, which has been constantly refined through three accords since 1996 is, in my mind, a massively important document and it has been part of a process that has led to a doubling of the expenditure by local government on the arts since 1995.

The arts ministry is working with other State agencies on a number of very important programs that may be said to be devoted to making our society more cohesive and harmonious—programs with the Department of Education And Training in association with the Department of Planning, for instance. We have established a number of strategic initiatives in the development of the arts, the development of 13 regional arts boards, each with a regional development officer. An arts education strategy, in association with the Department of Education and Training, is bringing young people, especially in rural, remote and outer metropolitan areas, in contact with the arts and the indigenous art programs that are part of the overall Two Ways Together Program.

I would mention in evidence of the effective working of the Arts portfolio in the past year, it is significant to recall the hugely successful Sydney Festival with ticket sales of more than 100,000 and audiences of more than a million; the impressive Sydney Writers Festival; the Biennale; third of the cultural accords that I mentioned, signed in February; the Western Sydney Arts Strategy, which has seen \$25 million spent over a number of years creating a network of eight cultural facilities throughout Western Sydney; the Indigenous Performing Arts Strategy, which is part of the Two Ways Together Program that I mentioned.

In the area of capital works I particularly mention the \$41 million committed to refurbish and revitalise the Australian Museum, the increase in library funding—an increase of 50 per cent over the past 10 years—increases in funding for the film and TV office, improvements to the Opera House, the substantial achievement of the Historic Houses Trust, which has the benefit now of a very large bequest to assist with his library and collection works in particular. I finally mention that we propose to continue that successful partnership with local government through the third cultural accord. We propose to continue the Western Sydney Arts Strategy and we propose to continue to develop new priorities that, I suppose, address the role of Sydney as a pre-eminent location for the arts, a city of global status through new investments like, in particular the CarriageWorks at Eveleigh, which will open either late this year or early next year, and give special support to the small-and medium-level of

theatre and performance art as part of the continual expansion of an organically established arts environment in the city.

CHAIR: Thank you, Minister. Mr Harwin?

The Hon. DON HARWIN: This year there has been a change in the format of the budget papers. I note there is not the same level of information about outputs and average staffing as there has been in previous budget papers. I am going to ask a series of questions on that but first of all I was wondering if you would like to comment on why there has been that change?

Mr BOB DEBUS: I should say that our funding for the institutions and programs has remained the same this year as last. It is an important circumstance. I think Ms Lindsay was about to provide us with a little more detail about your precise question.

Ms LINDSAY: The structure of the budget paper you are referring to is obviously a matter for Treasury to determine as part of its preparation and publishing of the budget papers. So, the level of detail is a consequence of the recommendation of the audit of the assets and expenditure for the State that was published in February, which announced that the department would be established and the budgets of those institutions would be treated as a global budget.

The Hon. DON HARWIN: So I can assume that information about the outputs and the average staffing for each of the cultural institutions is still available?

Ms LINDSAY: Is available but not through the budget papers.

The Hon. DON HARWIN: That is fine. That is exactly what we are here for, and I will now ask you about all of those things. If you cannot answer them then obviously you will have to take them on notice. Let us start with the State Library. Referring to library and information services, collections and average staffing, could you please supply the Committee with statistics in relation to outputs as they relate to the use of services? I note that information was previously supplied in terms of million units. Obviously I would want the same sort of consistency of presentation.

Mr BOB DEBUS: Indeed, we will take that on notice.

The Hon. DON HARWIN: Also in relation to web site page requests, the percentage of services that support public libraries, and public libraries receiving development grants, which is a raw number. Also the number of items preserved to appropriate collection.

CHAIR: Ms Lindsay, the Committee will forward to you the specific questions. So you do not have to write down all the questions.

Ms LINDSAY: Thank you.

The Hon. DON HARWIN: The local councils connected to NSW.net, which is a raw number.

The Hon. JAN BURNSWOODS: Why do you not just put questions on notice?

The Hon. DON HARWIN: Your turn will come. Could you also supply the expected figures for 2006-07 and can you confirm that the 2005-06 numbers were as per Budget Paper No. 3 last year?

Ms LINDSAY: Yes, we will do that.

The Hon. DON HARWIN: Could you also supply figures for average staffing as expressed in EFT units for 2006-07? Could you also confirm that the number for 2005-06 of 388 was the actual average staffing?

Ms LINDSAY: We can do all of those.

The Hon. DON HARWIN: You are not able to do any of that today?

Ms LINDSAY: No, we do not have that information with us.

The Hon. DON HARWIN: Extraordinary. In relation to the Australian Museum, are you able to give the Committee information about this year's budget concerning visits and exhibitions at the Australian Museum and also for regional New South Wales, about research and collections or staffing?

Ms LINDSAY: We have not brought that information because it has not been presented in the budget this year.

Mr BOB DEBUS: We emphasise that information is available and we will provide it on notice. It is the Treasury—possibly affected by the merging of the Arts, Sport and Recreation budgets—that has decided to provide information in the form that it has. But we will be able to produce all of this stuff for you, or most of it.

The Hon. DON HARWIN: Thank you, Minister. I ask a similar question in relation to the Australian Museum in terms of the headings that were used in last year's budget papers under outputs in terms of College Street, Sydney, total visitors/participants, the number paid, the number free, other users, new exhibitions opened and then for regional New South Wales total visitors/participants, exhibitions/public programs and then research and collections, acquisitions, publications, research papers/abstracts, representation on scientific committees and, a fourth area, information inquiries, and a fifth area, web site visits. Could you supply that information on the outputs? Could you also confirm whether the 2005-06 numbers were as per the budget paper last year?

Ms LINDSAY: That information should be readily available from those institutions because that is the way they measure their performance. Having said that, if for any reason in the preparation of the budget papers by those institutions there was a view that information was not going to be recorded they might need time to gather some of the data sets that you mentioned. But I do not expect that to be the case. Having said that we would provide information, within the specified time, I am just being extremely careful.

The Hon. DON HARWIN: I understand.

Mr BOB DEBUS: I think we are being excessively prudent.

The Hon. DON HARWIN: I thank you, Minister, for your caution.

Mr BOB DEBUS: Without resiling from our undertakings, we should mention that you would expect that most of the information you are now seeking would appear in any event in the annual reports of these institutions.

The Hon. DON HARWIN: Yes. Of course, they will come later in the year.

Mr BOB DEBUS: That is true.

The Hon. DON HARWIN: I would like information at this stage of the budget process if I can. I also seek information on average staffing of the Australian Museum as expressed in EFT for 2006-07. Could you also confirm the figure provided for 2005-06?

Ms LINDSAY: Yes.

The Hon. DON HARWIN: I turn now to the Museum of Applied Arts and Sciences. First, for the Powerhouse Museum and the Observatory I would like the total number of visitors/participants expressed in the same format as last year. I would also like the number of exhibition visitors, paid and free, other users, new exhibitions opened, public programs participants and public programs held. I would also like for regional New South Wales the total visitors/participants, the exhibitions and public programs. For research and collections I would like the acquisitions, publications, research papers/abstracts, information inquiries and web site visits. I would also like the average staffing for 2006-07 and confirmation of the figure given for 2005-06. For the Historic Houses Trust I would like

the outputs for properties managed, total visitors/participants, exhibition visitors, paid or free, other users, new exhibitions opened, exhibition days, public programs participants and public programs held. For regional New South Wales I would like figures on non-Historic Houses Trust sites total visitors/participants. I would also like figures for research and collections, acquisitions, publications, information inquiries, web site hits and other. I would like the same information on average staffing for 2006-07 and confirmation of the figure for 2005-06.

Mr BOB DEBUS: I am able to tell you that the Historic Houses Trust won 11 awards and four commendations for its work in the course of the year, including for the conservation of the Mint Building next door.

The Hon. DON HARWIN: Excellent. I will come to a few questions about each of them. For the Art Gallery of New South Wales and the Whiteley Studio I would like figures for total visitors, exhibition visitors, paid and free, public programs participants, other users with such things as venue hire, new exhibitions, and exhibitions days. For regional New South Wales I would like the total exhibition visitors and the number of exhibitions. For research and collections I would like figures on acquisitions, publications, research papers/abstracts, information inquiries and web site visits. I would like the 2006-07 figures for the outputs and confirmation of the 2005-06 figure. I would also like average staffing for 2006-07 and confirmation of the figure for 2005-06.

For the State Records Authority and I would like figures on the following outputs: total semi-active storage expressed in metres, total semi-active records taxation expressed in metres, total retrieval operations performed, total archival holdings in metres, disposal recommendations/appraisal reports, series/disposal classes covered in disposal authorities, records taken into archival control in metres, users of uncopied material, total original items issued, written and telephone inquiries, public programs participants, publications produced, agency training programs participants, number of catalogue items discoverable online and web site hits. In addition to the 2006-07 figures I would like confirmation of the 2005-06 figure. I would also like average staffing expressed in EFT for 2006-07 and confirmation of the 2005-06 figure in last year's budget papers.

Finally, for the New South Wales Film and Television Office I would like information on script and project development, the projects supported, the projects which went into production, the assistance provided and the return on assistance. I would also like the figures on production investment—productions supported, investment provided, return on investment, aggregate budgets of invested productions, FTO investment as a proportion of aggregate budgets, industry and audience development, organisations and events assisted and funds provided excluding ACTF.

Can I also have output figures for 2006-07 and a confirmation of the 2005-06 figures for Young Filmmakers, productions assisted and funds provided; Production Loan Fund, productions assisted and funds provided; New Media, funds provided; and Regional Film Fund, productions assisted and funds provided? I would also like the average staffing level expressed as FTE for 2006-07 and confirmation of the 2005-06 figures. Thank you for taking all of those questions on notice. In the context of the overall fiscal situation there have been cuts in the budgets of a number of institutions, and also some significant changes in operating expenditures within those individual budgets. The budget papers indicate that the 2005-06 operating expenses for the State Library have been cut by 16.9 per cent for 2006-07. What accounts for such a significant decrease in the operating expenses?

Mr BOB DEBUS: All of the State's cultural institutions have been asked to achieve savings across a variety of operations. Over the past two years there have been specific reductions in the Cultural Grants Program to achieve savings. For example, the international program, which subsidised travel costs for professional development of artists has been closed, partly because the Commonwealth Government and the Australia Council had a more obvious role in that area. There have been some reductions in the capital program across arts funding programs—that is, in visual arts, craft and dance—and a number of institutions have had voluntary redundancy programs. It is also fair to say that the savings have been achieved with minimal impact on frontline services. Could we get a page reference for the comment about the State Library reduction?

The Hon. DON HARWIN: I am not sure of the page reference.

Mr BOB DEBUS: Perhaps we can hear the question again. We do not think there have been reductions.

The Hon. DON HARWIN: The budget papers for 2006 indicate \$13.4 million in operating expenses for the State Library. The revised figure for 2005-06 is \$15.6 million, which is a decrease. Why is that the case?

Mr BOB DEBUS: I would like the honourable member to provide the question on notice because the figures he is quoting bear no resemblance to the ones we have before us.

The Hon. DON HARWIN: While the cross-bench members are asking questions I will get the figures checked and come back to that issue.

Mr BOB DEBUS: Okay. The operating expenses that we have for budget estimates 2006-07 in volume No. 3 at page 149, indicate \$84 million in operating expenses, which is more than last year.

The Hon. DON HARWIN: We will come back to that. I refer to the Powerhouse Museum and the role that the Migration Heritage Centre plays within the museum, what funds are expected to be expended on the centre this year and what ongoing role it has.

Ms LINDSAY: The Migration Heritage Centre is an activity within the museum's general operations. We do not have the detail on those precise activities in this new budget format. However, we can find out the budget allocation. I am not aware one way or the other of any changes, but we can take that question on notice.

The Hon. DON HARWIN: What staffing is it expected to have in the coming year?

Ms LINDSAY: From memory, it has only ever had one or two staff members. I am not sure of any changes, but I will find out.

The Hon. DON HARWIN: What are its proposed activities during the coming year?

Ms LINDSAY: I would need to get that information from the Powerhouse Museum.

Mr BOB DEBUS: If any change is planned, we are not aware of it. In other words, if change is planned, it is the consequence of decisions being made within the management structure of the museum. However, we have not heard of any change.

CHAIR: Will you provide an update on the progress of implementation of the local government Cultural Accord and the establishment of ongoing funding for key cultural infrastructure in Western Sydney?

Mr BOB DEBUS: The third local government Cultural Accord with Arts NSW was signed earlier this year. It is not insignificant that since these accords first began New South Wales councils have recorded the largest increase in expenditure on cultural development nationally. Councils have increased their expenditure collectively by \$108.2 million. According to the Australian Bureau of Statistics, at the end of the 2002-03 financial year, local government's total expenditure on cultural development was \$350 million. The strength of that partnership is growing. Wherever one travels in New South Wales one finds local government interested in—indeed, increasingly interested in—the development of the arts. On the one hand that is because it provides a particularly effective community development opportunity and on the other hand it is because it brings advantages to the individuals given access.

The Government is providing the Local Government and Shires Associations with a grant to assist it in the implementation of the accord. Because it so effectively integrates the cultural activity of the State Government and local government is a good model for plenty of other ways in which we could do government.

So far as Western Sydney is concerned, we are talking here of a program that began at the very end of 1999 and has now seen \$20 million spent by government on eight projects across Western Sydney—not just the buildings, although they have been significant. The capital grants have leveraged

about \$50 million worth of expenditure across Western Sydney in Auburn, Fairfield, Liverpool, Campbelltown, Parramatta, Blacktown, Penrith and Baulkham Hills. All those places have cultural facilities, theatres and galleries that did not exist there before. At the same time, the councils are working both on their own account and with the Ministry of Arts to establish a variety of programs within those new institutions.

If you wanted, as it were, an example of the vitalisation of the arts in western Sydney it is worth thinking about the Urban Theatre Project's particular performance during the Sydney Festival, which took place in the community centre at Mount Druitt. Patrons went to the Parramatta Theatre precinct, got on a bus and were taken to Mount Druitt to see the most extraordinary performance by three young men of non Anglo-Saxon background talking about what had happened to them in their lives growing up in Western Sydney. There are increasing numbers of activities in these institutions provided by the larger performing arts companies, too. You will find the Bell Theatre, the Sydney Theatre Company or Opera Australia out there from time to time, putting on performances for local people and introducing them to the arts. I believe that the programs in western Sydney and, through the Telstra Accord, into the regions are jewels in the crown of the Government's cultural policy on recent times.

CHAIR: Have you conducted an economic and cultural audit of the Northern Rivers area.

Mr BOB DEBUS: Not an audit. I have begun discussions with Regional Arts Development staff in the Northern Rivers about the possibility of establishing an arts development strategy specific to that region, specific to it because the Northern Rivers is home to a surprisingly large number of people engaged in the cultural industries—filmmakers, theatre producers and visual artists, so many in fact that it has occurred to the regional arts staff that this may be the basis for some more sustained regional development in that part of the world. In other words, that we should be thinking not only of the aesthetic and spiritual benefits of the arts, but specifically, and in that part of the world, about their economic benefits. I am entirely sympathetic to that proposition and I await with considerable interest the first proposals about a strategy.

CHAIR: Is any funding to be made available for that particular community to ensure that that creativity and talent is not lost? There is an issue of a drain back to the city due to economic pressures in those areas.

Mr BOB DEBUS: Of course, the Ministry funds regional arts development boards and the regional arts development officer who services them. Whether or not there is specific funding for a particular strategy for the Northern Rivers will, of course, be something that is decided in the context of the further discussion about the proposed program. In other words, there is no money allocated specifically for the purpose at the present time, but there could be.

CHAIR: Are there any plans for metropolitan and regional art exchanges and what funding has been allocated for those?

Mr BOB DEBUS: It will probably be easier if I ask Ms Lindsay to answer that question. There is not a program with a label on it saying, "City-Country Exchanges", but there is a massive amount of commerce between them nevertheless. Perhaps it would be better if I ask Ms Lindsay to elaborate.

Ms LINDSAY: As the Minister said, there are already relationships between a number of the cultural institutions and either regional institutions or particular artists or arts organisations in regional New South Wales. It has been an increasing focus, and something that Arts New South Wales has tried to encourage and facilitate. We also do that facilitation through service organisations, such as Museums and Galleries New South Wales [MGNSW], which has a wide network of regional galleries across the State. We might assist that service organisation to undertake activities that come under the banner you just described. We do not have a specific program for exchanges between metropolitan and regional New South Wales but we do have existing relationships and we do have service organisations that have a statewide brief, that we fund, who also have considerable emphasis on establishing linkages between regional and metropolitan New South Wales.

Mr BOB DEBUS: These are some examples: the Art Gallery of New South Wales, during the year gone by, provided works to 23 regional galleries for exhibition. The assistant curators of the Art Gallery of New South Wales have formed a group to arrange regular visits to regional galleries in New South Wales to ensure that there is a proper network between them all. The New South Wales Film and Television Office has a regional cinema program; the Powerhouse Museum's Travelling Exhibitions Program went to 12 regional locations during the year and conducted 93 outreach programs in 43 locations. Even the Sydney Opera House has introduced programs that took Babies Proms, for example, to 21 towns around New South Wales. We are all aware, of course, on the intimate relationship that exists between the State Library and the libraries in the rest of the State. That is an absolutely crucial cultural relationship.

CHAIR: That brings me to a perennial question: How does New South Wales State Library funding per capita compare with other States these days?

Mr BOB DEBUS: Oh, it is much better. I will ask Jennifer Lindsay to take the heat on this.

Ms LINDSAY: I do not have figures for per capita funding for 2006-07 in front of me, but previously per capita figures have been lower for New South Wales. However, when library funding in toto is taken into consideration, that is, the amount of funding provided by local government and the State Government, then New South Wales is relatively healthy. I would not be able to give you the precise order of where we sit, but the amount of funding that is going to New South Wales per capita in toto is higher.

Mr BOB DEBUS: In the past 10 years the State Government contribution to library funding has increased from \$16.2 million to \$24.8 million. We continue to have the historical circumstances that, in New South Wales, local government makes a higher contribution to the total library expenditure that has been the case in other States. It is a very long-established historical circumstance.

CHAIR: Perhaps you would like to take this question on notice. Could you indicate the percentage of the cost of library funding in New South Wales that is borne by local government compared with the costs contributed by the State and how that actually compares with other States?

Mr BOB DEBUS: We will take that on notice. I do not wish to deny that the proportions are different to those that exist in most other States, but have always been so.

CHAIR: What initiatives are there in place to educate younger artists on how to apply for government assistance in this area—or, are there any?

Mr BOB DEBUS: I think it is fair to say that the system of regional arts development offices [RADOs], which exist in New South Wales is the envy of other States and the networks that those RADOs establish, supported as they are by regional arts development boards, which are made up of practitioners and people with a close interest in each of the regions—I think there are something like 12 or 13 of these regions around the State—those people are responsible for encouraging all the young people they can find. They are in the middle of regional networks that are obviously supportive of all sorts of activities including getting young people the opportunity for fellowships and grants.

CHAIR: Is there any funding allocated to travelling arts programs and, if so, what amount and what specific programs?

Mr BOB DEBUS: Do you mean arts touring generally?

CHAIR: Yes.

Mr BOB DEBUS: I think it would be better for us to take the question on notice with the specifics, but I had begun in an earlier answer to touch upon the arrangements that do exist for large institutions to send travelling exhibitions through the regions and for performing companies, theatres and the opera to actually conduct tours. We give support to at least one touring theatre company that is almost permanently touring—the Railway Street Theatre—which is based in Penrith but spends a great deal of its time travelling around the State. Ms Lindsay has just informed me that she was saying

in general terms that the Ministry of Arts contributes about \$1 million to a variety of institutions to encourage this kind of touring.

The Hon. GREG DONNELLY: Minister, could you please outline what the Government is doing to ensure young people in regional and remote areas have access to quality arts programs?

Mr BOB DEBUS: I think it is encouraging that the Committee should have such a general interest in this general question. As I have said in answer to another question, Arts NSW is supporting a wide range of programs that have the purpose of giving young people access to the arts in the regions. I draw attention to a relatively new program, however, which has been developed by the Ministry of Arts in connection with the Department of Education and Training; it is called ConnectEd Arts, and what it does is provide a range of programs to students in disadvantaged schools throughout the State: residential arts camps for Aboriginal students, a Performing Arts Touring Program, an Access Grants Program, a teacher work placement program and an Artists in Schools Program.

In the case of the arts camps for indigenous kids, there was, at both Kinchega National Park near Broken Hill and in Warrumbungle National Park near Coonabarabran, programs to allow young Aboriginal students from a variety of high schools to explore the connection between music and Aboriginal storytelling and cultural knowledge in an intensive five-day program which have the whole purpose of encouraging Aboriginal children to value the culture of their own way of life and history. The touring program that I mentioned sees Oz Opera's *Hansel and Gretel*, the Monkey Baa Theatre for Young People with a play called *Hitler's Daughter*, and the Sydney Theatre Company's play *Seven Stages of Grieving*. These kinds of things toured through a number of regional centres—12 during last year. That enabled more than 15,000 kids to see a program of this nature free of charge.

There are grants to individual performing arts centres and art galleries to assist them to provide experiences for young people by subsidising ticket costs. A lot of disadvantaged people, of course, are stopped at the front door by the cost of a ticket. The access grants under the ConnectEd Program have allowed 15 arts organisations to bring disadvantaged schools for performances: they have been to the Opera House and the Sydney Theatre Company and the Australian Chamber Orchestra; they have been at various regional performances, all through a subsidy provided through this program. These are the kinds of initiatives that I particularly support because they provide young people who would otherwise never have contact with the arts to be able to do so and to get the inspiration that flows from it. If you see a young person who has never been in a theatre actually experience it for the first time you know that you have done something good for them.

The Hon. JAN BURNSWOODS: This probably follows on very appropriately from that. Could I ask you about the things the Government has done to improve access to arts and cultural activity for the people of Western Sydney?

Mr BOB DEBUS: That is a matter I have touched on several times. I just repeat that the \$20 million capital grants program that has been administered over the past five years in Western Sydney has leveraged \$50 million from local government. There are things like the Joan Sutherland Centre at Penrith, which is a musical performance space, a theatre, a conservatorium and the pride and joy of the town of Penrith and surrounding places; it is known, in fact, simply as "The Joan". Campbelltown Arts Centre was opened a little while ago; again, tremendously enthusiastically supported by people in that part of the world. The Blacktown Arts Centre, which is a converted church; I opened that 18 months ago and I have scarcely been at a more enthusiastic event than the opening of that particular venue.

All of these initiatives have the same effect as the ConnectEd Program that I mentioned before: giving people who would not otherwise be able to experience the arts, not being able to afford perhaps to experience the arts in the centre of Sydney, a chance to do so nearer home and a chance to therefore gain the intellectual, spiritual and aesthetic stimulation that would not otherwise have been available to them.

The Hon. KAYEE GRIFFIN: Can you tell the Committee what Art NSW is doing in the area of indigenous art?

Mr BOB DEBUS: As the Committee would be aware, the Government has been working to co-ordinate policy towards Aboriginal people through the plan established by the Department of Aboriginal Affairs called Two Ways Together and under the structure of that plan Art NSW is inevitably the lead agency for indigenous arts and cultural expression. It must be remembered that a high proportion of indigenous population of New South Wales is actually in urban areas—is not in the bush at all—and it is therefore not so easily connected with the traditional surroundings of Aboriginal culture.

The point of the arts strategy is to increase community engagement through developing mentoring roles for organisations that are suitable for fostering New South Wales indigenous cultural centres of excellence. It concerns itself with the cultural and social impact of the arts through the development of improved skills in the arts for Aboriginal people and it looks also to improve the economy of Aboriginal communities through the development of an arts and cultural centre. Obviously there are some parts of Australia where Aboriginal art activity is a matter of some quite considerable economic importance and we wish at least to improve the circumstance of Aboriginal arts for economic purposes in this State as well.

Specifically, there have been a whole range of initiatives to give the Performance Space Theatre a grant to employ a person to encourage Aboriginal activity in the theatre; a pilot program for what is called the Croc Dance Residency to encourage Aboriginal students in dance activity and so on through all the arts across the spectrum in the State. One of great importance is a joint program with the PACT Youth Theatre and the City of Sydney's Redfern Community Centre, which has developed an integrated indigenous community-based theatre based around youth in Redfern.

Another—the last I will mention—is the Brewarrina Indigenous Youth Circus, which has been given a grant to help in the development of that particular initiative. Our purpose is to acknowledge the great contribution of indigenous art at the national level. It is not an accident that the Bangarra Dance Theatre is touring the world or that there is Aboriginal art embedded into the walls of the new museum being built in Paris to show off the indigenous art of the world. What we want is to make those sorts of things a more everyday occurrence in the streets of New South Wales through the kinds of initiatives that I have described.

The Hon. JAN BURNSWOODS: In relation to the Sydney Festival, I am aware that we are providing it with annual funding of \$3 million and that there was a new artistic director this year. Can you provide some information about the outcomes of the 2006 Sydney Festival?

Mr BOB DEBUS: I do not think anyone would deny that last year's festival was one of the most successful ever. I might say that the indications I am getting is that the upcoming festival is going to be just as stimulating. The festival is supported principally by the Government but, importantly, by a number of commercial sponsors and, indeed, by the City of Sydney. The 2006 Festival actually took \$4.1 million at the box office and, as I mentioned earlier, it had paying attendance of 100,000, which is more people than have ever attended a football final in Sydney. In fact, it is almost as many people as attended the largest games at the Melbourne Cricket Ground, if I am not mistaken, but 1.5 million people attended overall because many of the concerts are free.

The Hon. RICK COLLESS: There were 110,000 at the opening of the World Cup.

Mr BOB DEBUS: So that indicates the kind of league I am talking about—almost as many people went to the Sydney Festival as went to the first game of the World Cup. That festival showed us the very best international performing and visual arts and the very best of our own venues. What is really important about the festival is that—this is a theme of our discussion this afternoon perhaps—the festival extended itself more aggressively into Western Sydney than it has ever done before. That particular development will grow a most substantial program in a number of centres in Western Sydney while, at the same time, the average price of tickets actually dropped. That had the purpose of attracting a broader and larger audience.

Last year there was a series of productions, and similar productions will be performed this year called *About an Hour*, so that people can leave work and go to a short performance. They were fantastically popular and were sold out completely. Indeed, 10 of the big ticket box office events were

sold out. I could tell you their names, if you were interested, but they included the Elvis Costello series.

I repeat that the festival has reached a new level of critical and popular success. I feel very grateful to the festival's director, Fergus Linehan, for the role he has played. He has done a wonderful job. Quite soon you will hear the detail of next year's festival, which will not include Elvis Costello, but there is another performance that will be just as good.

The Hon. RICK COLLESS: Are you aware that the New England Regional Arts Museum is experiencing financial difficulties?

Mr BOB DEBUS: I am generally aware that there have been some issues at the New England regional gallery, yes. Did you want me to follow that up?

The Hon. RICK COLLESS: I was wondering if you were aware of the financial problems that they are having at the present time?

Mr BOB DEBUS: Yes, I am.

The Hon. RICK COLLESS: Has your department undertaken to assist the museum with any financial assistance, in particular, to help avoid the sale of a work by the name of Mosman's Bay?

Mr BOB DEBUS: By Tom Roberts?

The Hon. RICK COLLESS: Correct?

Mr BOB DEBUS: Yes. The position is this. The decision about what to do with that extremely valuable painting is, in the end, one for Armidale city council and the regional gallery. I understand that there is likely to be a court case in which Armidale council will be contesting decisions that may or may not be taken by the Hinton trust. We know that a fundraising campaign is being undertaken by the art gallery. We know that the gallery has received substantial donations to date of \$300,000, with more to come. We know that the Art Gallery of New South Wales Foundation has also undertaken to assist with fundraising, possibly in anticipation of some donations, and to provide a contribution to be repaid when more donations are received.

The Ministry of the Arts has funded a business plan for the New England gallery, I think, on an assumption that the issues that concern it must be resolved once and for all. The question about what to do with the Hinton collection has concerned the community around the regional gallery on and off for quite a long time, and we assume it must be resolved once and for all. We are very supportive of a strategy for resolving the matter, but Arts New South Wales will not be in a position to put up a big heap of money to solve the problem.

The Hon. RICK COLLESS: Will it put up any money? I think they are looking to the point of view at the moment that every contribution they can secure will help them.

Mr BOB DEBUS: I will ask Ms Lindsay to make a few more observations.

Ms LINDSAY: We would agree with their general thrust to try to stabilise the museum. The museum has been through a period of instability for a number of reasons. Arts New South Wales has been involved in a number of discussions to try to facilitate solutions with different stakeholders—the university, the council and the board of the museum itself. We provided some funding for them to put in place a new business plan. After that, we are seeing that business plan worked through. Those sorts of decisions about the Tom Roberts work are ultimately ones for the owners of that collection and the council to work out. As the Minister said, we would not be able to provide funding for the whole gap that currently exists or has existed in the past while whilst it has been unstable. So we would like to see some kind of stabilising through the community itself as a first step, and then it would have to be considered competitively.

The Hon. RICK COLLESS: Would you agree that if the Mosman's Bay work were to be sold off it would be a tragedy for the New England Regional Art Museum and all arts supporters in the northern part of the State?

Ms LINDSAY: I would not comment on whether it is right or wrong to sell it because that is their decision.

The Hon. RICK COLLESS: It would be a tragedy, would it not?

Ms LINDSAY: It would be less a tragedy if it was half owned by the Art Gallery of New South Wales than anybody else.

Mr BOB DEBUS: That was a very judicious response.

(The witnesses withdrew)

TIM ENTWISLE, Executive Director, Botanic Gardens Trust,

SIMON SMITH, Deputy Director General Environment Protection and Regulation, Department of Environment and Conservation,

LISA CORBYN, Director General, Department of Environment and Conservation,

TONY FLEMING, Deputy Director General, Parks and Wildlife Division, Department of Environment and Conservation, affirmed and examined, and

ARTHUR DIAKOS, Executive Director, Corporate Services Division, Department of Environment and Conservation, sworn and examined:

CHAIR: Do you wish to make a short opening statement?

Mr BOB DEBUS: This year's budget is a record for the environment. It is in fact 12 per cent higher than last year. The Government will spend \$694 million on environmental programs within this portfolio during the 2006-07 financial year, including \$80 million which is the first stage of the special program to improve urban environments and encourage the harvesting and reuse of stormwater. The Government remains proud of its record on the environment, and is looking forward to delivering further significant benefits during the coming year. Funding to manage national parks has more than doubled since 1994, that is, it has doubled on a per hectare per annum basis, from \$15 to \$35 for each hectare per year. Funding for feral animal and weed control in national parks has increased in that same period from \$1 million to \$18 million. The State's first comprehensive laws to protect endangered animals have been enacted, and there are now more than 100 plans in place to bring threatened species back from extinction.

Pollution traps funded under the stormwater programs of recent years have stopped 22,000 tonnes of rubbish from polluting our waterways. Sydney's air quality is improving, with lead emissions cut by 97 per cent, carbon monoxide by 29 per cent and nitrogen oxide by 6 per cent. Under our pollution laws, it is not often noticed—those laws were overhauled last year—that hundreds of new pollution reduction programs have been adopted by private industry. They have spent \$1.2 billion on environmental upgrades.

I want particularly to mention the landmark city and country environment restoration program to begin this year, attacking illegal dumping, restoring rivers and wetlands, and funding two marine parks, allowing an unprecedented amount of grant money for environmental work for councils and community groups. This built on the new waste and environment levy, which will, over five years, produce \$439 million for expenditures of the sort I have just described. Councils, local business and community groups have lodged applications for the first round of grants under this program, \$10 million in the first year.

Highlights of the budget include \$76 million over five years in new funding for the Environmental Trust, a trust that has been in place for a number of years now and providing grants for a wide variety of environmental purposes; an \$18 million, five-year program to tackle illegal dumping; \$16 million to buy water in the first instalment of the Government's \$100 million program called Riverbank, which is buying back water to restore inland rivers and wetlands; \$12 million to upgrade visitor facilities at the iconic national parks around Sydney—Ku-ring-gai Chase, Sydney Harbour, Georges River, Lane Cove, Blue Mountains—parks that have existed more than 100 years in some cases, and it is good that they should be refreshed.

Another \$4½ million is being spent to improve similar visitor facilities in national parks in the Hunter and the Illawarra, for the same purposes; \$15.7 million for the new marine parks at Batemans Bay and Port Stephens, to some degree, although you, Mr Chairman, may not agree with this proposition, completing the State's network of marine parks; \$12 million to be spent on the native vegetation assistance package to help farmers adjust to new land clearing laws; and \$4 million for national park co-management agreements and other programs affecting places like Guluga and Biamanga national parks.

I would say in conclusion, too, that the natural environment is better protected than it has ever been. The total area of national park has increased by around 65 per cent since 1995, to 6.6 million hectares. The area of wilderness declared within those parks has tripled to 1.8 million hectares, and the present budget will allow the acquisition of about 19½ thousand hectares of new additions. This is by recent standards not a large amount but consists mainly of additions to existing parks that will improve their management. Perhaps that is enough by way of introduction.

CHAIR: Thank you, Minister. Mr Harwin?

The Hon. DON HARWIN: In relation to the recent changes to the regime of transfer of water from the Shoalhaven River, can you please advise the Committee how much the proposed regime will cost?

Mr BOB DEBUS: You are speaking of the capital cost?

The Hon. DON HARWIN: Capital cost, yes, first, and then I will come to operating costs.

Mr BOB DEBUS: My recollection is that the most expensive part of the alternatives for the transfer of water from the Wingecarribee Reservoir into one or other of the Sydney area dams is about \$300 million. I would have to confirm that, but that is the kind of ballpark figure. That amount of money would, of course, be within the capacity of the Sydney Catchment Authority to fund through its ordinary operations.

The Hon. DON HARWIN: Would that include the cost of the pipeline?

Mr BOB DEBUS: The cost I mentioned is for a tunnel. That is the most expensive of the alternatives. Of course, at the other end of things in the Shoalhaven, because there has been an agreement not to raise the dam wall, there is no significant capital cost.

The Hon. DON HARWIN: In relation to ongoing operating expenses, how much will the pumping of the water cost?

Mr BOB DEBUS: I will have to take that question on notice.

The Hon. DON HARWIN: On an annual basis, is it possible to provide the Committee with a figure of how much water will be pumped to Sydney from the Shoalhaven?

Mr BOB DEBUS: It is easier to answer this if I make the real-life context. The Shoalhaven scheme, that is, the building of the Tallowa Dam to the east of the Shoalhaven gorges, and the pumping of that water up across the Southern Highlands into Wingecarribee Reservoir and then allowing it to run down the Wingecarribee River into the Wollondilly River and into Warragamba, is a scheme that was constructed in the 1970s. It was constructed for drought relief and has been so used. It has provided about 25 per cent of Sydney's water supply during the present drought. That is what it was designed for. Whether transfers occur or not depends on where water levels in the dams are. Some weeks it provides less than 25 per cent; sometimes it has been providing zero and sometimes it has been a bit more than 25 per cent, but 25 per cent has been the average.

The Hon. DON HARWIN: I was not asking an historical question.

Mr BOB DEBUS: In that context I was explaining how it pumped, and knowing that a good deal of the energy that is used to pump the water from Tallowa up the escarpment is generated from hydropower on site, the fact is it is very hard to make precise cost estimates because you have this issue of constantly changing dam levels and therefore constantly changing levels of pumping. You have to talk about it in terms of long-term averages.

The Hon. DON HARWIN: Historically?

Mr BOB DEBUS: Historically.

The Hon. DON HARWIN: From the time that the scheme has finished, over the five years that follow, is your department or the catchment authority working on any expected average volume of water being pumped over that five-year period that follows?

Mr BOB DEBUS: We are now talking about the future scheme?

The Hon. DON HARWIN: Yes, that is right.

Mr BOB DEBUS: The discussion paper sets out a proposal—this is not yet adopted, it is a discussion paper—that alters the existing assumptions about pumping. As I have said, the scheme until now has operated as a drought relief scheme. That means that the river is pumped hardest—Tallowa Dam is pumped hardest—at the time when the river is actually overall lowest. It is the worst time from the point of view of the health of the river, from the point of view of establishing a sensible environmental flow regime. So the proposal is to turn those assumptions upside down and to pump more often when the river is in high flow and not to pump when it is in low flow. This will allow the establishment of environmental flow rules that will ensure that the health of the Shoalhaven River is much better maintained.

The discussion paper says that the new low flow rules will allow the existing environmental flow of 90 megalitres per day—that is the existing flow in the Shoalhaven—to be increased to somewhere in the range of 150 to 250 megalitres per day. That is why we will have such an improved circumstance. My recollection is that—I say this carefully—subject to later correction by people with more expertise, right now in the drought circumstance we are taking about 1000 megalitres a day. Under the new flow rules we would normally be taking 25, with the possibility of increasing it to around 40. So you are talking about a circumstance in which you can guarantee that there will be better flows in the Shoalhaven almost all the time.

The Hon. DON HARWIN: Minister, a recent claim in the *Sydney Morning Herald* said that Sydney dams would be down to 35 per cent without the transfers from the Shoalhaven. Would we have been on level four water restrictions without those transfers?

Mr BOB DEBUS: I cannot answer that question specifically but I can say that indeed the Shoalhaven transfers have been very critical to Sydney during this drought. That is how the scheme was designed. Of course, the new proposals for the Shoalhaven are part of a suite of policies. They go together with plans for extracting groundwater for limited periods during drought. We are close to proving very substantial supplies of groundwater at several locations around the edge of the Sydney Basin. There are measures to increase demand management and to increase recycling massively over coming years. All of these things go together. It is often hard for folk to grasp all these issues but we are talking about a suite of measures including the Shoalhaven transfers which we seek to make more effective and more environmentally amenable.

The Hon. DON HARWIN: What studies have been done to assess the environmental impacts on the Shoalhaven River of this new proposed transfer regime—and indeed the broader Shoalhaven region?

Mr BOB DEBUS: I understand that a series of studies were conducted by the Sydney Catchment Authority and the Department of Natural Resources, some of which at least are summarised in the discussion paper.

The Hon. DON HARWIN: Thank you, Minister. I specifically asked for a list of the studies that have been conducted.

Mr BOB DEBUS: When did you ask for that?

The Hon. DON HARWIN: I just did. I asked what studies—

Mr BOB DEBUS: I am sorry. I cannot repeat the bibliography of my head but if you would like to put a question on notice I shall willingly answer it.

The Hon. DON HARWIN: Thank you. Why were the transfers of water from the Shoalhaven River that have been announced in the last fortnight not detailed in the May 2006 Metropolitan Water Plan?

Mr BOB DEBUS: The Metropolitan Water Plan anticipated these kinds of changes. It talked about these proposals, which, however, were subject to continuing community consultation. That is what this discussion paper is about.

The Hon. DON HARWIN: So you are saying it is subject to continuing community consultation. So you have announced an increased flow regime—

Mr BOB DEBUS: No, hang on. You are getting it wrong now. There is a discussion paper which you continue to treat as a statement of policy. But it is a discussion paper.

The Hon. DON HARWIN: The discussion paper talks about a higher flow regime, a transfer regime, than what was envisaged. Why has it been increased?

Mr BOB DEBUS: Why has what been increased?

The Hon. DON HARWIN: From what was in the water plan to what you detailed in the discussion paper?

Mr BOB DEBUS: You have to be more precise with me. The Metropolitan Water Plan clearly envisaged the continuation of the Shoalhaven transfer scheme, now 30 years old, under new conditions. The Metropolitan Water Plan—Mr Head may well be able to now confirm this with more precision—assumed there would be discussion about the exact conditions under which the Shoalhaven transfer plan would operate into the future. We have had a lot of consultation. I well remember our consultation at Kangaroo Valley. The Government agreed not to proceed with the raising of the Tallowa Dam and announced that it would continue community consultation about the exact details of the operation of the transfer plan into the future. That is what we have done and the discussion paper now exists. The plan and these proceedings have been really transparent.

The Hon. DON HARWIN: Every flood in the Shoalhaven River system over the last 21 months has effectively been diverted to Sydney. There is a strong view that there has been inadequate flushing to cleanse and revitalise the river. What plans do you have in place to allow an adequate flushing of the Shoalhaven River?

Mr BOB DEBUS: We have already just discussed that at present there is an environmental flow of 90 megalitres per day. But everybody understands that environmental flow regimes work best when they attempt better to mimic nature, when they go up and down and are not just steady. I have responded exactly to the argument that Sydney pinches Shoalhaven floods by proposing the introduction of these new arrangements. They do two things: they avoid just pinching floods and they allow the possibility of a far more sophisticated and effective environmental flow scheme for the Shoalhaven. That is exactly the point.

The Hon. DON HARWIN: Can you advise whether the Government's contractor Thiess Holdings has actually started remediation of the dioxin-contaminated sediments at Homebush Bay?

Mr BOB DEBUS: So we are not talking about the Rhodes peninsula but about the work on the floor of the bay itself.

The Hon. DON HARWIN: Yes.

Mr SMITH: The Rhodes peninsula is one of the largest clean-ups of contaminated soil and sediments being undertaken in the southern hemisphere. Anyone who has visited the site regularly would know that an enormous amount of work has been done cleaning up the soil. A number of different companies and projects are involved in this complex cleanup task. Some sediment cleanup has been done.

The Hon. DON HARWIN: In Homebush Bay?

Mr SMITH: In some parts of Homebush Bay, but the larger project is still to be commenced.

The Hon. DON HARWIN: When did the work on the sediment in the bay actually start?

Mr SMITH: Cleaning up has been done in a number of foreshore areas. However, the larger project, which involves Thiess, is subject to negotiations about potential to switch technology types to expand the amount of cleanup that can be done.

The Hon. DON HARWIN: So the Thiess work has not been commenced.

Mr SMITH: Yes, but the companies are doing more than one job. They have started on some of the land-based work and some sediment work has been done. However, the major sediment project is yet to commence.

Ms CORBYN: A range of different projects has been under way dealing with the different contaminants as well as sediments in the bay and on land. Lead contamination sediments at the Orica site have been addressed, but Thiess is re-examining proposals for dioxins to see if it can expand the remediation that might occur for several of the hotspots in the bay.

The Hon. DON HARWIN: Will that require additional funds beyond the \$21 million that has been allocated for the cleanup so far?

Ms CORBYN: We have not seen the final details of the changes to the proposal. However, it is certainly our understanding and DEC's position has been that we should get more cleaning up done for the allocation.

The Hon. DON HARWIN: Are you concerned about the delay in the commencement of the remediation?

Ms CORBYN: The significant opportunity here, because issues have been raised about needing to remediate more hotspots and dioxin, is that we would prefer to have a proposal that provided more cleanup. I understand that the time frames are not going to be significantly extended. If we can get a much better benefit by having more of Homebush Bay cleaned up, that would be a real positive.

Mr BOB DEBUS: Most of the money spent on the Rhodes peninsula is not Government money. There is that \$21 million, but another \$150 million is being spent by private enterprise under the contaminated land legislation.

The Hon. DON HARWIN: The question was specifically towards heading towards the \$21 million allocated for the bay.

Ms CORBYN: It is a positive from our perspective if we can get much more of the bay cleaned up.

The Hon. DON HARWIN: I refer now to aquifers and groundwater. Is it not true that the Government has known for years about the groundwater at Kangaloon and Leonay that was announced as "new" in February 2006? Will you fess up and tell us how long the Government has known about it?

Mr BOB DEBUS: There is nothing to fess up to. If I am not mistaken, some academic people first made an attempt to identify that water about 30 years ago. Certainly, it has been almost common knowledge among people with professional expertise that there was water in the sandstone layers below the Sydney basin. It would be amazing if there were not. The real issue is that the Sydney Catchment Authority is close to proving its quality and volume and to establishing that it is—I should emphasise—with the greatest care, exploitable.

The Hon. DON HARWIN: Can you provide the Committee with a list of the studies that the Government has done into groundwater as a supply source since, as you say, academics first identified it about 30 years ago?

Mr BOB DEBUS: I do not know; I could have a go.

The Hon. DON HARWIN: I am happy for you to take that question on notice.

The Hon. JAN BURNSWOODS: Within 21 days?

Mr BOB DEBUS: I will do my best.

The Hon. DON HARWIN: Thank you. What is the most recent estimate of the amount of groundwater that is available to Sydney?

Mr BOB DEBUS: It may be valuable if I were to read onto the record a couple of paragraphs from a document entitled "The Metropolitan Water Plan: Groundwater Investigation Report, June 2006", which is published by the Sydney Catchment Authority. It states:

The best information to date—

about groundwater—

has been from private bores licensed over the last 50 years by the Department of Natural Resources (DNR). Most focus has historically been on the Botany Basin (water supplies for early Sydney during most of the 19th Century, and as an emergency source during the Second World War). However, urban and industrial contamination has lowered the value of this resource.

In 1984, the then Water Resources Commission published 'Groundwater in New South Wales' which identified that a high-yield low-salinity resource existed in sandstones in the Southern Highlands. Very little was known about the full extent of this resource.

It goes on to refer to broad regional investigations of sandstone aquifers on the Central Coast in the early 1990s and in the Southern Highlands and the Blue Mountains in 1998. It also refers to the 2003 study undertaken by the Sydney Catchment Authority.

The Hon. DON HARWIN: I refer to the recent comments by Sydney Catchment Authority Groundwater Catchment Project Manager Jim Ross that the upper Nepean aquifer structure at Leonay extends from Wallacia to Richmond, that the sandstone there is 260 metres thick compared to 140 metres thick at the upper Nepean, and that it is absolutely saturated with water. Why has the Government taken so long to announce the possible use of water in this region?

Mr BOB DEBUS: Until recently, in historical terms, there has been no self-evident need to tap groundwater supplies. In addition, groundwater imprudently used will run out in a specified time. About the last thing we want is to have the city in any way rely on a water source that is unsustainable. Therefore, once faced with circumstances such as those facing us in more recent times, when older assumptions were no longer safe to rely upon and when the possible utility of groundwater resources is much increased, we need to be able to understand in detail how much there is, its exact nature, how it can be sustainably pumped and so on. If you want us to say that people had not looked really closely at groundwater supplies until 2002 or 2003, I am happy to say that that is true. Nobody did. Neither was it demonstrably necessary.

The Hon. RICK COLLESS: Following on from that, what is the veracity of all these reports that have been produced, such as the Blue Mountains Sandstone Aquifer Status Report of February 1999 and the Southern Highlands Groundwater Technical Status Report of March 1999? There is a whole list that I am aware of. Were they inaccurate reports? What was the veracity of those reports?

Mr BOB DEBUS: It is self-evident that those are reports of a more restricted nature than the sort that you need if you are going to have the city depend upon it. All those reports that you are talking about, to my knowledge, had much more limited objectives and were indeed—and I know it was so in the case of the Blue Mountains—actually motivated by local concern that garden watering

bores were depleting the supply. They were not really to deal with something as strategic as the, as it were, insurance for the water supply of the city. They had much more modest aims. They proved some useful things. That is what they did.

The Hon. RICK COLLESS: But you knew the water was there? It was not suddenly found in 2003?

Mr BOB DEBUS: Neither did I say it was. Neither did I feel the need to defend the decision to look more closely for it. It is hard to understand what your point is.

The Hon. DON HARWIN: In terms of the deep water storage, how much money was spent on accessing deep water from our dams?

Mr HEAD: The budget for the deep water projects is about \$119 million and both projects are on track and within the allocated budget.

The Hon. DON HARWIN: How much extra water will it deliver?

Mr HEAD: The two deep water projects combined will deliver each year an additional 40 gigalitres to the sustainable yield. In terms of the original volume, that can be harvested by virtue of the fact that they are there in excess of 200 gigalitres when they are first used.

The Hon. DON HARWIN: Minister, do you really think, given the amount of water that is yielded from this measure and given that some observers have said it will deliver less than five weeks water supply Sydney, is good value for taxpayers' money?

Mr BOB DEBUS: No that it is good value for taxpayers' money. I do not think five weeks is right by any measure.

The Hon. DON HARWIN: What do you think would be a better estimate?

Mr HEAD: From the deep water, around six months additional supply and then an addition each year of about 7.5 per cent to the available yield of the city.

Mr BOB DEBUS: So the five weeks is just nonsense.

CHAIR: Are you aware that a team of three people, including a kangaroo shooter, recently undertook an inspection of kangaroo chillers in New South Wales and found that 72 per cent of the carcasses were young females and only 28 per cent males?

Mr BOB DEBUS: I am not specifically aware of that.

CHAIR: I understand that National Parks and Wildlife Service inspectors check these chillers once a month and would be aware that a high proportion of animals shot are females.

Mr BOB DEBUS: I will ask Mr Smith to respond to some of the detail, but what I can say is that it is quite true that the number of kangaroos counted in recent years is significantly reduced because of drought. Following the ordinary principles of the so-called kangaroo management program, quotas for shooting have been proportionately reduced. Aerial surveys have been completed for the Western Plains for 2006. We will have population estimates at the end of September, but between 2002 and 2005 overall, the kangaroo populations declined by 60 per cent. The magnitude of the reduction in populations is exactly comparable to the drought that occurred in the early 1980s and the early and mid-1990s. The expert advice is that there have been sharp declines in drought periods, but, as you would be aware—and I will allow Mr Smith to answer your question in detail—the kangaroo population is well understood to increase and decrease quite dramatically in response to climatic conditions.

CHAIR: I wonder, Mr Smith, if you could just take into account that female-male ratio and the fact that some are saying that the kangaroo population in some parts of western New South Wales

is in a state of crisis; and that some scientists have stated that a population of kangaroos down to two per square kilometres is a quasi-extinction. Could you comment on those suppositions?

Mr SMITH: Yes. I can say with complete confidence that we are not in a position where the kangaroo populations are at threat of collapsing at all. The Minister highlighted the recent survey work. Kangaroo populations are highly variable, according to drought principally. We have very good scientific understanding and we know what the sustainable harvest rate is for grey kangaroos and for red kangaroos. We conduct regular aerial surveys to establish exactly what the populations are in each of the kangaroo harvest zones that have been established under the scheme approved by the Government.

CHAIR: Is that able to differentiate between males and females, and the importance of maintaining sufficient females in this drought period, under pressure of drought obviously and also under the continued pressure of hunting?

Mr SMITH: The harvest rules take into account the very detailed understanding we have about kangaroo population dynamics. For example, we know that in the lower Darling where the drought has been in existence longest, there is still a density of almost six kangaroos for every square kilometre. That corresponds to a very large number of kangaroos, given the area. Further towards the coast where the drought has not been in place is so long—not towards the coast but towards Coonabarabran, for example, the density is 17 or 18 animals per square kilometre. In fact, what we see is that the current levels, even in the most drought affected areas, are still higher than they were in the 1980s drought.

I suppose we are more used to answering questions from farmers who complain there are still too many kangaroos that are impacting on their activities. We have a very well established and scientific-based program, however, to make sure that the harvest level is sustainable. Whatever the gender of the carcasses in the mobile chillers, the harvest arrangements are subject to a very stringent, some would say very strict, bureaucratic regulatory arrangement. There are shooters who are taken to court for breaching the rules. The rules are clear on humane harvesting, exactly what sort of beasts can be harvested under what conditions and so on and so forth. I have no concerns in that regard, in terms of the kangaroo population.

CHAIR: Just on the other side of that issue, I was wondering if you are aware that the inspection of chillers undertaken by a team of three people included microbiological tests of swabs taken from carcasses destined for human consumption and that these tests showed high levels of faecal coliform contamination. Could you describe what official testing is being taken on carcasses, if any, by AQUIS or the Department of Health? Is there any testing done and could you confirm that statement or say that it is not appropriate or not correct?

Mr SMITH: Our department's responsibility does not extend to the health standards applicable to food. What I can say is that our staff work in partnership with staff from the Safe Food Authority and the Safe Food Authority are the people responsible for the quality of food, either exported or sold domestically, so they would be the best people to answer that. Our staff do not inspect those matters.

CHAIR: Minister, if you approved the commercial kangaroo quotas for 2007, were you considering limiting the quotas to male animals only, and if not why not?

Mr BOB DEBUS: We will consider all those aspects of the program and the quota that are considered to be relevant. I have not in the past been advised to restrict culling to a single sex. I am open to the evidence.

Mr SMITH: But we do not have any evidence that there is a defect in the current science which has led directly to the establishment of the harvest rules. I guess we do know that kangaroos are remarkable animals with extraordinary reproductive capability; they adapt to extreme variation in climate and conditions, and the science we have at the moment says that the harvest arrangements where the size and type of animal which may be harvested is clearly specified and we are confident the industry complies with that satisfactorily.

Mr BOB DEBUS: The kangaroo management program is now overtly predicated on a need to maintain a sustainable population. The plan rules refer to that goal.

CHAIR: Just looking at waste issues, since 2001 when the Waste Avoidance and Resource Recovery Act came into force you have been able to regulate the extended producer responsibility for problem waste. During that time electronic waste has escalated while industry has continued to stall on a voluntary scheme. Your own expert reference group recommended regulation for computers and mobile phones but you have so far, as I understand it, not acted upon that. Please correct me if I am wrong there. Could you tell the Committee what percentage of mobile phones are currently collected and recycled and how many mobile phones does that leave unaccounted for?

Mr BOB DEBUS: I cannot give you the statistics but Ms Corbyn can explain the future plan. We are gradually introducing voluntary programs for recycling, which are now well advanced, say, in the TV and computer industries—I think also in the tyre industry, which is of some considerable importance.

CHAIR: I am glad you mentioned computers. Perhaps you could indicate also how many computers are going to landfill and the cost burden of local councils in collection and disposal of this waste?

Ms CORBYN: If I could comment on the extended producer responsibility, particularly associated with electronic waste. It is one of the areas that we put the highest priority on and we are working not only at a State level but also at a national level. New South Wales is the co-chair of a national working group to bring forward very strong programs for waste, both avoidance and reduction in electronic goods; that does include particularly, as the Minister said, TVs and computers. I cannot give you the number of computers currently going to landfill, but we can get that for you based on the estimates that we have. What we do have is very good news that, in particular, led by the Minister, we have put significant pressure on the computer industry. They have now come forward with a proposal that is even being strengthened to set up what is known as a producer-responsible organisation to drive the take-back and recovery of elements from computers. It is the first and biggest step we have had from the computer industry.

The TV industry has actually brought forward earlier a program like that based on, initially, their understanding of what happens in Europe and, in particular, in the Netherlands, and they were very amenable to tackling this issue, as you would appreciate, with plasma screens and all of those sorts of new TV facilities coming forward. It is a significant growth market and one that we have been very concerned about. The industry has actually stepped up to the plate. The computer industry likewise is now, with some urging, much more focused on designing programs that people can access easily: take-back schemes. We have met with the CEOs of the very big companies—Hewlett-Packard, Dell and Toshiba—to try to drive much harder a program. We are also having discussions across government about how we can use government facilities to put more pressure on the computer industry.

So I think versus, say, even two or three years ago, there have been significant steps forward in getting the computer industry to develop schemes that will be accessible by normal people to get computer take-backs.

CHAIR: It sounds good but can you take it on notice? I am talking tonnages going to landfill or tonnages directed away from landfill and perhaps in what way are they reused, recycled and suchlike?

Ms CORBYN: I am sorry, I do not have the figures off the top of my head, but I can get you those figures and also some detail on what is happening with the new schemes that are being proposed, because they should make a significant difference.

CHAIR: Similarly, at the end of 2005 large retailers failed to meet the negotiated plastic bag reduction targets, which should have resulted in regulatory options being considered. We have had a lot of debate over this issue, obviously. If retailers are given until 2008 to phase out plastic bags, another 10 billion bags will have been handed out to the detriment of our natural environment. 80 per

cent of Australians support a ban on plastic bags. Why has the Government done nothing to regulate plastic bag use?

Mr BOB DEBUS: I think it is fair to say that New South Wales took something of a lead in the recycling area—certainly at the time when we introduced the extended producer responsibility legislation. But what we have discovered in practice is that it makes much more sense to work for national solutions than to try for State-based solutions that are out of step with everybody else.

CHAIR: Would you not get a certain pride in New South Wales leading the way?

Mr BOB DEBUS: I may have a certain pride but some other Ministers would not, insofar as it creates a lot of significant difficulties for the people you are trying to encourage. It is always best and is always most effective to start with voluntary arrangements. It is mostly more effective to start with voluntary arrangements.

CHAIR: Mostly more effective?

Mr BOB DEBUS: Yes, it is, because if you are not careful in the way you introduce measures of this complicated nature, you will simply find that more inflexible schemes are just avoided.

CHAIR: But the rate of recycling of rubbish in New South Wales continues to be very low, particularly when compared with South Australia. South Australia has forged ahead.

Mr BOB DEBUS: There are two separate issues. On the question of plastic bags I had meant to say that all of the environment Ministers have been meeting and bringing pressure to bear on the retail industry, but you must bear in mind that it is far easier, for instance, for the supermarket chains and others of that ilk to adjust to the issue of reducing paper bag use than it is for plenty of other sectors within the community.

We have successfully caused a reduction approaching 50 per cent in the use of plastic bags over only a quite short time. We have set a timetable in place for the retailers to achieve the finally agreed targets. It is not clear to me that moving before that time to change what had been an established framework for plastic bag reduction will bring about the kind of response from business that we would most want. Removing plastic bags is one thing, but we need business to be co-operative across the whole spectrum of waste reduction, packaging reduction and recycling. We must keep an eye on the whole issue, not just on a single element, like plastic bags.

So far as the South Australian issue goes, I point out that container deposit legislation [CDL] was introduced in South Australia in the seventies, I think, and a particular piece of Federal legislation introduced since that time requires that there should be a nationwide policy introduced. It was called mutual recognition legislation of 1980 something and it is no longer possible for a State to introduce a measure of that nature, which has had a profound effect on the commerce of the whole country. Since that Act we actually have to introduce national schemes.

CHAIR: That was done under a Federal Labor Government, was it not?

Mr BOB DEBUS: I am not certain but I cannot, with confidence, deny it. I think it was generally to the national good.

CHAIR: So you are saying that it is not possible for this State to go ahead with container deposit legislation?

Mr BOB DEBUS: That is right. From now on all States have to agree. It is the same for all of these anti-pollution, waste reduction measures. They have got to be agreed on a nationwide basis, which is why you find the Environment Ministers meeting at their biannual conferences attempting to work together and attempting to make steady incremental improvement across-the-board rather than a single dramatic measure in one direction or another.

CHAIR: With respect, that is going to be an impossible thing. You have allowed people on the fringes to be campaigning for CDL for years and never let on that it is an absolute impossibility. That is very disappointing.

Mr BOB DEBUS: To the contrary, you will find scattered around New South Wales literally thousands of letters signed personally by me responding to people asking about CDL in these exact terms, including many members of the Greens party, I feel sure.

(Short adjournment)

Ms SYLVIA HALE: We were talking about the culling of kangaroos recently. What has happened to the emus at the Australian Defence Industries site? Have they been culled or removed, or are they still in residence?

Mr BOB DEBUS: I am sorry, I cannot tell you.

Mr FLEMING: I will take it on notice and get back to you. I do not have the information in front of me.

Ms SYLVIA HALE: You would be aware of the Government's approval of the expansion of Port Botany and the proposal to build yet a fifth dock there. The Government has maintained that one saving grace of the project is that 40 per cent of freight will now be moved by rail. However, that involves the use of diesel locomotives. Can you explain why there is no monitoring or regulation of emissions from diesel locomotives, although such regulation exists in relation to diesel motors on trucks?

Ms CORBYN: We have regulatory programs for rail systems that result in licences being issued to RailCorp, and we try to work through all the issues that might affect a particular community—the combination of noise, any dust or emissions that come through from the rolling stock as well as from the operation of the tracks. Different regulations apply to both road and rail because of the way our legislation is framed, but we try to look at any potential impacts, and we work with the designers of locomotives and other rolling stock on rail to try to reduce impacts, whether it be from noise or diesel emissions. Because we do air monitoring at an ambient level, we have generally not had, as I recall, many complaints, other than in the Hunter, from diesel exhaust from rail to date. Primarily the focus has been on noise.

Ms SYLVIA HALE: Do you agree that there are no standards for emissions from diesel locomotives that are required to be met?

Ms CORBYN: I will have to go back and check that in terms of our licences. I think we have done it by corridor by corridor, rather than by regulation.

Ms SYLVIA HALE: Do you realise that if the Government's target of moving 40 per cent of the containers by rail is met it means that there will be one diesel locomotive every seven minutes, 24 hours a day, seven days a week, and that most diesel locomotives—at least those in the Sydney area—have one motor at the front that is operating and another at the rear that is idling so that there is no requirement for shunting, and that diesel locomotives are a major source of emission of nitrous oxides and particulate matter?

Ms CORBYN: One issue that we have to take into account is that standards for rail in particular would be set at a national level when they deal with across-the-board standards like that. So they are set by a national body. What we would do is look at a local level to see if there are any significant impacts. I would have to check whether there are national standards for locomotives, but we certainly take them into account when we try to deal with the rail companies.

Mr SMITH: Our goal is to achieve clean and safe air quality. To that end, we do a very detailed inventory of all the sources of potential pollutant sources. That could be from trains but obviously it is also from industry and trucks and vehicles, as well as off-road equipment on mines and other sources of pollutants.

The regulatory programs the Government brings forward are those where we identify where there are major large sources and where there is potential for controls to reduce those emissions. The important point is that where rail is a substitution for trucks—although it is true there would be one or two locomotives on each train line—that replaces a much larger number of truck engines that would have been there, and I believe that is one of the key objectives of shifting them from truck onto rail.

Ms SYLVIA HALE: But we are still going to have 60 per cent of freight moved by truck plus 40 per cent moved by very old diesel locomotives, whose emissions are uncontrolled, unregulated and unmonitored?

CHAIR: Just on that point, has the department looked at the efficacy of biodiesel, which has the efficacy of 70 per cent less facilitators and much lower levels of—

Ms CORBYN: Not in relation to trains.

CHAIR: It could work. It is also being trialled on Sydney Ferries, so I suggest it is something to look at.

Mr BOB DEBUS: That is true. The new standards are being introduced for conventional diesel fuel, which deal especially with particles and nitrous oxide.

Mr SMITH: This is the reduction of sulphur content in diesel fuel.

Ms SYLVIA HALE: Can I ask you some questions about the Snowy River and the Snowy Hydro Authority? I believe there was something of a stand-off in the middle of August between the department and Snowy Hydro over the plume of siltation that had been released as a result of work at the Jindabyne Dam outlet, causing the town of Dalgety's whole water supply, which is dependent on the river, to be shut down entirely. Snowy Hydro was suggesting that it could not flush that siltation plume because that would impose a threat to communities downstream. Has there been any resolution of this stand-off?

Ms CORBYN: We are currently working with a range of government agencies to identify what the best strategy is. We are making sure that we deal with the pollution incident that occurred but in the context of downstream users as well. Experts are advising us, along with the Department of Natural Resources, and we have a co-ordinated program that has been identified for the flushing regime. We also are investigating Snowy Hydro as a pollution incident. We are working very hard to make sure we get all the facts. There is some concern that we understand quite clearly what the impact might be about the siltation and what the characteristics are of the different kinds of silt and what you might do from an ecological perspective as well as a water quality perspective. So, quite detailed work is being undertaken.

It would be true to say that we and Snowy Hydro have not always taken the same perspective about the pollution incident and what the solution might be, but all of our interest are being focused on that to make sure that we get the right solution to a flushing flow. It is quite complicated, because the way the river runs the flushing flows may go through what is known as the plunge pools. The plunge pool is where the pollution incident originated. We have to be very careful that we do not exacerbate with the flushing flow the pollution incident, and that is what is being designed now.

Ms SYLVIA HALE: During the proposed sale of Snowy Hydro one of the guarantees held up was supposedly the fact that the Snowy operated under a water licence and that was controlled by DEC but now we have a situation where there is a major pollution incident of Snowy Hydro's creation and it will refuse to release the flushing flow unless it is indemnified by the State Government. Surely that encapsulates the contract fictions?

Ms CORBYN: Certainly from our perspective we would treat Snowy Hydro as we would treat others investigating a pollution incident. First and foremost I am interested in making sure that we get rectification of the problem that has been created. That is where our initial interest is. It is quite complicated because of the circumstances. I should clarify DEC does not control the water licence, that is the Department of Natural Resources, but we do investigate pollution incidents and we are doing that. It is very important to make sure of the complexities of the system in relation to both the

turbidity incident and what has happened with water supplies downstream. As well, ecological circumstances are developed very carefully. It is not as simple as putting a big flow down the river.

Mr BOB DEBUS: It is important to make the point, though, that so far as the release of water generally goes, the licence is within the responsibility of the Department of Natural Resources and the Department of Environment and Conservation's response to a pollution incident will be the same whatever the nature of the ownership of Snowy Hydro.

Ms CORBYN: We have issued them with directions as well, to Snowy Hydro.

The Hon. KAYEE GRIFFIN: Could you advise the Committee about policies and strategies in place to reduce waste, how successful these have been and what is the Government doing to support waste avoidance and resource recovery in its own operations?

Mr BOB DEBUS: The Government established a waste strategy in 2003. That was to say, a long-term plan for reducing waste and increasing recycling in the community, in government and in business. That strategy set out programs for waste reduction targets in the domestic area, in the construction area and in the commercial waste sector, and at the time we identified those as being the areas most in need of attention. Really quite stringent targets were set for each sector. We are able now to make a progress report which measures the change in waste reduction against the strategies in 2003. I am pleased to be able to say that the rate of recycling continues to climb. Sydney households are by their actions reducing the amount of waste going to landfill.

The key findings of the progress report were that Sydney householders disposed of 7.2 per cent less waste per person in 2004-05 than they did in 2000, which is to say 94 kilos less waste per person going to landfill. The report found that recycling rates continued to rise, that some half of the total waste generated in Sydney, the Hunter and the Illawarra is being recycled. From a historical perspective this is quite a dramatic result. About 283 kilograms of recyclables are recovered per household per year through the kerbside system. So it is clear that people in Sydney in particular have continued to embrace kerbside recycling.

The report found that 109 councils provide it. That is a 7 per cent increase over the year 2000. Sydney households recycle 94 kilograms of garden waste through the collection systems provided by local councils. The tonnage of recyclables collected at the kerbside increased from 125 kilograms per person to 137 per person, with a total of 283 kilos per household. That includes 64 kilos of paper and paper products and 27 kilos of glass, 7 kilos of plastic and 2.3 kilos of steel cans.

Overall, the report suggests that the plan to reduce waste is working. Figures collected from the Central Coast, the Hunter and the Illawarra show recycling rising by 3 per cent on the previous year to 50 per cent in 2004-05. These are areas that have had higher rates of growth and new building with a higher proportion of single dwellings, larger waste bins and fewer councils offering green waste collections. The figures are the most comprehensive that have ever been collected. They are based on a new and more reliable system of reporting and data collection. They count waste materials that have not previously been counted. For example, we are counting virgin excavated natural material, which is important just because of its size. We have recast previous figures to make the updated comparisons relevant.

It is pleasing to be able to say that the Government is leading by example. The Government has a Waste Reduction in Purchasing Policy called WRAPP. The progress reported for 2006 shows that government agency efforts to reduce waste and recycle more have been dramatically successful. Overall, agencies recovered more than 430,000 tonnes of waste and diverted it to recycling. That is in addition to the resources recovered. It is equivalent to diverting the weight of 47,000 buses from landfill. Government agency recycling rates for paper and cardboard have increased to 82 per cent. That is the actual rate of recycling of paper and cardboard in government agencies. The purchase of recycled-content copy paper has doubled to 44 per cent of the total purchased. There has been a 42 per cent improvement in the purchase of recycled content in construction products including landscaping materials. The reuse of computers and monitors, with 70 per cent of units reused or recycled in 2005, is up from 51 per cent in 2003. That goes to the question you were raising, Mr Chairman. We believe that the Government is now recycling 70 per cent of its computers. At the other end of the scale, as it were, the recycling rate for waste asphalt has increased from 83 per cent to 94 per cent. I am rather

pleased to be able to say that the Government is setting standards for the whole community in respect of recycling.

The Hon. JAN BURNSWOODS: This year's budget has a significant allocation for the River Bank Program. Can you tell us a bit about how that program will work?

Mr BOB DEBUS: I particularly pleased to be able to tell you about River Bank. We are excited by its potential. The River Bank Fund to buy water essentially for our stressed inland rivers and wetlands will provide \$105 million over the next five years. It is part of that City and Country Environment Restoration Program that I have already mentioned, which will expend altogether \$439 million over the next five years. River Bank is administered by the Department of Environment and Conservation and funded through the Environmental Trust, which in turn has established a water subcommittee to provide it with independent advice. Its members have expertise in water markets and river ecology. They include a water user representative. River Bank will buy water from willing sellers within the existing water trading and management framework. That will help us to address problems of unsustainable water extraction over time without compromising the rights of existing water users. It is a matter of practical reality that a significant number of people want to sell their water. If we can buy it and use it for environmental flows it will ensure that others who wish to use their allocations for productive activity can continue to do so. An expression of interest process has been conducted inviting licence holders in the Macquarie, Murrumbidgee, Lachlan and Gwydir river systems to sell all or part of their licences. That process closed on 25 August. River Bank will work to rejuvenate wetland-dependent wildlife populations by using the supply of water to increase flows into areas of environmental importance. I believe that program has transformed the national water recovery agenda. Many of the gains to be made by improving the efficiency with which water is used in irrigation have now been achieved—not all but a great many. A system of market purchase in many circumstances can have a much better cost-benefit than investment in infrastructure that will have a low level of efficiency.

Professor Peter Cullen, the chair of the so-called Wentworth Group of Concerned Scientists has said that he is delighted that New South Wales has started to address the problems of overallocation in this way. You know you are on to something significant when both conservationists and irrigators support the program, as, in the most part, they have. So far River Bank is committed to purchase about 10,000 megalitres of water entitlements in the Lachlan and the Macquarie. The Government of New South Wales has submitted an application to the Commonwealth for matching funds from the Australian Water Fund established under the National Water Initiative. If that Government agrees to join with New South Wales in a partnership in this respect there may well be that much more money available to invest in our inland rivers.

That being said, the total amount of water being bought is still a relatively modest proportion of the total allocated. Therefore, we do not expect there to be significant changes in water prices as a consequence of the Government's engagement in the market.

The Hon. GREG DONNELLY: How has Sydney's air quality improved over the past 10 years?

Mr BOB DEBUS: I thank the honourable member for that question. It is easy to forget that in 1994, 310 tonnes of lead was pumped into the atmosphere of this city. People will recall the devastating effects of lead, especially on small children. We have reduced lead pollution by 97 per cent. Carbon monoxide has also been reduced by 29 per cent; nitrogen oxide has been reduced by 6 per cent, notwithstanding the substantial increase in the number of vehicles in the Sydney basin; sulphur dioxide concentrations are well below the national standards in Sydney; and levels of most toxic air chemicals—dioxins, heavy metals and so on—are also well below international standards. That is why we say, truthfully, that Sydney's air quality is much better today than it was in the mid-1990s.

However, it cannot be denied we have several outstanding problems or significant challenges. Sydney has on average at least five days a year when the national ambient air quality standards are exceeded. These high-pollution days are often associated with extreme natural events, such as dust storms or bushfires, or planned events such as hazard reduction burning in winter. The two main issues of concern remain smog in the summer, caused largely by motor vehicles and their fuel, and the

ozone, which is the basic ingredient of that smog. The winter problem is the brown haze we see on days when there is a temperature inversion, which is caused largely by particles and, in turn, by wood-fired heaters and diesel vehicles. Increasing population and car ownership obviously places pressure on air quality. In the face of those increases, the fact that New South Wales has seen such dramatic reductions in a wide range of air pollutants is of itself a significant achievement. The important thing now is to ensure that we continue to find improvements. As honourable members know, the Government's framework for doing that is the 25-year plan called Action for Air.

Importantly, new national fuel standards and vehicle emission standards are being progressively introduced. I am not sure why they cannot be introduced more quickly, but they are being introduced up to 2009-10. New South Wales will continue to press for the tightest emission standards possible. As technology changes, especially in the vehicle industry, it will be possible to continue to make those standards more stringent. Stricter emission standards have already produced significant gains in reducing vehicle emissions. That means that despite the predicted increase in vehicle use, emissions are expected to continue to fall. In particular, in the period from 2002 to 2020, the concentrations of carbon monoxide, volatile organic compounds, nitrogen oxides and particles are all expected to fall substantially. For example, the concentration of particles is expected to fall by 40 per cent. That is very important. New technologies and standards will make vehicles significantly cleaner and will particularly address the problems of ozone and particle pollution.

The New South Wales Cleaner Vehicle Action Plan accelerates the potential benefits of stricter vehicle standards. The plan includes clean car benchmarks to inform the community of the cleanest cars, the development of an environmental rating system for heavy vehicles to recognise better environmental performance and leading-edge knowledge, and fleet improvement plans for all Government agencies to meet environmental targets. As honourable members know, Ministers in this Government have given up their V8 vehicles.

CHAIR: Including Michael Costa?

Mr BOB DEBUS: I think it is a six-cylinder four-wheel drive. The plan also includes a voluntary clean fleet program for private companies. The New South Wales Government is also carrying out a diesel retrofit program to reduce pollution from older vehicles. That is a significant measure and the program is still being developed. However, in the sense that it is possible to find continuing sources of pollution and to deal with them, and to pay attention to the details, we expect this program to produce many benefits in the near future. The Government is also purchasing 250 ultra-low emission buses, which use compressed natural gas. It is also encouraging the use of ethanol blended fuels and biodiesel.

The department has conducted the load-based licensing system to provide incentives for industry to cut emissions to the air with great success over many years and it will continue to do so. Over the next 20 years, we expect that the Protection of the Environment Operations (Clean Air) Regulation, which sets never-to-be-exceeded concentration limits based on cleaner technologies and better information about health impact and emissions, will successfully cause massive reductions in the amount of solid particles produced each year and the amount of nitrogen and sulphur oxides. Although it is counter-intuitive, those measures combined will to continue to improve air quality substantially notwithstanding an assumption that there will be a continuing increase in the number of motor vehicles that are in use around the city, no matter what other measures may be implemented to reduce vehicle use.

The Hon. KAYEE GRIFFIN: What resources is the Department of Environment and Conservation applying to water quality improvements in the coming year? How has Sydney's water quality improved over the past 10 years? How has the quality of our beaches improved over the same period?

Mr BOB DEBUS: It is true that water quality has unambiguously improved. The Northside Storage Tunnel, which was completed six years ago, has massively reduced the amount of raw sewage that has been washing into the harbour. The latest estimate is 20 billion litres. The Waterways Package—a 20-year program introduced in 1997—funded the construction of that tunnel and many other projects. Sydney Water is required through a new pollution-reduction program to spend an

estimated \$158 million on overflow abatement across all its treatment systems between 2005 and 2010.

The Local Government Amendment (Stormwater) Act now allows councils to raise stormwater management funds with the support of their communities, and that in turn gives them an ability to carry out additional work in flood mitigation, stormwater harvesting and general river health improvement. I previously mentioned the Stormwater Trust grants, which, in the period of five or six years up until the end of 2005, were used by local government to massively reduce the amount of pollution that was delivered into our waterways by storm events. We have the regular Beachwatch and Harbourwatch programs providing information permanently through the web and sometimes through the mass media to anyone who wants to have it. The results for the 2005-06 summer swimming season indicate that water quality at ocean and harbour beaches in Sydney, and in the Hunter and Illawarra, was exceptionally good during dry weather. Of the 130 beaches in the three regions, 95 per cent passed to the swimming guidelines more than 80 per cent of the time. Sydney beaches and harbour swimming areas had very high compliance, with 90 of the 95 beaches complying more than 80 per cent of the time—

CHAIR: Is that 80 per cent of the total time, Minister, or 80 per cent of fine weather time?

Mr BOB DEBUS: Fine weather time—the highest level of compliance for wet and dry weather in the 16-year period since Beachwatch began. Of course the new City and Country and Environment Restoration Program will contribute further to water quality in these urban areas, to the degree that it provides funding for local councils to continue the work that they had previously completed under the programs administered by the Stormwater Trust. In fact, or around the conurbation you will find important pollution control programs that beaches and creeks at levels unimagined before that stormwater program began I think in 2000.

The Hon. GREG DONNELLY: Minister, with regard to the issue of the Living Murray Initiative, which it is explain how purchasing water for environmental flows will assist the Murray River and outline the Government's plans in this area?

Mr BOB DEBUS: No-one can doubt the cultural environmental significance of the Murray River to all Australians, or indeed the economic value to those whose livelihoods depend upon it. But no-one can deny, either, that the Murray River has been suffering as the result of historical overuse of water resources, an overuse that has been quite sharply exacerbated by the prolonged drought of more recent years. The Government is committed to fulfilling its obligations under the joint effort between the State and Commonwealth governments, called the Living Murray Initiative, overseen by the Murray-Darling Basin Commission. That includes recovering of 500 gigalitres for the environment—that is 500 billion litres—each year.

The initial focus has been on achieving environmental benefits for six particularly high-profile environmental icon sites along the river, and the aim is maintain the health of those sites—places such as the Chowilla Flood Plain and the Barmah-Millewa Forest, which covers something like 66,000 hectares across the New South Wales-Victorian border downstream from Albury but in the upper part of the river, is a most significant forest. In May of this year the Government presented to the commission its strategy for water recovery under the Living Murray First Step Agreement. We have developed a strategy that mixes investment in water purchase and investment in existing infrastructure and efficiency programs.

The purchasing program has a target of between 80 and 125 gigalitres. On the other hand, many infrastructure projects are already under way. More than \$70 million worth of projects have been completed and that includes the particularly spectacular project in which the famous Darling Anabranch is to be piped, saving, I believe, more than 40 gigalitres in an average year. Again, this is a certain stance in which the Government is working to combine infrastructure projects to improve the efficiency of the use of water with water purchase, to bring about improve environmental flows and to ensure that we have optimum cost-effectiveness for the expenditure of government funds for the recovery of the river. I should just mention that the project I referred to earlier, Riverbank, administered by the Department of Environment and Conservation, does not operate in the Murray. Because of longer existing arrangements the Murray purchasing program will be administered by the Department Natural Resources, which is responsible also for those other projects in the Murray River.

The Hon. JAN BURNSWOODS: You made a comment some time ago in answer to a question about contaminated sites, but I wonder if you could talk about some of the others where the Government is engaged on cleaning up contaminated sites; and also the expenditure by industry to clean up these sites?

Mr BOB DEBUS: I draw the Committee's attention to the consequences of the introduction of the Contaminated Land Management Act 1997, which has the purpose of providing a robust and workable framework. It is fair to say that until it was introduced there was no framework and very little effective treatment of land that had during the past 100 or 150 years been contaminated by the kind of industrial pollution that occurred systematically into the past. I just mention that today 346 contaminated sites have been notified to the department as being potentially significantly contaminated. The department determined that 196 of them were significantly contaminated, with 143 requiring its regulation under that legislation.

Although many sites are now being treated under a variety of measures, including many by private owners, encouraged by the department and this legislation, it is worth remembering that today to date 48 particularly difficult sites have been remediated. Here is just an example of them: the Orica Botany ground water project; the Pasminco lead smelter and adjacent areas at Boolaroo on Lake Macquarie; the former BHP iron and steelworks adjacent to the Hunter River, a \$110 million project; the Rhodes Peninsula on Homebush Bay cost \$170 million; the remediation of contaminated soil at the Lithgow ADI small-arms factory through a voluntary agreement; the installation of work to prevent contamination by the former Armidale gasworks; the remediation of some terrible problems that had been caused by the former Mudgee gasworks—Environmental Trust money was used for that; Lismore gasworks; Wagga gasworks; the former tip site at Tunks Park in Cammeray, voluntarily remediated by the North Sydney Council; the Mortlake gasworks site; the former Sunbeam factory site at Campsie, remediated under a voluntary agreement through the Act; former Silverwater landfill remediated; the Tempe Tip site—nobody here would not know anything about that.

I could list a great many other examples of how the Government's contaminated land and remediation laws have been used effectively. I just want to emphasise that the industrial legacy of the past, the contaminated land sites that were created by this past activity, are really being addressed very, very strongly under the present legislation.

The Hon. RICK COLLESS: I think it was Mr Head that stated earlier that about 40 gegalitres per year of extra water would be delivered by accessing the deepwater stream. Did I hear you correctly?

Mr HEAD: I indicated that the increase in annual yield to the system is in the order of 40 gegalitres. In excess of 200 gegalitres is available when the deep storage is initially used. The fact that the system increases by over 200 gegalitres increases the annual amount that can be drawn, on average, by 40 gegalitres. But that volume of 200 is available initially.

The Hon. RICK COLLESS: But on an annual basis it is 40 gegalitres per year?

Mr HEAD: To yield, yes.

The Hon. RICK COLLESS: How much water does Sydney use per week?

Mr HEAD: It varies from season to season. On average, the amount of water used per month is between 40,000 and 45,000 megalitres, or 40 and 45 gegalitres. It varies from season to season. At the moment it is probably in the high 30 gegalitres.

The Hon. RICK COLLESS: Gegalitres per week?

Mr HEAD: No. Per week it is in the order of about 10.

The Hon. RICK COLLESS: So if it is 40 gegalitres per year average, is that not four weeks water?

Mr BOB DEBUS: No. You have got to understand that the relevant figure in terms of your question is the yield.

The Hon. RICK COLLESS: Forty gegalitres?

Mr BOB DEBUS: No. The yield is 200.

The Hon. JOHN RYAN: Mr Head said the amount is 200 but you could yield 40 of it.

Mr HEAD: Perhaps it would be helpful just to clarify that. Yield simply expresses the amount of water that can be drawn out of the system safely each year without compromising any of the security or reliability criteria. The volume of extra available water, which would allow for the continuous supply when the deep storage is on, is in excess of 200 gegalitres, allowing for the provision of water for up to six months, depending on seasonal variation. The fact that that extra volume is available in perpetuity increases the available yields by 40 gegalitres a year.

The Hon. RICK COLLESS: Can you explain to the Committee what exactly is involved in accessing that deepwater?

Mr HEAD: It differs from site to site. There are two major projects, Nepean and Warragamba. At Warragamba the project involved an adaptive reuse of the old Megarrity's Creek pumping station, which operated in the 1934-1942 drought, and was closed when Warragamba Dam was commissioned in 1960. So, essentially, the cavern that was occupied by that pumping station has been enlarged, new pumps and pipework have been installed and, importantly, a connection to the currently inaccessible layer of the dam re-established through Warragamba Dam wall.

The Hon. RICK COLLESS: Was there any water that had to be pumped out in order for those works to be completed in any of the dam sites you were looking at?

Mr HEAD: Not that I am aware of, but I will take that on notice. The project at Warragamba is simply re-establishing a connection that was part of the old emergency drought pumping regime in the 1930s and this is essentially an adaptive reuse for a layer of the dam water that is currently inaccessible.

The Hon. RICK COLLESS: Can I just go back to some earlier discussions we had on the ground water issue as well? I raised with you, Minister, some studies that were done, such as the Blue Mountains Sandstone Aquifer Status report of February 1999 and the Southern Highlands Ground Water Technical Status report of March 1999. The Blue Mountains report states that substantial volumes of excellent quality ground water exist in the Blue Mountains aquifers, and the Southern Highlands report states that a sustainable yield of 221 gegalitres per year is available. Why would it be that those sorts of things would not have been acknowledged if those reports were, in fact, available earlier? My question is similar to the one I asked before: why did you suddenly find this water in 2003 or 2004, whenever it was?

Mr BOB DEBUS: I do not entirely follow the logic of your question. Nobody suddenly found anything.

The Hon. RICK COLLESS: No, that is because it had been found before.

Mr BOB DEBUS: But I did not deny that.

The Hon. RICK COLLESS: You did deny the veracity of the reports, saying they were insufficient to make any long-term plans on, yet the Southern Highlands Ground Water Technical Status report in 1999 clearly stated that a sustainable yield of 221 gegalitres per year was available. So why have you not utilised it?

Mr HEAD: The studies that have been undertaken in the past were essentially, as I understand it, desktop reviews. The activities the SCA has undertaken have been actual field studies drilling into the sandstone to identify at what rate it can be sustainably extracted. We have done pump tests; we have tested the water quality. Almost all of the available data before we did the 2003

examination of the priority sites for drilling were essentially desktop reviews. This level of fieldwork has not been undertaken before on these areas.

The Hon. RICK COLLESS: What have your subsequent investigations discovered in the case of the Southern Highlands where the early reports showed that the sustainable yield was 221 gegalitres a year?

Mr HEAD: The groundwater report that is out for community consultation at the moment details that for each site. The Kangaloon site provides in the order of 15 gegalitres a year for a two to three-year period when used as a drought reserve and the Leonay site, a similar volume. We will have completed studies on the Wallacia site very shortly. But again I stress that my understanding of those earlier studies is that the sustainable yields were not calculated based on detailed drilling and pumping systems.

The Hon. RICK COLLESS: What is the overlap between the Southern Highlands report of 1999 and the Leonay and Kangaloon reports recently?

Mr HEAD: Well, Kangaloon is the Southern Highlands, but my understanding of earlier reports is that it deals with other areas of the Southern Highlands. It is broader than those areas that could be incorporated into the Sydney system and that it was a desktop priority.

Mr BOB DEBUS: And so the essence of my earlier reply is correct. It is one thing to have some generalised reports that are based soundly on limited information and quite another to actually drill and establish what can workably be extracted and what the exact quality of the water is. They are different kinds of exercises and one is very beneficial for establishing some kind of a strategic approach but the other, the kind of work that is being done now, is obviously necessary if you are going to put the thing into operation.

The Hon. JOHN RYAN: Minister, with regard to air pollution, does the closure of four monitoring stations around Sydney—I think one at Campbelltown, Woollooware, Westmead and one called Warrawang station—compromise the collection of long-term data by DEC in monitoring air quality?

Mr BOB DEBUS: What the DEC is doing is continuing to improve the science and technology that it uses to monitor air quality, which is a reasonable thing. The changes that the department has made to the monitoring network to measure Sydney or the State's ambient air quality will certainly not adversely affect the overall assessment process. There are presently 20 ambient air monitoring stations operating in the greater metropolitan area, with \$2.5 million to be spent on its maintenance and a further \$1 million on a special project to speed up the way in which the system can actually process data.

The older style of monitoring techniques for air particles is no longer being used. Particles are now to be measured using so-called continuous technology. There is actually a new method for continuously measuring the air quality of the city and that provides much better data on the overall picture of our circumstances. It is better that we continue to run the most extensive air monitoring network of any city in Australia.

The Hon. JOHN RYAN: Obviously, one of the most sensitive parts of Sydney is the southwest of Sydney, which has constantly been a matter of discussion, in the area around where the Badgerys Creek airport would otherwise have been located—that end of southern Sydney. Has the monitoring of air quality in that area changed and could you supply the Committee with before and after details of what has happened with regard to monitoring air quality in those areas before and after 2004?

Ms CORBYN: One of the things worth saying from an air quality perspective is that you should never assume, with technology changing the way that it is, that an air quality monitoring network would be static as designed in 1991, so we are constantly upgrading the air quality system. We can get you the details and we can do a before and after. It is also important to recognise, as the Minister said, that we have one of the best air quality monitoring networks—in fact, the best—in all of Australia and we are reviewed every year through the National Environment Protection Council

[NEPC] peer review process. That means that we are under amazing scrutiny and our air monitoring stations and network meet all of the national requirements, if not exceed them.

We are very aware of need to actually have good monitoring in a range of different regions. As the Minister said, assuming that it would stay static is the wrong way to look at an air monitoring program, but we can get you the detail of before and after.

The Hon. JOHN RYAN: With regard to results from air quality monitoring, I understand that the Auditor-General in 2005 made critical comments about the Government failing to meet national goals on ozone and particulate goals. Then in March this year the organisation you have just mentioned, [NEPC], confirmed that Sydney was the unquestioned smog capital of Australia, saying that Sydney and Wollongong had exceeded national standards for ozone 68 times in 2004-05. Why is the Government not meeting ozone and particulate matter goals and is that having any impact on the development of Sydney?

Mr BOB DEBUS: I will let Ms Corbyn respond in some detail, but a few minutes ago when I spoke of air quality, I specifically acknowledged that smog, whose major constituent is ozone in summer and brown haze, whose major constituent is particles in winter, are our main outstanding air quality problems and that is hardly surprising. That is the consequence of modern economy and technology. It is in no way accurate to suggest that the Government is not paying any attention to these issues. To the contrary, I gave, somewhat to the irritation of the chairman, a long dissertation on the various measures that we do in fact have in place to deal with vehicle emissions. I did not describe, although I could have if you could bear it, the program to reduce wood heaters, for instance, which is highly relevant to the question of particulate. I am sure Ms Corbyn has something more precise to say.

Ms CORBYN: The national ambient air quality goals are actually established for the year 2008, and since 1998 we have been actually bringing forward a very strong program to actually drive air quality in the right direction. It is true that we are challenged because of the size of the city and the make-up of not only its air chemistry but also its emissions from an ozone perspective. But we have strong programs to try to drive those and we have taken very strong measures, more so than any other State because of the circumstances that we face, in actually tackling issues like petrol volatility, so we have got a stronger regulation than of the other States to actually try to differentiate the circumstances that we face.

It is also true that when you look at the numbers, from an air quality exceedance perspective, particularly for ozone, they are measured in one hour goal and four-hour goals, so it could be that on one day you actually have higher ozone levels, which means that you would actually show more exceedances, so you cannot equate 68 exceedances to 68 days. All that said, the goals are for achievement in 2008 not in 2006, but we are still working hard to try to push strategies for that and we have very stringent programs in place.

I think it is also true to say that the other capital cities, particularly on the east coast, are going to start facing some of the same circumstances that we are facing here, but we are very focused and concentrated on trying to deal with the strategies that will actually prevent ozone from being exceeded into the future.

Mr SMITH: Sydney has the best harbour and it is the most beautiful city, but it has the worst topography. So it is not a function of lots of air pollution being released into the atmosphere which determines the air quality that we experience; it is a function of the mountains that surround Sydney, wind patterns and the sunlight that falls on the air pollution mix that causes us to exceed more frequently than other States. We have the best monitoring network and the strictest standards. We are driving emissions down even as vehicle use grows. We certainly gets top marks for effort in terms of reducing emissions but we have to face up to our geological endowments.

The Hon. JOHN RYAN: I have a question for Mr Fleming. My question was inspired by a visit my wife and I made to the Fairfax trail at Blackheath in the Minister's electorate.

Mr BOB DEBUS: A brilliant project!

The Hon. JOHN RYAN: I think the project was very good. My wife has some expertise in the care of people with disabilities and she noticed that the department appeared to have made a very good attempt to make the area accessible to people in wheelchairs but it missed in two important respects. One was that the trail stops at the end of the environmental experience and there are about 200 metres in which there is no connection of the trail to the toilets. In fact, the toilets are accessible by means of a graded gravel slope, which means that if a person is using a walking frame or wheelchair it would get away on them. The other problem was that the two brand-new toilets—they appear to be new toilet facilities—include accessible facilities within them, but if a person with disabilities was with a carer who was not of the same sex and the person needed the assistance of that carer, the carer would not be able to provide assistance because the facilities for people with disabilities are enclosed entirely within the rest of the toilets. For example, a female carer could not go into the gents toilet with a male client.

Another thing my wife carefully noticed was that there was a great attempt to make it possible for people with disabilities to access the trail through the shop. Unfortunately the shop now appears to have a petition over its back door and the back door is now locked and bolted. Therefore, people in wheelchairs need assistance to access the Fairfax trail. She thought it would also be a good idea to connect the toilets at the other end because people with disabilities often need to access facilities. So while it was fabulous—it was probably intending to meet a goal of maximum access—it fails to do it in a couple of important respects. It simply raised the question: Can it be fixed? Secondly, when Parks intends to make somewhere accessible perhaps it could consult with more people in the disability sector because they would probably give sensible advice like that.

Mr BOB DEBUS: We can only observe that your wife is a very meticulous woman. I know it is correct that at least at present there is, as it were, a rough area between the end of the new graded asphalt and the toilets at Govett's Leap. I think that the toilets up the hill in the shop are appropriately designed for disabled people.

The Hon. JOHN RYAN: But not connected to the wall apparently.

Mr BOB DEBUS: Apparently. This is a matter for me to refer to the Director General.

Mr FLEMING: As to the particulars of the Fairfax trail, I will need to look at it and get advice, and get some advice back to you. I have an interest in this area also and the issues you have raised are ones that I would like answers to as well.

The Hon. JOHN RYAN: It just seems that for a small amount of expenditure you would have had a brilliant outcome for people with disabilities as opposed to a pretty good outcome.

Mr FLEMING: I will look into the details of that.

The Hon. JOHN RYAN: It is important for me as shadow Minister for Disability Services to raise the issue.

Mr FLEMING: Absolutely. As to the general issue about how we cater and design access for people with disabilities, we work to various standards. As you would understand and appreciate, it is not always possible to meet all standards in the sort of terrain we are dealing with, but we are trying through conscious procedures to ensure that we have some areas of assisted access and some areas of independent access. As I said, that is complicated in some of the landscapes we deal with.

The Hon. JOHN RYAN: But not that one. That is a pretty easy one.

Mr FLEMING: No, and I will look into the details of that individual case and I will get you some advice out of session.

Mr BOB DEBUS: Mr Fleming is being modest in the respect that he has a substantial interest in dealing with questions of disability—

The Hon. JOHN RYAN: I do not doubt that.

Mr BOB DEBUS: —and his response to you is sincere.

The Hon. JOHN RYAN: I am in no way meaning to demean what I think the department tried to achieve. It is light years ahead of what it was previously.

CHAIR: Do you acknowledge that the Riverina region of New South Wales—you mentioned this earlier—is one of the most poorly reserved and highly threatened bioregions in New South Wales?

Mr BOB DEBUS: Yes.

CHAIR: Are you aware that only 1.9 per cent of the Riverina bioregion is protected in national parks and nature reserves in New South Wales, that the Murray subregion where most of the river red gum State forests are located has zero percentage in reserves, and that there is only a single tiny national park reserve along the entire length of the Murray River in New South Wales? Given these facts, why has the New South Wales Government not conducted a regional assessment of river red gum forests, as it has for all other forested regions in New South Wales?

Mr BOB DEBUS: Because it is the understanding of the relative absence of reserved land in the Riverina that the Government has in more recent years been pursuing an active policy of acquisition of a number of significant raising properties—and most recently Yanga station outside Balranald, which contains something like 20,000 hectares of river red gums. So far as the red gum forest assessment goes, the Government still has that matter under consideration.

CHAIR: I appreciate that. Is there any indication that we will see further protection, given that these internationally significant and incredibly iconic river red gum forests are under threat? Some people claim—I wonder how you see it in terms of your friendly competition with other portfolios—that they are being sacrificed by this Government to placate certain elements of both Country Labor and the timber industry.

Mr BOB DEBUS: I think it is fair to say that the Government has been massively active over a period of seven or eight years in the pursuit of regional forest agreements, and the question of agreements in the Riverina area is still under consideration.

CHAIR: If it is under consideration, would you commit to undertaking a forest assessment in the region? Will the Government commit to conducting a forest assessment in the Riverina region and set a deadline for its completion?

Mr BOB DEBUS: I have been describing the significant work that is taking place, in which New South Wales is playing a leading role in bringing water to iconic wetland sites along the Murray.

CHAIR: I appreciate that.

Mr BOB DEBUS: Almost all of them are also red gum areas. As for the rest, as I know you are aware, there is a whole-of-government position to reach, and I am in no position to make any specific undertaking on behalf of the Government in respect of an issue like that.

CHAIR: Why is that? Why can we not see an assessment?

Mr BOB DEBUS: It is a whole-of-government decision.

CHAIR: So it is a matter that others in government are not agreeing with any real conservation agenda in this circumstance.

Mr FLEMING: I do not think you should underestimate the importance of the Yanga acquisition in terms of the bioregion. It is more than double the reservation in that bioregion.

CHAIR: What is the reservation in that bioregion?

Mr FLEMING: It is about 1.7 per cent.

CHAIR: In official reserves?

Mr FLEMING: Once Yanga is reserved it will bring it to about 1.7 per cent in the Riverina. So, it has more than doubled. It was a very significant acquisition for government and it brings with it some very important examples of the Riverina communities. While there are other issues you have raised with the Minister, I do not want to leave you with the impression that the Yanga reservation was not significant.

CHAIR: I appreciate that, Mr Fleming, but do you think, from your perspective involved with the service, that there is adequate protection of river red gums in these areas on an overall ecosystem basis? Are these forest types adequately protected?

Mr FLEMING: Certainly the reason we pursued the acquisition of Yanga was largely to ensure that we got better reservation of these forest sites.

CHAIR: Therefore, with the proper labelling of Yanga into the national parks estate, would do you consider that achieves adequate protection or adequate reserve of river red gums forest ecosystems?

Mr FLEMING: I think there is clearly a lot of competing land uses for these areas.

CHAIR: So the answer is no?

Mr FLEMING: No, what I am trying to say is that Yanga was a very important step, and—

CHAIR: I appreciate that, but that is not the point. I am talking about proper adequate reservation—

The Hon. GREG DONNELLY: Point of order: The question has been asked, and the witness is entitled to answer the question without being interrupted.

CHAIR: I would like an answer that is directed to the question.

The Hon. GREG DONNELLY: I ask you to rule on the point of order.

CHAIR: I asked the question. It is very difficult for my to rule against my own question. But I am interested to know, Mr Fleming, whether you consider with Yanga there is adequate protection of these forest types and these species?

Mr FLEMING: I guess the point is that if there are further opportunities for reservation, that will improve the comprehensiveness of the reserve system, and that would be a good thing. But, as the Minister said, there are a lot of factors that the Government has to consider in deciding whether to pursue a comprehensive regional assessment, and that is under consideration.

CHAIR: Minister, there have been previous reviews by independent scientists for the New South Wales Labor Government in relation to patch clear felling, which found:

Clear felling of gaps greater than approximately 40m diameter is incompatible with optimal habitat tree protection and recruitment

and:

Any creation of gaps of larger size must be undertaken with the expectation that hollow dependent fauna will decline.

In view of the advice, why does DEC issue a section 120 licence, which permits Forest NSW to clear fell gaps up to 80 metre in diameter in red gum forests in the Riverina?

Mr BOB DEBUS: Mr Smith is an expert in these matters.

CHAIR: An expert in red gums?

Mr SMITH: No, talking about the licensing of threatened species conservation in the forestry setting. The practice of clearing gaps within forests is one on which there are different scientific views depending on different forest types and silvicultural practices. The DEC has a function in the regulation of activities of State forests that includes in the areas of red gum forest, and the details of all of those licences are based on the advice of scientific advisers as to the appropriate way to do it.

CHAIR: You are saying this is sustainable?

Mr SMITH: The size of gaps incorporated within the threatened species licence conditions is different depending on the different forest types, where we issued different licences, and in each case we have taken our advice from what our scientific people tell us is appropriate.

CHAIR: Are you aware that the DEC allows Forest NSW to intensively log within 20 metres of the Murray River, and would you not agree that it is a national disgrace that such a practice is occurring?

Mr SMITH: No, I would not agree that it is a national disgrace.

CHAIR: What, 20 metres from the Murray River?

Mr SMITH: Basically we prepare licences and issue licences that we think will, firstly, protect water pollution and secondly that will protect threatened species.

CHAIR: So, is my information wrong? You are not logging within 20 metres of the Murray River the red gums, within 20 metres of the Murray River?

Mr BOB DEBUS: No, what Mr Smith is saying is that the terms of integrated forest operation agreements established by the Department of Environment and Conservation are based on the advice of scientists within the department

CHAIR: Therefore it is acceptable, under advice of scientists within the department, to log within 20 metres of the Murray River?

Mr SMITH: Yes, it can be. It depends on the other suite of conditions that apply to the operation.

CHAIR: Is it true that logging and patch clear felling are currently allowed and are being undertaken in New South Wales in areas that have been identified as significant ecological assets, for example, Millewa and Koondrook-Perricoota, under the Living Murray process?

Mr SMITH: Yes, logging can be undertaken in the areas of State forests, because that is a key objective of State forest areas.

CHAIR: Mr Smith, are you aware that recent studies have shown that 75 per cent of trees along the Murray are already showing signs of stress, decline or death due to changed water regimes?

Mr SMITH: I think as the Minister highlighted—

Mr BOB DEBUS: That is what our Living Murray initiative is all about. In fact, there has been considerable success in recent times in the better watering and protection of trees at three places along there. It must be said that the relatively recent exercise of watering the Barmaha-Millewa Forest is an outstanding example of what we hope will be the new approach to dealing with environmental assets along the river. That forest was flooded for environmental purposes last year and its success of providing the trees and what have you is without question. So it is in the area I previously mentioned, Chowilla. I confess I have not been there, but I have seen the photographs showing the rejuvenation—same location photographs showing astonishing relocation. I am not denying for a moment that the drought and the general circumstances of the river have been causing critical stress to trees but we

certainly are saying this so-called Living Murray initiative is beginning to show significant results that counteract the previous circumstances.

CHAIR: I appreciate that, Minister, but there is a situation. Are you aware that Forests NSW is targeting dead and dying stands of red gum for so-called salvage logging in the Riverina? Given that other States have red gum rescue packages in place to try to prevent or ameliorate die back of red gum, why does DEC permit Forests NSW via a section 120 licence to undertake the targeted destruction of extremely stressed red gum stands? Can you give me an assurance that this archaic practice, if it does not stop immediately, will be investigated properly?

Mr SMITH: I think the key point is the DEC is not the entire regulator of State forests. We are involved with State forests with two specific objectives. One of those is protection of water quality and the second is the protection of threatened species. Our licences contain condition aimed at achieving the protections in those areas.

CHAIR: Does that not include the protection of ecosystems?

Mr SMITH: It does, but some of the red gum areas are not the subject of the government controls relating to total timber extraction and so forth. As you mentioned before, an IFOA does not operate in the case of those areas.

CHAIR: Mr Smith, in volume of timber extraction, are you aware that the volume of red gum timber logged in New South Wales is 10 times as much as that logged in Victoria and almost all the red gum timber produced in New South Wales goes to Victoria or South Australia?

Mr SMITH: I am not aware of those facts.

CHAIR: Perhaps you could get back to me on that one?

Mr SMITH: Sure.

Mr BOB DEBUS: That is a bit ad hominem.

CHAIR: I will hand over to Ms Sylvia Hale.

Ms SYLVIA HALE: In relation to the Alcoa plant at Yennora, I believe the EPA has approved the issue of a licence to continue to process dross and aluminium scrap.

Ms CORBYN: It is true. We have a licence for that plant. This plant almost as much as any has been under significant scrutiny by us to make sure the conditions of the licences are met. We conduct significant unannounced inspections night and day to make sure that the company meets the conditions. We have been recently renegotiating those conditions. They are probably some of the tightest, if not equal to the tightest, conditions that we have on plants like this.

Ms SYLVIA HALE: Victoria will not permit the processing of dross and therefore—

Ms CORBYN: I do not think that is actually true.

Ms SYLVIA HALE: Then why is Alcoa importing dross and scrap from interstate?

Ms CORBYN: Part of the issue here is a commercial issue. We look at it from an environmental perspective to make sure that the environmental conditions and environmental outcomes are the ones that are appropriate and can be met. But where companies decide that they want to process or not process is up to them. There are some competing interests that have been involved in raising these issues. Our interest from an environmental perspective is to make sure that we do not get involved in the competition issues that might be between two companies but rather that we are absolutely assured that the environmental outcomes will be protective and can be achieved. That is where we have been focusing our attention.

Ms SYLVIA HALE: Who is undertaking the monitoring of the emissions? Is it done by Alcoa itself or is it being done independently by the EPA?

Ms CORBYN: The way our licences work is that we require all industries to do the monitoring and then to report the information to us. But, as I said, we have had independent inspections and people out unannounced doing audits of the company. Those are independent.

Mr SMITH: It is an aluminium recycling plant and the only thing that is new is that it is wanting to add an additional type of material to its operations in its feedstock and a competing aluminium recycler has commenced proceedings challenging the ability of the development consent that was available for that for the Alcoa plant. So there has been coming and going in legal business between those two competing entities. As Lisa has said, our role has simply been to make sure that whatever feedstock is used within the plan does not result in excessive impurities being emitted to air. That is what we are doing. That is just a very normal sort of business.

Ms CORBYN: It has been happening via the Land and Environment Court.

Ms SYLVIA HALE: It had permission to recycle the scrap that was produced on the site but it was acting in contravention of the conditions of approval when it imported scrap and dross from interstate. Dross in particular is a very carcinogenic substance, would you agree?

Ms CORBYN: There is a question about the development consent, which is being overseen by Holroyd council. Then there is our licence condition, which is about the operation. We have put it under significant scrutiny and challenged the company to make sure that we got the right information that allows us to assess whether we think there will be unacceptable impacts. The answer to that is no. The case has been before the Land and Environment Court. I understand that Holroyd council is also looking at the issue. There is a separate question about whether the development consent allowed the activities to occur. But that is under way and in a process that is being dealt with by council and it is also under scrutiny in the Land and Environment Court.

Ms SYLVIA HALE: Before the legality of its operations, which took place I understand from 2000 to about 2005 or so, were raised I understand that in 2000-01 they underreported by thousands of times the amount of waste emitted in 2000 and 2001. Had the EPA ever asked Alcoa prior to this becoming a very hot local issue for information or documents detailing pollution incidents at Alcoa's plant, including complaints from residents?

Ms CORBYN: I cannot comment about before 2000 but I know that there is a very active community committee that Alcoa reports to regularly, almost monthly. So there is very significant community scrutiny of not only the information that they provide to us.

Ms SYLVIA HALE: Except that only very limited numbers of people are invited to those meetings and there is a great amount of dissatisfaction with the community consultation that is occurring, so much so that there is an entire residents group out there—

The Hon. GREG DONNELLY: Is this a question or a statement?

Ms CORBYN: We have gone through a lot of the information and tested to make sure that the community does have open access so that there is a clear avenue for anyone who wants to participate in the community meetings. I have seen some of the letters that have invited people. I am aware of at least one community person who does not like—

Ms SYLVIA HALE: Are you aware of any monitoring devices out there that can be independently examined?

The Hon. JAN BURNSWOODS: Mr Chair, can you tell Ms Hale her time has expired?

CHAIR: You have asked a number of questions over time as well so I am letting her finish.

Ms CORBYN: I will take that on notice. We ask industry to provide information. There is quite an active community-based program.

Mr BOB DEBUS: It would be obviously utterly impracticable for the department to monitor every industrial site in Sydney directly. It is beyond practical possibility. How regulation works effectively is that enterprises are required to report and their reporting is from time to time audited and monitored. Of course, they attract very large fines or worse if they are shown to have been misreporting.

Mr SMITH: It is probably worth adding that the chief executive of every licensed company has to personally sign for the accuracy of the information provided to us in an annual return each year. He or she incurs personal liability if that is subsequently found to be in error, including the potential for criminal prosecution.

Ms SYLVIA HALE: When Alcoa misreported its findings was it fined?

Mr BOB DEBUS: If it did.

Ms CORBYN: We do have a very active program, as Simon said, of going through and scrutinising all the annual returns and then issuing penalty infringement notices if companies misreported.

Mr SMITH: The company came to us in September of 2000 and requested a variation to its licence condition to allow it to use the gross product and that was granted by us. The question that came up later was whether or not its relationship with the council—in other words its development consent—also permitted that change.

The Hon. JAN BURNSWOODS: Minister, can you give us some information on the increased resources that the Government has applied to national park management since 1995 and the kind of changes in park management that have occurred over that period?

Mr BOB DEBUS: Earlier I mentioned that the annual amount spent per hectare had increased since the 1994-95 budget year from \$15 to around \$35. So the amount of money spent on the management of national parks has more than doubled in the last 10 years. This is manifest, for instance, in the way that programs are now conducted for pest animal and weed control. The expenditure for those purposes in 2005-06 was about \$18 million and in the current year the amount will be similar. The preparedness and capacity to respond to bushfires has significantly improved. In recent years the department has conducted one of the largest fuel reduction programs in the history of national parks.

Over the past five years the department has conducted more than 920 hazard-reduction burns over 208,000 hectares. That is an average annual rate of 180 burning operations across more than 42,000 hectares. That is compared to the 1997 figure of 90 burns across 9,600 hectares. Enhanced protection fire management strategies have been put in place in about 466 national parks covering 4.5 million hectares and a massive effort has been expended on the preparation of plans of management for parks and reserves. Since 1995, 102 plans of management covering 282 national parks and reserves have been finalised.

The Government's capital expenditure includes nearly \$5 million for the Kosciuszko National Park this year; nearly \$10 million to upgrade infrastructure around the icon parks of Sydney, which I mentioned earlier in the discussion; \$10 million for the establishment costs of parks recently acquired—that is, putting in fire trails and otherwise setting up the management for recently acquired national parks; and \$6.7 million for acquired lands in western New South Wales. A number of significant purchases have been made in the past 12 months, including Yanga National Park, which we have mentioned several times. Overall, during 2006-07, the land acquisition program will retain its focus on lands in western New South Wales for the reasons to which the Chairman referred. That part of the State is still substantially underrepresented in the parks system, although the situation is vastly better than it was. We will also be focusing land acquisition programs on world heritage areas—one in the Blue Mountains, another in the Northern Ranges and the central eastern rainforest reserves—because we want to continue to improve the management of those areas. These purchases will fill gaps, make boundaries easier to administer and so on.

The coastal wetlands program, funded through the Environmental Trust, will continue to make crucial, strategic purchases to restore places like the Clybucca River wetland and Wallace Lake. One of the other notable recent moves is the purchase four properties to add to Guy Fawkes River National Park, two to add to Oxley Wild Rivers National Park and the so-called Dry Creek property and one for addition to the Washpool National Park. Overall, the Government remains strongly committed to ensuring that not only does our national parks estate conserve natural and cultural values on a representative basis, but also that the parks provide enjoyment to the people who visit them and the consequent benefit to the communities that support them.

The Hon. GREG DONNELLY: What is the Government is doing to control pest animals and weeds in national parks? How does that compare to what was being done in 1995? Specifically, what is being done to control wild dogs and foxes?

Mr BOB DEBUS: I have several times mentioned the increase in expenditures overall from about \$1 million 10 years ago to \$18 million now. I also mentioned that there are 900 feral animal programs and 600 weed control programs underway in the national parks system. It is important to note that many of them involve working with park neighbours and other Government agencies, such as rural lands protection boards and State Forests. The recent State of the Parks Report indicated that pest and weed control programs were either holding the line or reducing the impact of pests and weeds in slightly more than 90 per cent of national parks. The problem was getting worse in 8 per cent of parks, which gave us a good indication of where we needed to target more resources.

It has been a key improvement of recent years that there is now a dedicated pest management officer in each region of the State to facilitate pest management programs and to ensure that overarching programs, such as the abatement programs dealing with foxes and Bitu bush, are properly co-ordinated. The fox plan is now in its fifth year and is beginning to realise some real successes. It is possible now to measure improvement, for example, in the mortality of the chicks of shore birds up and down the coast. Although they may not like it, residents of the North Shore of Sydney are seeing more bandicoots in their backyards as a result of fox control programs. A large number of programs focus on feral pigs, goats and rabbits. In the Yathong Nature Reserve near Cobar, the population of feral goats has been reduced by 90 per cent. At Mungo National Park and Mallee Cliffs National Park, in the western part of the State, the rabbit population has been reduced by 90 per cent.

There have been some significant developments with regard to wild dogs. The rural lands protection boards have primary responsibility for the control of wild dogs. However, where there are national parks, the parks service is bound to work closely with the boards and the local community. Collaborative wild dog management programs have been implemented in the Monaro, the Southern Highlands, the Northern Tablelands and the Central Tablelands between Mudgee and Merriwa. Research has shown that the impact of aerial baiting on quolls—the native animal most at risk from being poisoned by 1080 baits—is minimal. I reintroduced aerial baiting in a number of areas, especially on the edges of Kosciuszko National Park.

Figures provided by local rural lands protection boards in southern New South Wales indicate a long-term decline in the number of stock lost. For example, the Cooma Rural Lands Protection Board reports that in the five years from 1999, annual stock losses halved from 1,022 to 520. Stock losses in the Brindabella and Wee Jasper valleys, north of Canberra, which was one of the first places to have a properly integrated community dog control program in which the Rural Land Protection Board, farmers and the parks service worked together, stock losses have fallen by 80 per cent since 2002. We have a continuing concern about stock losses in Adaminaby and Yaouk. However, we have recently reintroduced aerial baiting in that area, so I hope to see a decline in stock losses there. Tenterfield and Glen Innes were a problem three or four years ago, but they have experienced a 65 per cent reduction in dog attacks since 2002.

Overall, I can say that we have had not inconsiderable success in dealing with pests and it is my intention that the focus of the National Parks and Wildlife Service should continue to be directed at controlling those feral populations. It is on the one hand to protect biodiversity; it is on the other, and equally, to ensure that neighbours are appropriately protected. What I have noticed is that the programs that were addressed almost invariably involved the National Parks and Wildlife Service taking a lead role with park leaders and rural lands protection boards, and sometimes local councils, to integrate programs across many land tenures and, in this way, I avoid the artificial divisions and

pointless conflicts that otherwise occur when people blame each other for the activity of animals and weeds that, as a matter of fact, do not normally show in particular awareness of tenure boundaries.

The Hon. KAYEE GRIFFIN: Can you advise the Committee about how many national parks in New South Wales have been handed back to their traditional owners, and how those new arrangements have been working on?

Mr BOB DEBUS: Those arrangements have been working very well. You would be aware that the Mutawintji National Park was handed back in the late 1990s to its Aboriginal owners through the arrangements that exist under the National Parks and Wildlife Amendment (Aboriginal Ownership) Act. More recently similar arrangements—the so-called co-management, in which traditional owners are identified, appointed to a board, and then lease back a national park to themselves for its day-to-day management—had been entered into with respect to the Gulaga and Bia Manga national parks on the south coast.

We had a most moving ceremony for that purpose last May. Equally important, the National Parks and Wildlife Service is systematically expanding the arrangements that it puts in place to join Aboriginal people in Parks management through less formal mechanisms, first of all through indigenous land use agreements reached under the provisions of the Native Title Tribunal. Arakwal National Park at Byron Bay is the most advanced example of that kind of activity in which an identified Aboriginal group enters into an agreement sanctioned by the Native Title Tribunal, an arrangement agreed between the National Parks and Wildlife Service and themselves.

CHAIR: Are you aware, Minister, that that has been somewhat stalled lately as a result of Crown land issues?

Mr BOB DEBUS: Its second stage is being negotiated at the moment, partly with the Department of Lands, which has responsibility for the land that is next being suggested for handover, that is true.

CHAIR: Can you indicate, for example, whether the Crown lands at Broken Hill joining the camping area is to be handed over?

Mr BOB DEBUS: I cannot at the present time. I can indicate that the negotiation between my department and Crown Lands is particularly active at the moment, and that I have been into a recent discussion in with the Arakwal Elders and their legal representatives on exactly these matters. I would mention the for the sake of completeness that the National Parks and Wildlife Service is engaged in other less formal arrangements that are of very great importance. For example, the kind of memorandum of understanding that exists at Lake Mungo National Park involving three separate tribal language groups and the National Parks and Wildlife Service, which nevertheless leads to the park employing a substantial number of young Aboriginal people to work as field staff, and allows Aboriginal Elders to essentially determine the policies that will be used to preserve the cultural heritage of the area—which, in that case, of course, includes the famous Mungo Man and Mungo Woman, who we hope one day to see preserved in a proper keeping place somewhere in the park or in its close vicinity.

I am hopeful these arrangements will be extended to other parts of the State. They have the effect of encouraging the National Parks and Wildlife Service itself to recognise the traditional values and spiritual qualities of any particular park, which they are in turn able to interpret for the wider public. On the other hand, it has the massive benefit of helping to restore the dignity of Aboriginal people who are associated with those areas who—you only have to visit them to know it is true—can be seen to draw great confidence and spiritual consolation from the work that they are able to do with the National Parks and Wildlife Service

(The witnesses withdrew)

The Committee proceeded to deliberate.