

Budget Estimates 2003-2004

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How to contact the committee

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Terms of Reference

1. That the Budget Estimates and related papers for the financial year 2003 - 2004 presenting the amounts to be appropriated from the Consolidated Fund be referred to the General Purpose Standing Committees for inquiry and report.
2. That the Committees consider the Budget Estimates in accordance with the allocation of portfolios to the Committees.
3. For the purposes of this inquiry any Member of the House may attend a meeting of a Committee in relation to the Budget Estimates and question witnesses, participate in the deliberations of the Committee at such meeting and make a dissenting statement relating to the Budget Estimates, but may not vote or be counted for the purpose of any quorum.
4. The Committees must hear evidence on the Budget Estimates in public.
5. Not more than 3 Committees are to hear evidence on the Budget Estimates simultaneously.
6. When a Committee hears evidence on the Budget Estimates, the Chair is to call on items of expenditure in the order decided on and declare the proposed expenditure open for examination.
7. The Committees may ask for explanations from Ministers in the House, or officers of departments, statutory bodies or corporations, relating to the items of proposed expenditure.
8. The report of a Committee on the Budget Estimates may propose the further consideration of any items.
9. That a daily Hansard record of the hearings of a Committee on the Budget Estimates be published as soon as practicable after each day's proceedings.
10. The Committees have leave to sit during the sittings or any adjournment of the House.
11. That initial hearings of the Committees be according to a schedule prepared and circulated by the Leader of the Government.
12. The Committees may hold supplementary hearings as required.
13. The Committees present a final report to the House by Thursday 4 December 2003¹.

These terms of reference were referred to the Committee by Resolution of the Legislative Council on 3 July 2003 (Minutes of Proceedings No 17 page 235), amended 29 October 2003 (Minutes of Proceedings No. 28, Item No. 5).

¹ On the 4 December 2003 the House resolved to extend the reporting date until the 26 February 2004 (Minutes of Proceedings No 38 page 490). On the 25 February 2004 the House resolved to extend the reporting date until the 11 March 2004 (Minutes of Proceedings No 40 page 542).

Committee Membership

Mr Ian Cohen The Greens *Chair*

Hon Ian West MLC Australian Labor Party *Deputy Chair*

Hon Richard Colless MLC National Party

Hon Kayee Griffin MLC Australian Labor Party

Ms Sylvia Hale MLC The Greens

Hon Charlie Lynn MLC Liberal Party

Hon Henry Tsang MLC Australian Labor Party

Other Members who attended the hearings

Hon Tony Burke MLC Australian Labor Party

Hon Tony Catanzariti MLC Australian Labor Party

Hon Amanda Fazio MLC Australian Labor Party

Hon Duncan Gay MLC National Party

Hon Robyn Parker MLC Liberal Party

Hon Melinda Pavey MLC National Party

Hon Greg Pearce MLC Liberal Party

Hon Christine Robertson MLC Australian Labor Party

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Chair's Foreword

General Purpose Standing Committee No 5 has examined the Budget Estimates for 2003-2004 for the portfolio areas of:

Rural Affairs, Local Government and Emergency Services

Environment

Agriculture and Fisheries

Regional Development, Illawarra, Small Business

Mineral Resources

The Committee expresses its appreciation to the Ministers and officers of the departments and organisations who appeared before it and for the information and assistance they provided to the Committee.

A handwritten signature in black ink, appearing to read 'I Cohen', is centered on a light-colored rectangular background.

Mr Ian Cohen MLC
Chair

Introduction

Referral of the 2003-2004 Budget Estimates

On 3 July 2003 the Legislative Council resolved that the Budget Estimates and related documents presenting the amounts to be appropriated from the Consolidated Funds be referred to the General Purpose Standing Committees for inquiry and report.² Each Committee was required to examine the Budget Estimates for their relevant portfolios and report to the House by Thursday 4 December 2003.³

Examination of the Budget Estimates

General Purpose Standing Committee No 5 examined the Budget Estimates and related documents for its portfolios at a series of public hearings held on the following dates:

1 September 2003	Rural Affairs, Local Government, Emergency Services
2 September 2003	Environment
3 September 2003	Agriculture and Fisheries
3 September 2003	Regional development, Illawarra, Small Business
4 September 2003	Mineral Resources
20 February 2004	Agriculture and Fisheries
26 February 2004	Local Government

This report summarises the main issues discussed at each hearing. The full transcript of evidence taken at these hearings can be found at the Committee's Web page accessible via the Parliament's home page at: www.parliament.nsw.gov.au. Hard copies of the transcript can be obtained by contacting the General Purpose Standing Committee Secretariat on 02 9230 3544.

During these hearings, Ministers took a number of questions on notice. In addition the Committee lodged written questions on notice for all the portfolio areas by following the usual procedure of placing questions on the notice paper with the Clerks at the Table on days that the House sits.

The Committee is pleased to note that answers have been provided to all questions placed on notice. Copies of the questions and answers can be found at the Committee's Web page at the above address or by contacting the secretariat on the above number. Appendix 2 contains details of response times for questions placed on notice by the Committee as part of the 2003-2004 Budget Estimates and related documents inquiry.

Relevant minutes of the Committee's proceedings appear at Appendix 3.

² Minutes of Proceedings 3 July 2003 No 17 p235 ("Budget Estimates Resolution"), amended 29 October 2003, Minutes No 28, Item No 5.

³ Budget Estimates Resolution, para 13.

Chapter 1 **Local Government, Emergency Services and Rural Affairs**

- 1.1** The Hon Tony Kelly, MLC Minister for Rural Affairs, Local Government and Emergency Services and Minister Assisting the Minister for Natural Resources (Lands) appeared before the Committee together with the following advisors: Mr Garry Payne, Director-General, of the Department of Local Government, Mr Phil Koperberg, Commissioner, of the New South Wales Rural Fire Service, Mr Greg Mullins, Commissioner of the New South Wales Fire Brigades and Brigadier P McNamara at a public hearing held on Monday 1 September 2003.
- 1.2** A list of the issues discussed at the hearing is provided below. For further details on these matters, see the Hansard record for this hearing, available on the Committee's web page accessible via the Parliament's website at www.parliament.nsw.gov.au

Local Government

- Investigation of Pecuniary Interest allegations
- Employment of Mr Terry Flanagan
- Media Monitoring services
- Legal services
- Boundaries Commission
- Local Government partnerships
- Rate review
- Departmental action plan
- Overseas travel
- Ministerial staff
- Consumer Price Index increases
- Public Liability insurance
- Anti-graffiti legislation
- Companion animals
- Federal Assistance Grants
- Payment of councillors
- No-kill pounds
- Council amalgamations
- Size of Councils.

Emergency Services

- Hazard reduction in New South Wales
- Rural Fire Services' strategy for hazard reduction in rainforest areas
- Safety concerns related to the overdevelopment in bushland areas where fire risk is high
- Implementation of the *Rural Fires and Environmental Assessment Amendment Act 2002*
- Fire protection issues and development approvals in fire prone areas
- Management of fire on private property
- Strategies for addressing the issues of negligence and arson
- Encouraging home owners to plant appropriate trees around dwellings to reduce storm damage
- Rural Fire Fighting Fund and the provision of protective clothing
- Employment of Chief of Staff for the New South Wales Rural Fire Service
- Increases in the Fire Brigade's levy
- NSW Rural Fire Service personnel and equipment providing assistance to the United States
- Fixed-wing aircraft on contract and "on call" in New South Wales.

Supplementary hearing

- 1.3 Mr Garry Payne, Director General, Department of Local Government appeared before the Committee at a public hearing on Thursday 26 February 2004.
- 1.4 A brief summary of the topics discussed at the hearing is provided below. For further details on these matters see the Hansard record of the hearing, available on the Committee's web page accessible via the Parliament's website at www.parliament.nsw.gov.au.

Local Government

- Independence of Boundaries Commission
- Local Government reform - Regional Reviews process
- Local council elections
- Cost of local government reform program
- Regional Review meeting at Merriwa
- Clarence Regional Review
- Processes for determining local government boundaries
- City of Sydney

- Central Sydney Planning Committee
- Sproats report into the amalgamation of the extended boundaries of the City of Sydney
- Communities of interest
- Nundle Shire
- Albury-Hume local government areas
- Peel Regional Review
- Clarence Valley
- Maclean township
- Independent candidates in local council elections
- Local government finances
- Local Government Financial Watch List.

Chapter 2 Environment

2.1 The Hon Bob Debus MP, Attorney General, Minister for the Environment appeared before the Committee together with the following advisors: Ms L. Corbyn, Director General, Mr T. Robinson, Executive Director, Finance and Administration and Ms C. Hamilton, Director, Finance and Facilities, Environment Protection Authority; Mr B. Gilligan, Director General and Mr A. Diakos, Director, Corporate Services, National Parks and Wildlife Service; and Mr T. Rogers, Chief Executive, Resource New South Wales at a public hearing held on Tuesday 2 September 2003.

2.2 A list of the issues discussed at the hearing is provided below. For further details on these matters, see the Hansard record for this hearing, available on the Committee's web page accessible via the parliament's website at www.parliament.nsw.gov.au

- Industrial action at Taronga Zoo
- Hydraulic fluid spill at Lord Howe Island in 1996
- HMS *Nottingham* fuel oil spill at Lord Howe Island on 7 July 2002
- Vegetation restoration
- Removal of feral horses from Kosciusko National Park
- Land acquisition by the National Parks and Wildlife Service
- Threatened species conservation
- Western New South Wales National Parks and Wildlife Service reserves
- Spending and income of the National Parks and Wildlife Service
- Western land acquisition budget
- Plans of the National Parks and Wildlife Service to commercialise the Wollemi pine
- The waste levy
- EDC pollution of the Botany groundwater
- The Hunter River Salinity Trading Scheme
- Environment Protection Authority tests for beach and harbour water quality
- The system of storage of hexachlorobenzene (HCB) at the Orica site at Botany
- Allocation of funds to the green offsets scheme
- Overall spending on the South Creek pilot study
- The number of voluntary conservation agreements (VCA) entered into
- North-eastern icon areas protected as State conservation areas
- Berowra Valley Regional Park
- Sydney Catchment Authority's arrangements for the security of Sydney's water supply
- Land purchases funded by grants from the Federal Government and donations

- The lease of the Quarantine station site to Mawland Hotel Management Pty Ltd
- Transfer of the responsibility for the Alpine Way and the Kosciusko Road to the Roads and Traffic Authority
- Proposed Byron marine park initiative
- The Environmental Planning and Assessment Act
- Recovery plan for the grey-headed flying fox
- Strategies for reducing the decline of the little tern along the beaches of New South Wales.

Chapter 3 Agriculture and Fisheries

- 3.1 The Hon Ian Macdonald MLC appeared before the Committee together with the following advisors: Dr R. Sheldrake, Director General and Mr T Ely, Financial Controller, New South Wales Agriculture; Mr S. Dunn, Director General and Mr T Powys, Chief Financial Officer and Acting Director Corporate Services, New South Wales Fisheries; Mr S Griffith, General Manager, Rural Assistance Authority at a public hearing held on Wednesday 3 September 2003.
- 3.2 A list of the issues discussed at the hearing is provided below. For further details on these matters, see the Hansard record for this hearing, available on the Committee's web page accessible via the Parliament's website at www.parliament.nsw.gov.au

Agriculture

- Staffing allocations for the Department of Agriculture
- Ministerial staff based at the Orange office
- Rural Lands Protection Boards and the management of travelling stock routes
- Funding for drought relief
- Assessment process for State drought declarations
- Measures to assist farmers in planning for drought recovery
- Murrumbidgee Agricultural College
- Ovine Johne's Disease
- Genetic engineering (GE)
- Funding received by New South Wales Agriculture from Monsanto and Bayer
- Field trials involving GE crops
- Funding in 2002-03 for research and development into organic agriculture
- Research and programs for environmentally suitable agriculture
- Sharing technology and ideas with international scientists
- Review of the Rural Lands Protection Boards
- Funding for weed control and eradication
- Growth of the organic farming industry
- Environmental Service Scheme
- Dairy deregulation
- Costs of producing *The Land* newspaper lift out, *Agriculture Today*
- Ministerial air travel for the Agriculture portfolio

- Aquatic weed management program on the Hawkesbury-Nepean River
- Measures to assist farmers to plan and prepare for drought
- Farmers use of GE crops.

Fisheries

- Action taken regarding abalone poaching on the New South Wales south coast on 9 and 10 August 2003
- Freedom of information requests
- Ocean Watch oral history project on the south coast estuaries
- Fee paid to Management Advisory Committees
- Review of the grey nurse shark
- Marine national parks and sanctuary zones
- Threatened species conservation and recovery plans
- Marine bioregional assessments
- Compliance staff employed by New South Wales Fisheries
- Orange roughy stocks in New South Wales waters
- Environmental issues that arise from aquaculture
- Programs to remove weirs obstructing the passage of fish in streams and rivers
- SafeFood New South Wales and oyster farming.

Supplementary hearing

3.3 The Hon Ian Macdonald MLC, Minister for Agriculture, and Minister for Fisheries appeared before the Committee together with the following advisers: Dr R Sheldrake, Director General, NSW Agriculture, Mr S Dunn, Director General, NSW Fisheries, Mr G Davey, Chief Executive Officer, Safe Food Production NSW at a public hearing held on 20 February 2004.

3.4 A brief summary of the topics discussed at the hearing is provided below. For further details on these matters see the Hansard record of the hearing, available on the Committee's web page accessible via the Parliament's website at www.parliament.nsw.gov.au.

- Department of Agriculture supplement in the *Land* newspaper
- Murrumbidgee Agricultural College
- Shannon Vale Field Station
- Pearces Creek Field Station
- Murwillumbah Cattle Tick Office
- FarmBis

- National Livestock Identification Scheme
- Grain Infrastructure Advisory Committee Report
- Recreational Fishers Trust
- Dismissal of case - illegal fishing at Copeton Dam
- Abalone fishing industry - community contribution fees
- Indigenous abalone collection - South Coast
- Drought relief expenditure
- Review of Rural Land Protection Boards.

Chapter 4 **Regional Development, Illawarra and Small Business**

- 4.1 The Hon David Campbell, MP appeared before the Committee together with the following advisors: Dr L Harris, Director General, Mr M Cullen, Executive Director, Regional Development Division and Ms J Ricketts, Executive Director, Regional Development Division, Department of State and Regional Development at a public hearing held on Wednesday 3 September 2003.
- 4.2 A list of the issues discussed at the hearing is provided below. For further details on these matters, see the Hansard record for this hearing, available on the Committee's web page accessible via the Parliament's website at www.parliament.nsw.gov.au

Regional Development

- Research into business and investment leakage in border areas around the State
- Assistance to businesses with relocation from Sydney to country and coast areas
- Regional Business Development Scheme and Regional Economic Transition Scheme
- Proportion of regional development funds allocated to the Hunter and Illawarra
- Impact of club tax in rural, regional and coastal areas
- SAE college, Byron Bay
- Criteria for assessing social impacts when funding regional development projects
- Regional groups supported by the Department of State and Regional Development
- Educational opportunities and programs
- Number of staff in regional development offices
- Companies involved in trade missions and market visits
- Retrofitting water-saving devices and the installation of rainwater tanks
- Stand-alone power generation and alternative waste disposal systems.

Illawarra

- Regional Development Port Kembla Main Street Program
- Employment of the Economic Development Coordinator for the Regional Development Port Kembla Main Street Program
- Illawarra Advantage Fund
- Capital works expenditure for the Illawarra
- Memorandum of Understanding between Wollongong University and the Institute of Technology in Indonesia

Small Business

- Freedom of Information requests
- Small Business Development Corporation
- Business Enterprise Centres
- Provision of start-up or expansion assistance to small business
- Promotion of small business incubators
- Support for the establishment of farmer markets
- Agribusiness development managers
- Small businesses use of SMS messages to promote products

Chapter 5 Mineral Resources

5.1 The Hon Kerry A Hickey MP appeared before the Committee together with the following advisors: Mr A Coutts, Director General, Mr A Galligan, Director, Resource Planning and Development and Mr H Bowman, Chief Executive Officer, Coal Compensation Board, Department of Mineral Resources at a public hearing held on Thursday 4 September 2003.

5.2 A list of the issues discussed at the hearing is provided below. For further details on these matters, see the Hansard record for this hearing, available on the Committee's web page accessible via the Parliament's website at www.parliament.nsw.gov.au

- Cash flow reconciliation
- Corporate plan of the Department
- Workers compensation premiums for coalmining companies
- Mine safety
- Coal ships in the Newcastle Harbour
- Review of the Mining Act
- Review of minerals policy and environmental sustainability of mining
- Release of toxic water from holding dam at Pilliga East State Forest at Bohena
- Penalties for poor environmental practices in mineral exploration
- Payment of security bonds
- Additional Departmental operating expenses
- Exploration investment in New South Wales
- Funding for improving the Department's information systems
- Relocation of Departmental staff to Maitland
- Office accommodation in Sydney
- Environmental studies conducted for mining exploration activities in PEL 238
- Open-cut coalmine policy for Leard State Forest
- Relationship with National Parks and Wildlife Service
- Lake Cowal gold project
- Mineral exploration leases in State conservation areas
- Arsenic recovery management
- Derelict Mines Program
- Exploration and mining for coal-seam methane on and coal on cleared land
- Safety review of mine vehicles
- The role of the Department of Mineral Resources

- Negotiations with landowners in respect of granting leases for the development of open-cut coal mines
- Recoupment of administration costs
- Inquiry and recommendations on the accident at Gretley mine, Wallsend
- Limestone mining and coal-powered development for industrial limestone at Galong.

Appendix 1

Establishment, powers and portfolios of the General Purpose Standing Committees

Establishment, powers and portfolios of the General Purpose Standing Committees

1. Establishment of the General Purpose Standing Committees

Five General Purpose Standing Committees were first constituted in 1997.⁴ The Committees were reappointed on 3 July 2003, shortly after the commencement of the present Parliament.⁵ Since the inception of the General Purpose Standing Committees, the Budget Estimates and related papers have been referred to them for inquiry and report.

The functions of the General Purpose Standing Committees are to inquire into and report on:

- any matters referred to them by the House,
- the expenditure, performance or effectiveness of any department of government, statutory body or corporation,
- any matter in any annual report of a department of government, statutory body or corporation.⁶

2. Powers of the General Purpose Standing Committees

The General Purpose Standing Committees have the power to:

- send for and examine persons, papers, records and things
- adjourn from place to place
- make visits of inspection within the State
- request the attendance of and examine members of the House⁷

The committees also have the power to:

- publish, before presentation to the House, submissions received and evidence taken in public⁸ and
- report from time to time their proceedings, evidence taken in public and recommendations.⁹

⁴ Minutes of Proceedings, No 65, 7 May 1997, p. 677.

⁵ Minutes of Proceedings, No 17, 3 July 2003, pp. 222-235 (hereafter referred to as GPSC Resolution).

⁶ GPSC Resolution, para 3(1).

⁷ GPSC Resolution, para 4(a)-(d).

⁸ GPSC Resolution, para 16(1).

⁹ GPSC Resolution, para 18.

3. Portfolios

The five General Purpose Standing Committees have responsibility for Government Ministers' portfolio responsibilities,¹⁰ which are as follows:

General Purpose Standing Committee No. 1

Premier
Arts
Citizenship
Education and Training
Aboriginal Affairs
Treasury
State Development
Special Minister of State
Commerce
Industrial Relations
Central Coast
The Legislature

General Purpose Standing Committee No. 2

Health
Community Services
Ageing
Disability Services
Youth
Tourism
Sport and Recreation
Women
Gaming and Racing

General Purpose Standing Committee No. 3

Police
Attorney General
Juvenile Justice
Western Sydney
Fair Trading
Justice

¹⁰ GPSC Resolution, para 1.

General Purpose Standing Committee No. 4

Infrastructure and Planning

Natural Resources

Roads

Housing

Transport Services

Hunter

Energy and Utilities

Science and Medical Research

General Purpose Standing Committee No. 5

Environment

Rural Affairs

Local Government

Emergency Services

Regional Development

Illawarra

Small Business

Agriculture and Fisheries

Mineral Resources

Appendix 2

Response time for questions on notice

Response times for questions on notice

The Committee resolved on Monday 25 August 2003 that Ministers be requested to lodge answers to questions on notice taken during the hearings within 35 calendar days of the day on which the questions are forwarded to the Minister by the Committee secretariat. The return date for answers are set out in the table below.

Minister	Hearing date	Agreed time period	Date questions sent	Return date for answers	Date answers received
Hon Tony Kelly MLC	1 Sept 2003	35 days	4 Sept 2003	8 Oct 2003	13 Oct 2003
Hon Bob Debus MP	2 Sept 2003	35 days	5 Sept 2003	9 Oct 2003	9 Oct 2003
Hon Ian Macdonald MLC	3 Sept 2003	35 days	9 Sept 2003	14 Oct 2003	14 Oct 2003
Hon David Campbell MP	3 Sept 2003	35 days	9 Sept 2003	14 Oct 2003	14 Oct 2003
Hon Kerry Hickey MP	4 Sept 2003	35 days	9 Sept 2003	14 Oct 2003	14 Oct 2003

The Committee held two supplementary hearings during which some questions were taken on notice. Due to the shortened time frame the Committee was not able to give the normal 35 days for return of answers. The return date for answers are set out in the table below.

Department/Agency	Hearing date	Agreed time period	Return date for answers	Date answers received
Agriculture and Fisheries	20 Feb 2004	5 days	24 Feb 2004	24 Feb 2004
Local Government	26 Feb 2004	9 days	5 Mar 2004	5 Mar 2004

Appendix 3

Minutes of proceedings

Minutes of proceedings

Minutes No 2

Monday, 1 September 2003

At Parliament House at 7.45pm, Jubilee Room

1. Members Present

Mr Ian Cohen (*Chair*)

Mr Ian West (*Deputy Chair*)

Ms Amanda Fazio (Tsang)

Ms Kayee Griffin

Ms Sylvia Hale

Mr Charlie Lynn

Ms Melinda Pavey (Colless)

2. Substitute arrangements

The Chair advised that Ms Fazio would be representing Mr Tsang and Ms Pavey would be representing Mr Colless.

3. Correspondence

The Chair tabled the following items of correspondence:

Received

- Letter from the Government Whip advising the Committee of Government substitutions for Estimates hearings.
- Letter from the Opposition Whip advising the Committee of Opposition substitutions for Estimates hearings.
- Letter from Hon Melinda Pavey MLC requesting the attendance of the Head of Finance, Department of Local Government, Head of Finance, NSW Fire Brigades, Head of Finance, Rural Fire Service and Head of Finance, State Emergency Service for the Budget Estimates hearing examining the portfolio areas of Local Government and Emergency Services on Monday, 1 September 2003.
- Letter from the Hon Greg Pearce MLC requesting the attendance of the Head of Finance, Environment Protection Authority for the Budget Estimates hearing examining the portfolio areas of the Environment on Tuesday 2 September 2003.
- Letter from the Hon Duncan Gay MLC requesting the attendance of the Head of Finance, Department of Agriculture and Fisheries for the Budget Estimates hearing examining the portfolio areas of Agriculture and Fisheries on Wednesday 3 September 2003.
- Letter from the Hon Greg Pearce MLC requesting the attendance of the Head of Finance, Department of Mineral Resources for the Budget Estimates hearing examining the portfolio areas of the Mineral Resources on Thursday 4 September 2003.
- Letter from the Minister for Agriculture and Fisheries requesting that the Committee consider questions covering the Fisheries portfolio in the first half of the hearing and the Agriculture portfolio in the second half of the hearing on Wednesday 3 September 2003.

4. **Budget Estimates 2003-2004**

The Chair made a statement to Members regarding the broadcasting of proceedings.

The Hon Tony Kelly MLC, Minister for Rural Affairs, Minister for Local Government, and Minister for Emergency Services, was admitted and accompanied by the following advisers:

Department of Local Government

Mr Garry Payne, Director General, Department of Local Government

Department of Emergency Services

Mr Phillip McNamara, Director General, Department of Emergency Services

Mr Phil Koperberg, Commissioner NSW Rural Fire Service

Mr Greg Mullins, Commissioner NSW Fire Brigades

The public and media were admitted.

The Chair made a statement regarding certain procedural matters during hearings on budget estimates.

The Chair declared the proposed expenditure for the portfolio areas of Rural Affairs, Local Government and Emergency Services open for examination.

The Minister and his advisers answered questions by Members of the Committee.

Examination of the proposed expenditure for the portfolio areas of Rural Affairs, Local Government and Emergency Services concluded and the witnesses withdrew.

The Committee deliberated.

Resolved on the motion of Mr West that the Committee put additional questions on the Notice Paper and that the need for a further hearing be considered after the receipt of answers.

5. **Local Government Amalgamation Inquiry**

6. **Adjournment**

The Committee adjourned at 10.45pm until 7.55pm on Tuesday, 2 September 2003, Legislative Council Chamber.

Julie Langsworth

Clerk to the Committee

Minutes No 3

Tuesday 2 September 2003

At Parliament House at 8.00pm, Legislative Council Chamber

1. Members Present

Mr Ian Cohen (*Chair*)

Mr Ian West (*Deputy Chair*)

Ms Kayee Griffin

Mr Charlie Lynn

Mr Greg Pearce (Colless)

Mr Henry Tsang

2. Substitute arrangements

The Chair advised that Mr Pearce would be representing Mr Colless.

3. Apologies

The Chair advised that Ms Hale gave her apologies.

4. Budget Estimates 2003-2004

The Chair made a statement to Members regarding the broadcasting of proceedings.

The Hon Bob Debus MP, Minister for Environment was admitted and accompanied by the following advisers:

NSW Environmental Protection Agency

Lisa Corbyn, Director-General

Tim Robinson, Executive Director, Finance and Administration

Clare Hamilton, Director, Finance and Facilities

National Parks and Wildlife Service

Brian Gilligan, Director-General

Arthur Diakos, Director, Corporate Services

Resource NSW

Tim Rogers, Chief Executive

The public and media were admitted.

The Chair made a statement regarding certain procedural matters during hearings on budget estimates.

The Chair declared the proposed expenditure for the portfolio areas of Environment open for examination.

The Minister and his advisers answered questions by Members of the Committee.

Examination of the proposed expenditure for the portfolio areas of Environment concluded and the witnesses withdrew.

The Committee deliberated.

5. Adjournment

The Committee adjourned at 10.10pm until 7.30pm on Wednesday 3 September 2003.

Julie Langsworth
Clerk to the Committee

Minutes No 4

Wednesday 3 September 2003

At Parliament House at 5.30pm, Legislative Council Chamber

1. Members Present

Mr Ian Cohen (*Chair*)
Mr Ian West (*Deputy Chair*)
Mr Tony Burke (Tsang)
Mr Richard Colless
Mr Duncan Gay (Lynn)
Ms Kayee Griffin
Ms Sylvia Hale

2. Substitute arrangements

The Chair advised that Mr Burke would be representing Mr Tsang and Mr Gay would be representing Mr Lynn.

3. Correspondence

The Chair tabled the following items of correspondence:

Received

- Letter from Government Whip advising the Committee of Government substitutions for Estimates hearings
- Letter from Hon David Campbell, MP, Minister for Regional Development Minister for Illawarra, Minister for Small Business requesting that the Small Business aspect of his portfolio be heard first, followed by Regional Development at the Budget Estimates committee hearing on Wednesday 3 September 2003 at 8pm.

4. Budget Estimates 2003-2004

The Chair made a statement to Members regarding the broadcasting of proceedings.

The Hon Ian Macdonald MLC, Minister for Agriculture and Fishers was admitted and accompanied by the following advisers:

NSW Fisheries

Mr Steve Dunn, Director-General
Mr Tim Powys, Chief Financial Officer & Acting Director Corporate Services

NSW Agriculture

Dr Richard Sheldrake, Director-General
Mr Tom Ely, Financial Controller

Rural Assistance Authority

Mr Stephen Griffith, General Manager

SafeFood Production NSW

Mr George Davey, Chief Executive Officer

The public and media were admitted.

The Chair made a statement regarding certain procedural matters during hearings on budget estimates.

The Chair declared the proposed expenditure for the portfolio areas of Agriculture and Fisheries open for examination.

The Minister and his advisers answered questions by Members of the Committee.

Examination of the proposed expenditure for the portfolio areas of Agriculture and Fisheries concluded and the witnesses withdrew.

The Chair advised that the Treasurer, the Hon Michael Egan MLC, tabled Budget Estimates Paper 3.3 on Tuesday 2 September 2003 and referred this to the General Purpose Standing Committees for their inquiry and report as part of the 2003-2004 Budget Estimates inquiry.

5. Adjournment

The Committee adjourned at 7.35pm until 8pm on Wednesday 3 September 2003.

Julie Langsworth
Clerk to the Committee

Minutes No 5

Wednesday 3 September 2003

At Parliament House at 8.00pm, Legislative Council Chamber

1. **Members Present**

Mr Ian Cohen (*Chair*)

Mr Ian West (*Deputy Chair*)

Mr Richard Colless

Ms Melinda Pavey (Lynn)

Ms Christine Robertson (Griffin)

Mr Henry Tsang

2. **Substitute arrangements**

The Chair advised that Ms Pavey would be representing Mr Lynn and Ms Robertson would be representing Ms Griffin.

3. **Final Budget Estimates papers**

The Chair advised that the Treasurer, the Hon Michael Egan MLC tabled the Budget Estimates paper 3.3 on Tuesday 2 September 2003 and referred this to General Purpose Standing Committees for their inquiry and report as part of the 2003 – 2004 Budget Estimates inquiry.

4. **Budget Estimates 2003-2004**

The Chair made a statement to Members regarding the broadcasting of proceedings.

The Hon David Campbell MP, Minister Regional Development, Minister for the Illawarra, and Minister for Small Business was admitted and accompanied by the following advisers:

Department of Small Business

Mr Loftus Harris, Director General

Ms Janine Ricketts, Executive Director, Small Business Development Division

Department of Regional Development

Mr Loftus Harris, Director General

Mr Michael Cullen, Executive Director, Regional Development Division

The public and media were admitted.

The Chair made a statement regarding certain procedural matters during hearings on budget estimates.

The Chair declared the proposed expenditure for the portfolio areas of Regional Development, Illawarra, and Small Business open for examination.

The Minister and his advisers answered questions by Members of the Committee.

Examination of the proposed expenditure for the portfolio areas of Regional Development, Illawarra, and Small Business concluded and the witnesses withdrew.

5. **Adjournment**

The Committee adjourned at 10.05pm until 8.00pm on Thursday 4 September 2003.

Julie Langsworth
Clerk to the Committee

Minutes No 6

Thursday 4 September 2003

At Parliament House at 8.00pm, Legislative Council Chamber

1. Members Present

Mr Ian Cohen (*Chair*)

Mr Ian West (*Deputy Chair*)

Ms Kayee Griffin

Ms Robyn Parker (Colless)

Mr Greg Pearce (Lynn)

Mr Henry Tsang

2. Apologies

Ms Sylvia Hale

3. Substitute arrangements

The Chair advised that Ms Parker would be representing Mr Colless and Mr Pearce would be representing Mr Lynn.

4. Correspondence

The Chair tabled the following items of correspondence:

Sent

- Letter dated 4 September 2003 to the Hon Tony Kelly MLC, Minister for Rural Affairs, Minister for Local Government, and Minister for Emergency Services.

5. Budget Estimates 2003-2004

The Chair made a statement to Members regarding the broadcasting of proceedings.

The Hon Kerry Hickey MP, Minister for Mineral Resources was admitted and accompanied by the following advisers:

Department of Mineral Resources

Mr Alan Coutts, Director General

Mr Tony Galligan, Director, Resources Planning and Development

Mr Harry Bowman, Chief Executive Officer, Coal Compensation Board

The public and media were admitted.

The Chair made a statement regarding certain procedural matters during hearings on budget estimates.

The Chair declared the proposed expenditure for the portfolio area of Mineral Resources open for examination.

The Minister and his advisers answered questions by Members of the Committee.

Examination of the proposed expenditure for the portfolio area of Mineral Resources concluded and the witnesses withdrew.

6. Adjournment

The Committee adjourned at 9.45pm.

Julie Langsworth
Clerk to the Committee

Minutes No 10

Monday, 27 October 2003

Jubilee Room, Parliament House, at 9:30 am

1. Members present

Mr Ian Cohen (Chair)

Mr Rick Colless

Ms Kayee Griffin

Ms Sylvia Hale

Mr Charlie Lynn

Mr Ian West

Mr Henry Tsang

2. Local Government Amalgamations Inquiry

3. Budget Estimates 2003-2004***Minutes***

Resolved on the motion of Ms Hale, that Minutes Nos 1, 2, 3, 4, 5 and 6 be confirmed.

Correspondence

The Chair tabled the following items of correspondence:

Received

- Letter to the Minister for Agriculture and Fisheries dated 9 September 2003, re questions taken on notice by the Minister during budget estimates hearing
- Letter to the Minister for Mineral Resources dated 9 September 2003, re questions taken on notice by the Minister during budget estimates hearing
- Letter to the Minister for Regional Development, Illawarra & Small Business dated 9 September 2003, re questions taken on notice by the Minister during budget estimates hearing
- Letter to the Minister for the Environment dated 5 September 2003, re questions taken on notice by the Minister during budget estimates hearing
- Letter to the Minister for Rural Affairs, Local Government and Emergency Services, dated 3 September 2003, re questions taken on notice by the Minister during budget estimates hearing

Sent

- Letter from Mr R J Sendt, Auditor General, received 16 October 2003 (attached)
- Answers to questions on notice from The Minister for Agriculture and Fisheries, received 15 October 2003 (previously circulated)
- Answers to questions on notice from the Minister for Mineral Resources, received 14 October 2003 (previously circulated)
- Answers to questions on notice from the Minister for Regional Development, Illawarra & Small Business, received 14 October 2003 (previously circulated)
- Answers to questions on notice from the Minister for Rural Affairs, Local Government & Emergency Services, received 13 October 2003 (previously circulated)
- Answers to questions on notice from the Minister for the Environment, received 9 October 2003 (previously circulated)

Answers to questions on notice

The Committee considered the answers to questions on notice received to date.

Draft report

Resolved, on the motion of Mr Colless, to consider the Chair's draft report of the inquiry into Budget Estimates 2003-2004 at its deliberative meeting on Friday 14 November 2003.

4. Adjournment

The committee adjourned at 5.00pm until 9.30am, Tuesday 4 November 2003, Tamworth West Diggers Club (public hearing).

Beverly Duffy
Clerk to the Committee

Minutes No 13

Friday, 14 November 2003

Room 1108, Parliament House, at 9:00 am

1. Members present

Mr Ian Cohen (Chair)

Mr Rick Colless (after item 4)

Ms Kayee Griffin

Ms Sylvia Hale

Mr Ian West

Mr Charlie Lynn (after item 4)

2. Apologies

Mr Henry Tsang

Mr Rick Colless (for items 3-4)

3. Confirmation of Minutes

Resolved, on the motion of Ms Hale, that minutes of meetings numbers 8,9, 10, 11 and 12 be confirmed.

4. Budget Estimates 2003-2004

Consideration of Chair's Draft Report

The Committee resumed its deliberations, which had been deferred from the deliberative held on 27 October 2003.

Resolved, on the motion of Ms Hale, that the report, as amended, be adopted.

That the report be signed by the Chair and presented to the House before accordance with the resolution establishing the committee of 3 July 2003.

That pursuant to the provisions of section 4 of the Parliamentary Papers (Supplementary Provisions) Act 1975 and under the authority of Standing Order 224, the Committee authorises the Clerk of the Committee to publish the report, correspondence and tabled documents.

5. Local Government Amalgamations Inquiry

6. Budget Estimates 2003-2004

The Committee resumed deliberations on the Budget Estimates inquiry.

Resolved, on the motion of Mr Colless, that the Committee rescind its earlier resolution to adopt the Estimates report.

Resolved, on the motion of Mr Colless, that the Committee request the recall of Ministers Kelly and Macdonald to appear at a supplementary budget estimates hearing for one hour each on 1 December 2003.

7. Adjournment

The committee adjourned at 12:35pm until 1 December 2003, time and venue to be decided.

Steven Reynolds

Clerk to the Committee

Minutes No 14

3 December 2003

Room 1153, Parliament House, at 10:30 am

1. Members present

Mr Ian Cohen (Chair)

Mr Rick Colless

Ms Kayee Griffin

Mr Ian West

Mr Charlie Lynn

Mr Henry Tsang

2. Confirmation of Minutes

Resolved, on the motion of Mr West Hale, that minutes of meetings number 13 be confirmed.

3. Budget Estimates 2003-2004

Consideration of Chair's Draft Report

The Chair referred to earlier advice from the secretariat that the request of the Committee for Ministers for Agriculture and Local Government to appear at a supplementary hearing had proved administratively impossible because of the unavailability of the Ministers at any of the dates requested.

Resolved, on the motion of Mr Colless, that the report be adopted with the exception of Chapters One and Three, relating to the Ministers' portfolios.

That the Chair move a motion in the House that the reporting date for the Committees inquiry into 2003-2004 Budget Estimates be extended to 26 February 2004.

4. Adjournment

The committee adjourned at 10:45am until 15 December 2003 (Local Government Amalgamations inquiry).

Steven Reynolds

Clerk to the Committee

Minutes No 16

Friday, 20 February 2004

Room 814/815, Parliament House at 2.00pm

1. Members present

Mr Ian Cohen (Chair)

Mr Rick Colless

Ms Kayee Griffin

Ms Sylvia Hale

Mr Henry Tsang

Mr Ian West

Mr Duncan Gay (Lynn)

2. Substitution arrangements

The Chair advised that Mr Gay would be representing Mr Lynn.

3. Deliberative before the hearing

Resolved, on the motion of Mr Colless, that the minutes of meeting no. 15 be confirmed.

Questions taken on Notice during the hearing

Resolved, on the motion of Ms Hale, that the officers be requested to return answers to questions on notice taken during budget estimates by 9am, Tuesday 24 February 2004.

Local Government portfolio hearing

Resolved, on the motion of Ms Hale, that the Minister for Local Government, or if he is not available the Director General, be requested to attend a 2 hour hearing at either 8.30am on Thursday 26 February 2004 or 10.00am on Friday 28 February 2004.

Extension of reporting date

Resolved, on the motion of Ms Hale, that a motion be moved in the House to extend the report date for Budget Estimates 2003-2004 until Thursday 11 March 2004.

4. Budget Estimates 2003-2004 – Supplementary Hearings

The Chair made a statement to Members regarding the broadcasting of proceedings.

The Hon Ian Macdonald MLC, Minister for Agriculture and Minister for Fisheries was admitted and accompanied by the following advisers:

NSW Agriculture

Dr Richard Sheldrake, Director General

NSW Fisheries

Mr Steve Dunn, Director General

Safe Food Production NSW

Mr George Davey, Chief Executive Officer

The public and media were admitted.

The Chair made a statement regarding certain procedural matters during hearings on budget estimates.

The Chair declared the proposed expenditure for the portfolio areas of Agriculture and Fisheries open for examination.

The Minister and his advisers answered questions by Members of the Committee.

Examination of the proposed expenditure for the portfolio areas of Agriculture and Fisheries concluded and the witnesses withdrew.

5. Adjournment

The Committee adjourned at 3.15pm.

Steven Reynolds
Clerk to the Committee

Minutes No 17

Thursday, 26 February 2004

Room 814/815, Parliament House at 8.30am

1. Members present

Mr Ian Cohen (Chair)

Ms Kayee Griffin

Ms Sylvia Hale

Mr Ian West

Mr Charlie Lynn

Mr Rick Colless

2. Deliberative before the hearing***Confirmation of minutes***

Resolved, on the motion of Ms Hale, that the minutes of meeting no. 16 be confirmed.

Correspondence

The Chair noted the following items of correspondence:

Sent

- Letter dated 23 February 2004 to the Hon I Macdonald MLC, Minister for Agriculture and Fisheries enclosing a list of questions taken on notice at the supplementary hearing of 20 February 2004.
- Letter dated 23 February 2004 to the Hon T Kelly MLC, Minister for Local Government, seeking advice on his availability, or, in his absence the availability of the Director General, Department of Local Government, to appear at a supplementary hearing of the Committee.

Received

- Letter dated 24 February 2004 from the Minister for Agriculture and Fisheries enclosing written answers to the questions taken on notice at the supplementary hearing of 20 February 2004.

Consideration of answers to questions taken on notice

The Committee considered the written answers to the questions taken on notice by the Minister for Agriculture and Fisheries and his departmental officers at the 20 February supplementary hearing.

Questions taken on Notice during the hearing

Resolved, on the motion of Mr Lynn, that the witnesses who take questions on notice during the public hearing be requested to provide written answers to those questions to the committee secretariat by midday Friday 5 March 2004.

3. Budget Estimates 2003-2004 – Supplementary Hearings

Mr Garry Payne, Director General, Department of Local Government was admitted.

The public and media were admitted.

The Chair made a statement regarding the broadcasting of proceedings and certain procedural matters during hearings on budget estimates.

The Chair declared the proposed expenditure for the portfolio area of Local Government open for examination.

The Director General answered questions by Members of the Committee.

Examination of the proposed expenditure for the portfolio area of Local Government concluded and the witness withdrew.

4. Adjournment

The Committee adjourned at 1.20pm until Wednesday 10 March 2004.

Steven Reynolds

Clerk to the Committee

Minutes No 18

Wednesday 10 March 2004

Parkes Room, Parliament House at 1.20pm

1. Members present

Mr Ian Cohen (Chair)
 Ms Sylvia Hale
 Mr Rick Colless
 Mr Charlie Lynn
 Mr Henry Tsang
 Ms Christine Robertson (West)
 Mr Tony Catanzariti (Griffin)

2. Substitute members

The Chair informed the Committee that the Government Whip had advised in writing that Ms Robertson would be substituting for Mr West and Mr Catanzariti would be substituting for Ms Griffin.

3. Minutes

Resolved, on the motion of Mr Lynn, that minutes No 17 be confirmed.

4. Correspondence

The Chair noted the following item of correspondence:

Received

- Letter, received 5 March 2004, from the Director General, Department of Local Government enclosing the answers to questions taken on notice at the supplementary hearing on 26 February 2004.

5. Budget Estimates 2003-2004***Consideration of Chair's draft report***

Resolved, on the motion of Ms Robertson, that the words "and for the information and assistance they provided to the Committee" be appended to the last sentence in the Chair's Foreword.

Resolved, on the motion of Mr Colless, that the report, as amended, be adopted.

Resolved, on the motion of Ms Hale, that the report be signed by the Chair and presented to the House on Thursday 11 March 2004 in accordance with the resolution establishing the Committee of 3 July 2003.

Resolved, on the motion of Mr Lynn, that pursuant to the provisions of section 4 of the Parliamentary Papers (Supplementary Provisions) Act 1975 and under the authority of Standing Order 224, the Committee authorises the Clerk of the Committee to publish the report, correspondence and tabled documents.

6. Adjournment

The Committee adjourned at 1.45pm *sine die*.

John Young

Clerk to the Committee