



LEGISLATIVE COUNCIL

PORTFOLIO COMMITTEES

**BUDGET ESTIMATES 2020-2021**  
**Supplementary Questions**

**Portfolio Committee No. 4 - Industry**

**DEPUTY PREMIER, REGIONAL NEW SOUTH WALES, INDUSTRY AND  
TRADE**

Hearing: Friday 26 February 2021

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**DEPUTY PREMIER, REGIONAL NEW SOUTH WALES, INDUSTRY AND  
TRADE**

**Questions from Ms Abigail Boyd MLC**

**Wollombi — Future of Coal Statement**

1. Why has Wollombi been included in the NSW Future of Coal Statement as one of 13 potential areas for coal exploration?
  - (a) Were the Wollombi community meaningfully consulted before being included as an area for coal exploration?
  - (b) Was the impact of coal exploration from mining activities on the existing tourism businesses considered before Wollombi was included as an area for coal exploration?
  - (c) Was the impact on the health of the Wollombi community and the surrounding environment considered before being included as an area for coal exploration?

**Zombie PELs**

2. How have licensees been allowed to retain the PELs in the NSW north-west contrary to the government's "use it or lose it" policy?
3. Is the NSW Government negotiating with Santos about which of these zombie PELs it wants to retain?
4. Does the NSW Government have wider plans for coal seam gas in the state's north-west?

## Questions from the Hon Mark Buttigieg MLC (on behalf of the Opposition)

### **Bushfire Industry Recovery Package (Sector Development Grants)**

5. A number of timber industry businesses have received funding through the Bushfire Industry Recovery Package (Sector Development Grants) – how many jobs will these support?
6. Are there requirements in the funding agreements for the maintenance of current levels of employment or employment growth for organisations who received a grant?
  - (a) If so, what are the requirements?
  - (b) If not, why not?

### **Forestry Corporation**

7. The shareholders of Forestry Corporation have agreed to redirect the \$22.6M unspent from the 2018 equity injection for the purchase of land to replanting. Have there been any discussions about replacement funds for land purchases to grow the estate being allocated in the future?
8. Does Forestry Corporation enter into long-term land leasing in order to conduct forestry plantation operations? If so, how many hectares are currently under lease and what is the length of these leases? If not, why not?
9. When is a permanent appointment expected to be made to the vacant CEO's position?
10. In the Forestry Corporation 2020-21 Statement of Corporate Intent it is noted that a "funding plan is being prepared in conjunction with Treasury and the Department of Regional NSW to address the deficit position" – has this been completed and if so, what is in the funding plan? If not, why not and when will the funding plan be completed?
11. The Statement of Corporate Intent mentions work to "map a path to recovery" for hardwood supplies and communities – has this work been completed? What was found? When will the "path to recovery" be released?

12. Is the replanting of the forestry plantations on track to be completed in seven years? What risks are there to the completion of the replanting in this timeframe?
13. Timber revenue is expected to decrease by 25 per cent – what impact will this have on the organisation? Will it result in job losses? If so, how many?
14. Approximately 5 per cent of revenue comes from “other income” – what items are included in this?
15. Does Forestry Corporation have plans to grow other sources of income? If so, how and what is the growth target?
16. Has Forestry Corporation applied for a dividend exemption for the current financial year? Was the application successful?
17. Given the reduction in available timber supply, by how much is contract haulage and harvest expenses expected to fall? What impact will this have on contractor numbers?
18. How many organisations have received transport subsidies? What is the total amount of transport subsidies paid since January 2020?

### **Resources for Regions**

19. How many jobs will be created through projects funded under Round 7 of the Resources for Regions program?
20. Were Councils required to submit information to the Department for its consideration prior to projects being selected for funding? If so, how many projects were rejected as not being eligible or appropriate to be funded through the program?
21. Can you provide a full list of the 84 projects funded under Round 7 of the Resources for Regions program and the funding allocated to each project?
22. Will there be any changes to the process for selecting projects or allocating funds in Round 8?

23. When will applications open for Round 8 of the Resources for Regions program and when will they close?
24. When will each of the eligible Councils be notified of the amount that their Council will receive for Round 8?
  - (a) If it is indicated that they already know, what is the allocation by LGA?
25. Can the Department provide the mining employment location quotient for each eligible local government area for Round 7 and Round 8?
26. Are there any implications for the Resources for Regions program following the Government's decision to redirect royalties from non-renewable resources into the New Generations Fund?

### **NSW Minerals Strategy**

27. Under the NSW Minerals Strategy the Government committed to increasing the proportion of greenfield exploration relative to brownfield exploration done in NSW by 10 per cent on 2018 levels by 2025 – is the Government on track to meet this target?
  - (a) How much has the proportion increased above 2018 levels?
28. Has NSW achieved a score of 95 in the Fraser Institute Annual Survey of Mining Companies?
  - (a) If not, what score did it last achieve?
  - (b) Will it achieve a score of 95 by 2025?
  - (c) If not, why not?
29. When will the NSW Minerals Strategy be reviewed?
30. Have all of the actions in the NSW Minerals Strategy that were due to be completed by the end of 2020 been completed?
  - (a) If not, which ones have not been and what was the reason for the delay?
  - (b) Please provide details of how each action has been implemented.

31. Has the NSW Minerals Strategy been evaluated to determine whether the actions implemented have been effective?
  - (a) If not, why not and when will an evaluation take place?
32. What has been the feedback provided by stakeholders on the actions contained in the strategy and its implementation?
33. What was the total cost of developing and publishing the strategy?
34. Will the strategy be updated and if so when?
  - (a) If not, why not?

### **Blue Ridge Hardwoods**

35. Which NSW agency is coordinating implementation of the support program for redundant workers at Blue Ridge Hardwoods?
36. How many employees at Blue Ridge Hardwoods have accessed the special government payment as at 26 February 2021?
37. The program guidelines stated: “Full time workers will be eligible to receive \$150,000. Part-time workers will receive support on a pro rata basis.”- how many workers have been paid the full payment?
  - (a) How many workers were paid the pro rata payment?
  - (b) What was the average pro rate payment?
38. Was this paid as taxable income i.e. a redundancy “top up” and not in lieu of redundancy, or any other benefits, which would have been payable by the employer?
39. Did workers receive all of the statutory employment entitlements upon redundancy?
  - (a) If not, why not ?
  - (b) Which statutory entitlements were not paid?

40. How many employees at Blue Ridge Hardwoods have found other employment?
41. Is the NSW agency administering payments to workers aware of how much of each full payment or pro rata payment was spent on training and professional financial advice?
42. What is the total cost of the program?
43. What percentage of this cost was directly paid to workers?

### **NSW Strategic Statement on Coal**

44. Since the release of the Strategic Statement on Coal a number of nations to which NSW coal is exported to have announced their intention to achieve targets of net-zero emissions by either 2050 or 2060 – have forecasts of coal demand contained in the statement been adjusted to reflect this change in demand? What impact on forecast total demand for thermal coal will this have?
45. How frequently will review the areas in which coal mining can occur in NSW be reviewed?
46. In relation to part 3 of the Plan of Action (Reducing the impact of coal mining) what steps have been taken to:
  - (a) Strengthen regulatory requirements around mine rehabilitation and closure planning?
  - (b) Improved management of air and water impacts from coal mining?
  - (c) Reduce fugitive emissions?
  - (d) Security of supply for domestic coal users?
47. Part 3 of the Plan of Action notes that it will “continue to ensure mining-affected communities receive an appropriate share of the benefits of mining” – what, in addition to the Resources for Regions program, is being done to provide an appropriate share?
  - (a) Is the amount allocated through Resources for Regions considered an “appropriate share” for mining-affected communities?
48. What support is the NSW Government providing in “supporting diversification of coal-reliant regional economies to assist with the phase-out of thermal coal mining” (Action Plan Item 4)?

- (a) What is the total value of the support delivered to each mining-affected local government area?
- 49. Can the Government detail the actions that it will take in its "...flexible, adaptive approach to respond to global economic change..." noted on page 10 of the Strategic Statement on Coal Exploration and Mining in NSW?
- 50. What was the total cost to produce and publish the Strategic Statement on Coal Exploration and Mining in NSW?
- 51. How frequently will the Strategic Statement be updated?
- 52. What steps is the Government taking to support mining companies reduce the emissions associated with their operations?

#### **Timber harvesting and bushfire**

- 53. The SMH reported on 12 February 2021 that a study conducted by Griffith University and the Australian National University reported that it was "up to seven times more likely that the canopy of a logged forest will burn compared with an unlogged forest" – at the time the article was written there was no comment from either the Deputy Premier or Forestry Corporation – has any assessment of this research been undertaken?
  - (a) If so, is it an accurate assessment of the impact of timber harvesting?

#### **Great Koala National Park**

- 54. Has Forestry Corporation undertaken an analysis on the proposal to establish a Great Koala National Park in NSW?
  - (a) If so, what did the analysis conclude?
- 55. What would be the impact of the creation of a Great Koala National Park on Wood Supply Agreements on the North Coast of NSW?
- 56. Was Forestry Corporation asked to provide input into the report commissioned by Coffs Harbour and Bellingen councils, along with Destination North Coast, and the University of



Newcastle, to undertake an economic and environmental analysis of the proposed Great Koala National Park?

57. Does Forestry Corporation agree with the assumptions in the report, and its findings on the value of the industry, the cost of cancelling Wood Supply Agreements, and the ability of industry to continue without Wood Supply Agreements?

### **Critical Minerals Work Plan**

58. What is the purpose of the Commonwealth's Critical Minerals Work Plan?
59. What are the key milestones and dates for achieving those milestones under the Commonwealth's Critical Minerals Work Plan?
60. What role and/or responsibilities does the NSW Government have in the Commonwealth's Critical Minerals Work Plan?
61. Is the Critical Minerals Work Plan considering the national security implications of certainty in the supply of critical minerals into the future?
62. What steps is the NSW Government taking to support the development of, and investment in, minerals refining and processing, particularly in relation to rare earths, in NSW?

### **Coal Mine Extensions**

63. For each the coal mine extension application determinations considered and approved by the IPC since the Commission's establishment to what date has each NSW coal mine operation extended until following the IPC's approval? Please provide a list of the coal mine operation and its location.

### **Mine Rehabilitation**

64. In response to a Question on Notice in June 2020 the Government indicated that its response to the Mine Rehabilitation Discussion Paper remained underway – has the review and response been completed?
  - (a) If not, why not?

- (b) If yes, what are the changes to rehabilitation requirements? Has the Government agreed to implement them? From when will they take effect?
65. What is the total value of mine rehabilitation security deposits held by the Government?
- (a) Is this considered a sufficient amount to cover the “full cost” of all mine rehabilitation in NSW?
66. How much interest is earned annually on security deposits?
- (a) What happens to the interest earned?

### **Port Kembla Community Investment Fund**

67. How many applications were received under Round 4 of the Port Kembla Community Investment Fund?
68. What was the total value of funds sought in Round 4?
69. How many applications were received for suburbs adjacent to the 2502 postcode?
- (a) What was the total amount of funds sought through these applications?
70. How was the demonstration of clear and significant benefits to the Port Kembla community of applications from suburbs surrounding Port Kembla assessed?
71. How many people completed the community consultation survey?
72. What was the total cost of community consultation on Round 4?
73. Why was only one location selected for people to receive a gift voucher upon completion of the community survey?
74. How was the location in (69) selected?
75. How many vouchers were provided to people completing the survey at the location in (69)?

76. What was the total value of the vouchers provided to people for completing the community survey at the location in (69)?
77. Will the organisation who designed and implemented this approach to community consultation be used again?
78. Have all projects from Rounds 1, 2 and 3 been completed?
  - (a) If not, which projects are yet to be completed and why?
79. Where was the steel used to build the viewing platform at Port Kembla sourced from?
80. According to the Guidelines for Round 4 indicated that the successful projects would be announced in December 2020 – why has the announcement of successful projects been delayed?
81. Have the successful projects in Round 1, Round 2, Round 3 of the Port Kembla Community Investment Fund been announced in keeping with the key dates set out when applications were sought?
  - (a) If not, why not?
82. On what date was the pk2505.com.au website last updated?
83. Which department, agency or organisation is responsible for updating the pk250.com.au website?
84. What is the annual cost of registering, updating and administering the pk2505.com.au website?
85. How many Port Kembla residents and organisations receive email updates following their registration on the pk2505.com.au website?
86. On what date will applications for Round 5 of the Port Kembla Community Investment Fund open?

### **Review of Mining Legislation**

87. Have consultations commenced with stakeholders over the review of mining legislation?

- (a) If not, what are the reasons for the delay?
  - (b) If so:
    - i. When did the consultations take place?
    - ii. Which stakeholders have been consulted?
88. Will the review be publicly released?
- (a) If so, when will it be released?
  - (b) If not, why not?
89. Precisely what measures will be introduced following the review of mining legislation?

### **Subsidence Advisory NSW**

90. One of the reasons why the Government amended the Mine Subsidence Compensation Act 1961 was based on the claim that the claim experience for property owners needed to improve – given recent criticisms of the compensation system, are the changes are working?
- (a) How did the assessment arrive at this conclusion?
91. What is the average days processing time for a property owners claim by Subsidence Advisory NSW?
- (a) Has this timeframe reduced following the introduction of the changes to the Act? If so, by how much?
  - (b) If not, why not?
92. What is the take up rate by property owners of the free pre-mine assessments?
- (a) Is this considered a good rate?
  - (b) Why don't property owners take up this option?
93. How many subsidence claims were: (a) received, (b) processed and (c) completed during:
- (a) 2018
  - (b) 2019
  - (c) 2020

94. How many claims have had review requests during (a) 2018, (b) 2019 and (c) 2020?
- (a) On average how many days does it take to complete a review?
  - (b) What proportion of the original decisions were changed or overturned after they were reviewed?
95. How many Case Advisors are employed by Subsidence Advisory NSW?
- (a) How many other staff are employed?
96. What is the average cost of employing a Case Advisor?

### **Uranium mining**

97. In relation to recommendation 6 in the Government's response to the Uranium Mining and Nuclear Facilities (Prohibitions) Repeal Bill 2019, which indicated, "The NSW Government will provide its position on uranium mining in the near future":
- (a) What is the NSW Government's position on uranium mining?
  - (b) When will it formalise its position on uranium mining?
  - (c) What is the delay in finalising its position on uranium mining?
98. In relation to Recommendation 1, has the Government received any applications for uranium exploration titles?
- (a) If so, how many have been received?
99. In relation to Recommendation 1, is the Government still considering running a formal expression of interest process with respect of uranium exploration titles?
- (a) if so, when will this take place?

### **EPA site-specific forestry operating conditions**

100. What are the issues with the EPA's site-specific operating conditions and the cause of the dispute with Forestry Corporation?

101. Can a list of the locations at which site-specific operating conditions applied be provided, along with the date of the commencement and conclusion of the conditions at each location, the date of the commencement of any renegotiation of the site-specific operating conditions, the date of the conclusion of the renegotiation and the new expiration date.
102. What is the feedback from contractors about the EPA's prescriptions?
103. Can harvesting occur under these conditions?
  - (a) If not, why not?
104. Do the EPA's site-specific prescriptions give consideration to Forestry Corporation's contractual obligations to mills?
  - (a) If not, why not?
  - (b) If so, how do the EPA site-specific prescriptions enable Forestry Corporation to comply with its contractual obligations to mills?
105. Have any mills run out of logs as a result of the EPA delays?
  - (a) If so, please list the mills effected, their location and what has the impact been on the operation of those mills?
106. What will happen to mills' log supply if harvesting does not resume soon in Eden and the South Coast?
  - (a) Have any support measures been considered for mills in this region?
  - (b) If so, what support may be available?
107. When does Forestry Corporation intend to resume harvesting operations across NSW?
108. How many times have Forestry Corporation and the EPA met to discuss or improve site-specific operating conditions?
  - (a) When did the last meeting take place?

109. How many stop work orders have been received by Forestry Corporation since January 2020?
- (a) How many have been resolved?
  - (b) How were they resolved?
  - (c) How many remain unresolved?
110. Have any fines, penalties or other actions been taken against Forestry Corporation by the EPA since January 2020?
- (a) If so, what were they?
  - (b) What was the total value of fines and penalties that have been levied against Forestry Corporation?

### **Resilience NSW**

111. What role does Resilience NSW play in the cyber security space?
- (a) Is Resilience NSW playing a role in managing cyber security for the NSW Government?
  - (b) Who in Government has ultimate responsibility for cyber security?
112. Are you investigating the latest Accellion data breach?
- (a) Has anyone from Resilience NSW met with the Australian Security Intelligence Organisation or the Australian Signals Directorate about any recent data breaches?
  - (b) Has the Accellion data breach had any safety impacts across NSW hospitals or transport networks?
113. How much money is being spent on boosting cyber security in NSW?
- (a) Where is that being spent?
  - (b) How much money has been spent managing the investigation and fallout from recent data breaches?
114. Several of the recent data breaches are related to vulnerabilities with file sharing. Service NSW had their emails breached, and now the Accellion file transfer system was hacked. What is the NSW government's current approach to file sharing?
- (a) Are you aware that Service NSW is still sharing documents via email, despite this being the cause of last year's data breach?

- (b) What are you doing to fix that vulnerability?
115. Are you aware of the Auditor General's review into Service NSW's data breach, and do you support all of the Auditor General's recommendations?
- (a) If not, what is the reason for your opposition to one or more of the Auditor General's recommendations?
- (b) Will you be implementing all of the recommendations?
116. Are you aware that up to 30,000 people are still unaware their private information was compromised in the Service NSW breach last year?
- (a) At a Federal level, notifying citizens of a data breach is mandatory. Mandatory notification is also recommended by the Information and Privacy Commission of NSW. Do you support the idea of mandatory notification of data breaches at a State level?
- (b) If not, what is the reason for your opposition?

### **Regional Growth Fund - Growing Regional Economies – Thornton Precinct**

117. In 2011 the former Liberal Member for Maitland, the Hon Robyn Parker MLC criticised a review by the RTA which found that 1400 homes could be constructed in the area before a new rail bridge at Thornton is needed [eg: complete the duplication of the existing bridge commenced by the former Labor Government]. Ms Parker went on to say: "*Thornton Bridge was needed in 2009, it's vital infrastructure.*" If the duplication of the bridge was vital infrastructure in 2009 and 2011, why hasn't the NSW Government built it already, considering ten years have passed since the election?
118. People across Maitland suburbs such as Thornton, Largs, Bolwarra, Morpeth and Chisholm are complaining that it takes over 45 minutes just to get through Thornton, a 2 or 3km trip, due to the congestion issues faced at connections with the state roads – New England Highway and Raymond Terrace Road. Why has the NSW Government not granted funding to the Maitland City Council to fix these connections and upgrade the state owned rail bridge?
119. There are thousands of commuters in and around the Thornton Industrial Estate trying to get to and from work each day. There are reports of increasing commercial rental vacancies, as businesses are moving out due to the congestion in the area. Why is the NSW Government not supporting the regional growth generated by the Thornton industrial estate through proper infrastructure development funds?



120. Thornton North was identified in the NSW Government's Lower Hunter Regional Strategy 2006-2031 as a major priority release area for residential development. There was originally a development cap of 800 lots that could be developed in this region until the duplication of the Thornton Bridge took place. Under your Government, in 2012, your Government removed the cap. Why has your Government failed to duplicate the rail bridge that is so desperately needed in the area to ensure the safety of residents?
121. In 2015, when the Member for Maitland asked about the duplication of the Thornton railway bridge, the Government stated that "*the Thornton Bridge duplication strategy released in October 2010 has not changed. Roads and Maritime Services expects the second bridge will only be needed when traffic increases with the residential development at Chisholm.*" Why has your Government not commenced the duplication of the rail bridge?
122. In 2017/18, The Maitland City Council applied for \$51.17 million in funding under the NSW Government's Regional Growth Fund – Growing Regional Economies to undertake five projects within the Thornton Precinct, an established industrial estate and business hub. The project was designed to support connectivity between the New England Highway and Raymond Terrace Road, to current and future employment land and adjacent to residential areas. Maitland City Council has estimated that there are unfunded roadworks required for the Thornton precinct of around \$107 million. In the 2017/18 year (the same year), the stamp duty generated from the 2322 postcode (encompassing Thornton, Chisholm, Thornton North, Beresfield, Woodberry and Tarro) was in excess of \$165 million. Why did the Government not approve a grant of \$51.17 million (that would have been less than dollar for dollar funding) from a region that generated over three times that amount in stamp duty, and is a major connecting industrial and residential area between two state roads?

### **Maitland Resources Jobs to be moved to Dubbo**

123. In October 2019, the Deputy Premier the Hon John Barilaro MP stated in Budget Estimates that: "I can categorically say this clearly that the jobs will remain in Maitland. We are not moving the office to any other part of the State. The truth of it is that I would be silly to do so. We know we have some efficiencies across government in relation to the public sector jobs but regional and rural New South Wales is excluded from that—Maitland is regional and rural New South Wales. The answer is: absolutely no—not now, not tomorrow, not while I am Minister." Why, if you "are not moving the office to any other part of the State" is the Head Office (Mining, Exploration and Geoscience) now located at 47-59 Wingewarra Street Dubbo NSW 2830?

124. Why is the Head Office is still showing at 516 High Street Maitland NSW 2320 on the Service NSW website: <https://www.service.nsw.gov.au/nswgovdirectory/mineral-resources>, the NSW Government Mining, Exploration and Geoscience Website: <https://www.resourcesandgeoscience.nsw.gov.au/regulation/about-us/contact-us> and the Upper Hunter Mining Dialogue: <https://miningdialogue.com.au/about/contacts> ?
125. These jobs won't be any closer to mines in the Gunnedah Coal fields, so what is the justification for the move?
126. The main focus of exploration in the Dubbo area is for rare earth resources and metallurgical mining rather than other energy related mining, so what is the justification for moving Mining Energy jobs and the Energy Regulator further away from energy related mines?
127. Why have you decided to create a Head Office in your Department of Mining, Exploration and Geoscience four hours away from the current location which is closer to two thirds of the mining that happens in NSW?
128. Why have you not briefed the local Member for Maitland about this policy?
129. The Secretary of the Department of Regional NSW said in Budget Estimates in February 2021 that there will be “no-one forced to relocate from Maitland out to Dubbo” and “There is no forced pressure to get them out of Maitland”, however the Workforce Regionalisation Policy PEC-002 states that: *Positions must be filled in the four regional centres if they are: newly created ongoing positions for more than 12 months...and able to be performed outside Sydney CBD, Parramatta CBD or Newington...Existing DRNSW Permanent or long-term temporary staff (greater than 12 months tenure) can apply for new permanent positions advertised across the 4 regional hubs. If such a person is clearly the best candidate for the position based on merit they can be appointed to the position and stay in their current location but will be expected to travel regularly to the regional base where their team is located. Where candidates are of equal suitability, preference will go to the candidate who is willing to base themselves at the regional hub.* Won't this force some Maitland based staff applying for newly created positions to move to one of the regions?
130. The Workforce Regionalisation Policy PEC-002 also states that *“Successful candidates must live within a reasonable distance (rule of thumb is within one hour's drive) from the location. Flexible work arrangement*

*cannot be used to allow candidates to live further away.*” Isn’t this direction contrary to everything we have learned during COVID-19 about the ability for people to work remotely?

- (a) Doesn’t it discriminate against anyone who lives more than one hour’s drive from any of these regional destinations?

### **Regional Growth – Environment and Tourism Fund**

131. Yasmin Catley MP, Shadow Minister for Rural and Regional Jobs, and Shadow Minister for Building Reform and Property has made contact on a number of occasions with the Deputy Premier’s office enquiring on the progress of Bahtabah Local Aboriginal Land Council’s application to the Regional Growth – Environment and Tourism Fund, yet has failed to receive a reply. Can you confirm if Bahtabah Local Aboriginal Land Council’s application was successful?
132. The Government on its own websites boasts the fund has supported 69 projects since its inception, yet only highlights three success stories of the fund. I request you provide a list of these 69 projects?
133. Which Minister has final approval over which applicants are successful?
134. Are applications assessed independent of the Minister responsible? If so detail the process, if not why not?

### **Regional NSW**

135. On the 3rd of February, John Barilaro announced the NSW Public Sector Regional Workforce principles: Agencies will maintain or grow the size of their workforce in regional NSW, Roles that can be undertaken from anywhere will be advertised as “regional location preferred, Agencies will increase the proportion of regional staff at clerk grade 11/12 (or equivalent) and above compared to lower graded roles by 2023, The public service will protect the number of jobs in vulnerable regional economies (defined in the Local Government Act as localities of fewer than 5,000 residents).
- (a) In light of the principles above, what is defined as regional NSW?
- (b) Is Newcastle and Wollongong considered to be part of Sydney metro area?
136. In the lead up to the election Premier Berejiklian stated “I assure every community in rural and regional NSW that their government jobs are protected”. Considering the Government is now

only giving a job protection to localities of fewer than 5,000 residents, has the Government broken its promise?

137. How many LGA's have less than 5000 residents?
138. Does the Government commit to not relocating regional jobs from smaller communities to bigger centres (i.e from Gunnedah to Armidale)?
139. If a job is relocated from Gunnedah to Armidale, is this a job cut to the Gunnedah community?

### **Regional NSW Public Service**

140. Why is the Government continuing to cut public sector jobs by implementing a 3% efficiency dividend in the middle of a global pandemic?
141. How many jobs will need to be cut across the Department of Regional NSW due to the 3% efficiency dividend contained within the Governments budget?
142. How many temporary staff are employed within Local Land Services?
143. How many permanent staff are employed in Local Land Services?
144. How many temporary staff are employed within Department of Primary Industries?
145. How many permanent staff are employed in Department of Primary Industries?
146. Why doesn't the Government commit to providing permanent jobs to regional workers?
147. Can the Government guarantee that no jobs in the regions will be downgraded or reclassified to a lower graded, and lower paid, role?
148. How does the non-back filling of roles reconcile with the government's commitment to creating jobs?
149. How does cutting the wages of public sector workers in the regions support regional economies?

### **Regional NSW**

150. In August 2020, DRNSW announced that they were calling for "volunteers" to relocate from Sydney or Parramatta to one of four Regional Hubs – Queanbeyan, Dubbo, Armidale and Coffs Harbour.
  - (a) How many public servants have expressed an interest in the relocation?
  - (b) How many public servants have been relocated?

- (c) How many jobs are targeted to be relocated?
- (d) What is your plans if you don't reach the target of 400 jobs relocated?
- (e) Will staff in regional and remote communities be forced to relocate to these 4 regional hubs if you don't reach this target
- (f) Can you confirm that staff will not be paid transferred Employees Compensation Award entitlements?

**DPI Fisheries**

- 151. Can you confirm how many fisheries technicians' staff have been continuously employed on temporary contracts for periods totalling over 5, years, over 10 years, over 15 years, over 20 years?
- 152. Can you confirm what regional locations that these fisheries technicians are employed in?
- 153. Does employing these staff temporarily provide the best outcomes for research and regional employment?

**DPIE Water**

- 154. Can you confirm the creation of the Water Infrastructure Delivery Branch?
- 155. The development and management of water infrastructure projects are the preview of the State Water corporations. Does this decision indicate that you have lost faith in these SOCs to administer water infrastructure in NSW?

## DEPUTY PREMIER

### Questions from Mr David Shoebridge MLC

#### **Bushfires**

156. When will the current bushfire protections that apply to logging in burned forests be lifted?
157. How much has been paid so far in the battle with the EPA over these protections?
158. Why does forestry corporation not accept the position of the environmental regulator about the ongoing need for these protections?
159. You previously advised that “Forestry Corporation will review its sustainable yield models to take into account the impact of this season’s fires and the outcome of that assessment will inform future planning” - what impact has this assessment had? How many compartments were removed from logging schedules as a result of it?

#### **Sustainability report**

160. What is behind the significant increase in the amount of rocks/sand/gravel sold from state forests which went from between double and triple previous amounts in 2019/20? (p11)
161. How much did it cost to develop the website interface the report currently is displayed on? What are the licensing costs associated with the site?
162. How many forestry corporation employees work on the site?
163. How many contractors work on the site?
164. How many hits does this report get on average per day?

#### **Jobs**

165. How many people employed directly in relation to native forest logging operations (logging or haulage or processing) are forestry corporation employees vs contractors?

#### **Expanding the plantation estate**

166. We understand that all but 1.5 million of the \$24 million allocated for expanding the plantation estate was used instead on replanting efforts - what future plans are there to expand the estate?

167. Regarding the land that was purchased with these funds, what land is this and has this land already been planted?

### **Pest control**

168. How much is currently spent by Forestry Corporation in managing invasive species?

169. What is this used for?

170. What are the target plant and animal species and how much is spent for each?

### **Cumberland State Forest**

171. What are current plans for the Cumberland State Forest? Are you aware of the sale of blocks of land adjacent to the forest and do these raise any concerns about risks to the environmental values of the forests?

172. Have you been advised of a proposal for a koala reserve & rehabilitation resource and education facility within the forest?

173. Would you be open to considering such a future for the forest?

### **Olney State Forest**

174. Why has logging been suspended in Olney State Forest compartments 49-52?

175. Under what circumstances would logging resume?

### **Private Native Forests**

176. How many hectares of private native forest are there in NSW?

177. How many were impacted by the fires?

178. How many hectares that were planned to be harvested in the next 12 months were affected by the fires?

179. Are the bushfire impacts to wildlife and habitat on private land being assessed? If not, why not? If yes, how? And how will the assessment of these impacts influence PNF operations?

180. Are PNF logging operations currently underway in burnt areas? And in unburnt areas? How many hectares are planned to be harvested in the next 12 months?

## **Kalang Headwaters**

181. Regarding the logging planned for the Kalang Headwaters in 2021/2022 we have been advised that 57% of the 1,800 hectares is high conservation value, and the majority threatened lowland sub-tropical rainforest (693 ha, or 38%), how were these compartments selected?
182. Has any calculation been considered by the Department of the tourism and environmental value of these compartments and how this compares to the anticipated yield of any logs retrieved?
183. What is the cubic metrage of timber expected to be harvested from here?
184. Has this changed since 2017 when 775 hectares in Scotchman and Roses Creek State Forests were identified for logging with an anticipated yield of 4,375 cubic metres?
185. The mapping of this area shows significant old growth forest and rainforest, will there be exclusions around these to protect them?
186. Are you aware of the economic feasibility study for the Kalang Headwaters proposal which has identified possible income for the area of over \$400 million from Koala-base recreation?
187. Will you promise the locals that there will be adverse impacts on the proposed reserve from logging, that no threatened or endangered species will be impacted, and no high conservation trees removed?

## **Biomass and wood**

188. Regarding the proposed “Redbank Green Energy Park” in Singleton in the Hunter Valley which will burn 1 million tonnes of native hardwood annually, how much of this will come from public native forests?
189. What discussions if any have you had with the proponents or other agencies about this proposed plant?
190. Are you concerned about native forests being burned for energy?
191. How much “residues and thinnings” are produced across the publicly owned native forest estate each year? How much of a mature tree is considered “residue”?

## **Newry State Forest**

192. Why has forestry corporation been undertaking aerial spraying in Newry State Forest?



193. Have all sprays been guaranteed safe for the resident koala populations in this forest?
194. Regarding the planned logging of Newry State Forest, why has forestry corporation not yet released specific information, such as ecology studies, soil reports or logging commencement dates?

**Bell Miner Associated Dieback**

195. Are you aware of possible links between logging and BMAD?
196. How much native forest in NSW is currently impacted by BMAD?
197. What steps are taken to ensure logging does not speed this up?

## REGIONAL NEW SOUTH WALES

### Questions from Mr Justin Field MLC

#### Upper Hunter Futures Report

198. Will you release the Upper Hunter Futures Report commissioned by Delliott?

(a) If so, when?

## INDUSTRY

### Questions from Mr Justin Field MLC

#### Wood Supply Agreements

199. How many Wood Supply Agreements is Forestry Corporation currently party to in relation to its hardwood division. For each of the Wood Supply Agreement please provide (if publicly available):
- (a) The date the agreement made
  - (b) the date the agreement expires
  - (c) The customer
  - (d) The volume of timber subject to the agreement
  - (e) The forestry area covered by the agreement

#### Force majeure declaration from bushfires

200. Was any legal advice obtained, either internal legal advice, Crown Solicitors advice or external advice, either by the Department of Regional NSW, Forestry Corporation or the Department of Primary Industries, in regards to Forestry Corporation's contractual obligations and the application of the force majeure provisions of wood supply agreements?
- (a) If yes,
    - i. was that advice made available to the EPA or the Office of the Environment Minister?
    - ii. will you publish that advice?

201. Correspondence of 7 September 2020 from the Department of Regional NSW and Forestry Corporation to the CEO of the Environment Protection Authority, says:

*“The Force Majeure provisions in those contracts have been enacted across all hardwood coastal supply areas. However, when FCNSW is able to operate under and comply with the CIFOA it is legally obliged to do so in order to meet supply commitments.”*

- (a) Other than the legal advice mentioned in question 1,
- (b) What advice is being relied upon in terms of the legal obligation referred to?
- (c) Does Forestry Corporation consider they have different legal obligations in regards to meeting contractual obligations in relation to logging in burnt versus unburnt forests?

### **Consulting Advice**

202. In regards to the Boston Consulting Group report referred to in the hearing by Mr Barnes:

- (a) who was the report offered to? Was it the Department or the Minister?
- (b) will you make the report public?
- (c) was this report the result of the "free consultancy" that was mentioned by Mr Barnes?
- (d) when was this work started?
- (e) were their terms of reference agreed with Boston Consulting Group before they commenced this work?
- (f) if not, how was the focus/purpose/ of the report agreed?
- (g) when was this report completed
- (h) were any other Government agencies involved in preparation of this report (eg. Treasury, EES, EPA)

203. In regards to the "advice" referred to by Mr Gary Barnes (p19, para 17), will you publish that advice?

- (a) when was that advice received?
- (b) was that advice requested by The Department or offered by Forestry Corporation?

### **Sustainable Yield Report**

204. In regards to the independent review of the sustainable yield report referred to by Mr Hansen on page 60 of the transcript, will this review be made public?

205. When did the sustainable yield review commence?

206. Has the sustainable yield review been submitted to the Commonwealth?

207. How many hours of on-ground work/surveys have been completed as part of the review?

208. How many hours of staff time have been allocated to the review?

209. What role as the NRC had in the preparation of the review?

**Forestry Corporation Plan Portal and Protocol 1 of the Coastal Integrated Operations Approval (IFOA)**

210. Does Forestry Corporation consider that, since the introduction of the IFOA, they are fulfilling the requirements of Protocol 1 of the Coastal IFOA?

211. Previously, harvest plans were shared with community members through monthly excel sheets that provided significant information on planned harvesting:

- (a) Would Forestry Corporation agree to providing this information to the community in the interests of transparency and working in good faith with the community?

**Planned post-fire logging**

212. Please provide a list of hardwood coupes that Forestry Corporation intends to harvest between now and the publication of the NRC review, split in the following forestry regions:

- (a) Southern
- (b) Eden
- (c) Lower North East
- (d) Upper North East

213. Over the next six months, is Forestry Corporation intending to harvest any 'high risk' compartments as identified in tables at the bottom of the EPA webpage 'Update on forestry operations and regulatory activities, February 2021' (found at <https://www.epa.nsw.gov.au/your-environment/native-forestry/bushfire-affected-forestry-operations/update-february-2021>)?

- (a) If so, please confirm which compartments listed?

214. On the EPA webpage 'Inspections of burnt forestry operations' (found at <https://www.epa.nsw.gov.au/your-environment/native-forestry/bushfire-affected-forestry-operations/inspections-of-burnt-forestry-operations>) under the 'summary of operations' table there is a list of 'Operations being planned by FCNSW'.

- (a) Is this an accurate reflection of current planned operations by Forestry Corporation?
- (b) If not, please provide an update.

### **Logging since the bushfires**

215. Since the 2019/20 Summer Bushfires, what logging of hardwood forests has occurred in the South Coast Region?

- (a) Please provide each compartment name
- (b) Please provide the volume of timber removed

216. Since the 2019/20 Summer Bushfires, what logging of hardwood forests has occurred in the Eden Region?

- (a) Please provide each compartment name
- (b) Please provide the volume of timber removed

217. Since the 2019/20 Summer Bushfires, what logging has occurred in the Lower North East Region?

- (a) Please provide each compartment name
- (b) Please provide how much of this is 'high' or 'very high' koala habitat
- (c) Please provide the volume of timber removed

218. Since the 2019/20 Summer Bushfires, what logging has occurred in the Upper North East Region?

- (a) Please provide each compartment name
- (b) Please provide how much of this is 'high' or 'very high' koala habitat
- (c) Please provide the volume of timber removed

### **Logging koala habitat**

219. At any time since the bushfires, did the EPA request that Forestry Corporation put in place site specific conditions or additional protections to protect koala habitat?

- (a) If so, why were these conditions not introduced?
- (b) If so, what state forests did this request apply to and has the state forest been logged since the bushfires?

### **South Coast forestry employment**

220. Correspondence of 7 September 2020 from the Department of Regional NSW and Forestry Corporation to the CEO of the Environment Protection Authority, says: "It is expected that 155 direct jobs are at risk of being lost over the next few months in the south coast and Eden regions."
- (a) What is the specific make up of these 155 jobs? I.e. processing/harvest and haulage?
  - (b) How many of these 155 jobs are in hardwoods and how many in softwoods?
  - (c) How many jobs in the South Coast and Eden regions have been lost to date?
221. Regarding the 224 jobs referred to by Mr Barnes on page 65 of the transcript, what is the specific make up of the 224 jobs?
- (a) How many of these are hardwoods?
  - (b) What is the breakdown in terms of processing/harvest and haulage?
  - (c) what analysis is this 224 jobs drawn from?
  - (d) will the Department publish that analysis?
222. Which South Coast communities was Mr Barnes referring to when he described some as "one trick ponies" on page 65 of the transcript?

### **Forestry hardwoods employment**

223. Publicly available employment data provided by Forestry Corporation in the annual report or similar documentation does not disclose employment figures in hardwood forests. For the Southern Region:
- (a) How many direct hardwood processing jobs exist?
  - (b) How many direct hardwood harvest and haulage jobs exist?
224. For the Eden Region:
- (a) How many direct hardwood processing jobs exist?
  - (b) How many direct hardwood harvest and haulage jobs exist?
225. For the Lower North East Region:

- (a) How many direct hardwood processing jobs exist?
- (b) How many direct hardwood harvest and haulage jobs exist?

226. For the Upper North East Region:

- (a) How many direct hardwood processing jobs exist?
- (b) How many direct hardwood harvest and haulage jobs exist?

### **EPBC independent review**

227. Professor Graeme Samuel AC provided the Final Report of the Independent Review of the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act) in January 2021 (found at <https://epbcactreview.environment.gov.au/resources/final-report>). Recommendation 15 of the report provided that states should immediately ensure that Regional Forest Agreements (RFAs) are consistent with the National Environmental Standards

- (a) as a party to the Regional Forest Agreements, has the NSW Government considered the implications of this recommendation?

### **Forestry Corporation Annual Reports**

228. For the 2019/20 financial year what was the Forestry Corporation's profit/loss from its native forestry operations?

229. For each of (1) native forests and (2) hardwood plantations in North East NSW (Upper and Lower North East Regional Forestry Agreement regions) for the 2019/20 financial year:

- (a) what were the commitments in Wood Supply Agreements for each of Large High Quality Sawlogs, Small High Quality Sawlogs, Veneer Logs, Girders, Piles, Poles and other timber (in cubic metres)?
- (b) what were the yields for each of Large High Quality Sawlogs, Small High Quality Sawlogs, Veneer Logs, Girders, Piles, Poles and other timber (in cubic metres)?

230. The 2019-20 Forestry Corporation Annual Report identifies that more than 50% of the Hardwood forests were impacted by the fires, some 5,000 hectares of hardwood plantations and 831,000 hectares of native forests, was burnt resulting in a significant write-down of these assets on the balance sheet, the pine plantations were estimated to have a \$371 million reduction in biological asset value, yet it is stated that the hardwood division do not recognise biological asset



values, why is standing tree value of native forests and hardwood plantations not recognised in the financial statements and the significant fire losses accounted for?

231. The annual report identifies that the bushfires resulted in substantial infrastructure damage to roads and bridges with the best estimate of repair costs as between \$100 - \$200 million, the majority of which relates to the Hardwood division, yet the accounts only account for \$1 million in softwood plantation infrastructure asset losses as the hardwood division either do not recognise or have fully impaired infrastructure assets, why are road and other infrastructure assets of native forests and hardwood plantations not recognised in the financial statements and the significant fire losses accounted for?
232. In the last financial year did the Forestry Corporation rely upon force majeure to not fulfil Wood Supply Agreement commitments? If so what volumes of each product were involved for each forestry region? Will the Forestry Corporation use force majeure to reduce Wood Supply Agreement commitments down to the estimated long-term sustainable yield since the fires?
233. For each of the past 5 years how much money have the NSW and Federal Governments paid to the Forestry Corporation for community service obligations, grants or other payments related to native forests and hardwood plantations?
234. What profit/loss did the Forestry Corporation make on its:
- (a) native forest operations for the 2019-20 financial year
  - (b) hardwood plantation operations for the 2019-20 financial year?
235. What is the projected profit/loss for
- (a) native forest operations for the 2020-21 financial year
  - (b) hardwood plantation operations for the 2020-21 financial year?
236. For each of the past 5 years how much money have the NSW and Federal Governments paid to sawmillers, logging companies or transport companies for mill upgrades, transport subsidies, and the like, for that portion of their operations related to public native forests?

## **Verdant Technologies Australia**

237. Verdant Technologies Australia (previously Hunter Energy) recently advertised for expressions of interest for forest residues from harvesting and thinning as fuel for their Redbank Power Station, has or will the Forestry Corporation tender an expression of interest? What volumes of timber have or will they offer to Hunter Energy from each Forestry Region? Will the Forestry Corporation be tendering to truck the timber to the power plant, or a central collection point, or would it be available for collection in the forest?

(a) What price(s) per tonne have or will the Forestry Corporation be tendering?