

General Purpose Standing Committee No 5

# **Budget Estimates 2000-2001**

Volume 1

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## How to contact the Committee

Members of General Purpose Standing Committee No 5 can be contacted through the committee secretariat. Written correspondence and inquiries should be directed to:

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The Director

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General Purpose Standing Committees

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Legislative Council

---

Parliament House, Macquarie Street

---

Sydney NSW 2000

---

Email [gpscno5@parliament.nsw.gov.au](mailto:gpscno5@parliament.nsw.gov.au)

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Telephone 61-2-9230 3544

---

Facsimile 61-2-9230 3416

---

Website [www.parliament.nsw.gov.au](http://www.parliament.nsw.gov.au)

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## **Terms of Reference<sup>1</sup>**

1. That the Budget Estimates and related documents 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. A daily Hansard record of the hearings of a Committee on the Budget Estimates is to 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. After a Committee has considered proposed expenditure referred to it by the House and agreed to its report to the House, the Committee must fix:
  - (a) a day for the submission to the Committee of any written answers or additional information relating to the proposed expenditure, and
  - (b) a day for the commencement of supplementary meetings of the Committee to consider matters relating to the proposed expenditure, which day must be not less than 10 days after the day fixed under subparagraph (a).

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<sup>1</sup> Legislative Council Minutes of the Proceedings, No.41, 23 May 2000, items 16, 19 and 20.

12. (1) A Member may lodge with a Committee, not less than 3 working days before the day fixed under subparagraph (11) (b), notice of matters relating to the written answers or additional information, or otherwise relating to the proposed expenditure referred to the committee, which the Member wishes to raise at the supplementary meetings of the Committee.
- (2) Any notice lodged with a Committee must be forwarded by the Committee to the Minister in the House responsible for the matters to which the notice relates.
13. A Committee may determine at any time the number and duration of any supplementary meetings.
14. At a supplementary meeting, questions may be put to Ministers or officers of departments, statutory bodies or corporations, relating to matters of which notice has been given, and the proceedings of the Committee must be confined to those matters.
15. A Committee may report to the House any recommendation for further action by the House arising from the Committee's supplementary meetings.
16. Written questions relating to the Budget Estimates may be supplied to the Clerk of the Committee, who must distribute them to the relevant Minister and to Members of the Committee. Answers must be supplied to, and circulated by, the Clerk.
17. The Committees must:
  - (a) present a first report to the House before the House adjourns for the winter recess, and
  - (b) present a final report to the House by the first sitting day in August 2000.

## **Committee Membership**

The Hon Richard Jones MLC, *Chair*

Independent

The Hon Ron Dyer MLC, *Deputy Chair*

Australian Labor Party

The Hon Richard Bull MLC

National Party

The Hon Jan Burnswoods MLC

Australian Labor Party

The Hon John Jobling MLC

Liberal Party

The Hon John Johnson MLC

Australian Labor Party

The Hon Malcolm Jones MLC

Outdoor Recreation Party

## **Other Members who attended the hearings**

The Hon Duncan Gay MLC

Liberal Party

The Hon Don Harwin MLC

Liberal Party

The Hon Tony Kelly MLC

Australian Labor Party

The Hon Charlie Lynn MLC

Liberal Party

The Hon Andy Manson MLC

Australian Labor Party

The Hon David Oldfield MLC

Pauline Hanson's One Nation

The Hon John Ryan MLC

Liberal Party

The Hon Janelle Saffin MLC

Australian Labor Party

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## **Chairman's Foreword**

General Purpose Standing Committee No 5 has examined the Budget Estimates for 2000-2001 for the portfolio areas of:

Environment, Emergency Services and Corrective Services

Local Government, Regional Development and Rural Affairs

Information Technology, Energy, Forestry and Western Sydney

Agriculture and Land and Water Conservation

In this report, the Committee considers a number of specific matters relating to the various portfolio areas.

The Committee expresses its appreciation to Ministers and officers of the departments and organisations who appeared before it.

**The Hon Richard Jones MLC**  
Chairman

# Introduction

## Establishment of the General Purpose Standing Committees

The five General Purpose Standing Committees were first constituted by resolution of the Legislative Council on 7 May 1997, during the 51<sup>st</sup> Parliament.<sup>2</sup> On 13 May 1999, shortly after the commencement of the 52<sup>nd</sup> Parliament, the five committees were reconstituted.<sup>3</sup>

The General Purpose Standing Committees may inquire and report on:

- (a) any matters referred to them by the House;
- (b) the expenditure, performance or effectiveness of any department of government, statutory body or corporation;
- (c) any matter in any annual report of a department of government, statutory body or corporation.<sup>4</sup>

## Portfolios

The five committees reflect the Government Minister's portfolios as follows:

### Committee No 1

Premiers, Arts and Citizenship

Treasury, State Development

Olympics

Education and Training

Special Minister of State

The Legislature

### Committee No 2

Health

Community Services, Ageing,  
Disability Services, Women

Small Business, Tourism

Mineral Resources, Fisheries

<sup>2</sup> Minutes of Proceedings, No 65, 7 May 1997, p677. Also see Minutes of Proceedings, No 4, 14 September 1999, p48, for amendment to the resolution (the addition of Special Minister of State to the portfolio areas).

<sup>3</sup> Minutes of Proceedings, No 3, 13 May 1999, p62 (hereafter referred to as Resolution of 13 May 1999).

<sup>4</sup> Resolution of 13 May 1999, para 3.

**Committee No 3**

Police  
Attorney General, Industrial Relations  
Fair Trading, Sport and Recreation  
Juvenile Justice, Youth

**Committee No 4**

Urban Affairs and Planning,  
Aboriginal Affairs, Housing  
Transport, Road  
Gaming and Racing, Hunter  
Development  
Public Works and Services

**Committee No 5**

Information Technology, Energy,  
Forestry, Western Sydney  
Agriculture, Land and Water  
Conservation  
Environment, Emergency Services,  
Corrective Services  
Local Government, Regional  
Development, Rural Affairs

**Powers of the General Purpose Standing Committees**

The General Purpose Standing Committees have power:

- (a) to send for and examine persons, papers, records and things;
- (b) to adjourn from place to place;
- (c) to make visits of inspection within the State;
- (d) to request the attendance of and examine Members of the House;
- (e) to publish, before presentation to the House, submissions received and evidence taken in public; and
- (f) to report from time to time their proceedings, evidence taken in public and recommendations.<sup>5</sup>

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<sup>5</sup> Resolution of 13 May 1999, para 8.

## Referral of the 2000-2001 Budget Estimates

On 23 May 2000, 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.<sup>6</sup> Each Committee is to examine the Budget Estimates for their relevant portfolios and present a first report to the House before the House adjourns for the winter recess, and present a final report to the House by the first sitting day in August 2000.<sup>7</sup>

Under the resolution there is no requirement for the Committees' consideration of the Budget Estimates to be completed prior to the passage of the 2000-2001 Appropriation Bills. Separation of consideration of the Budget Estimates from the passage of the Appropriation Bills provides greater flexibility for the Committees to scrutinise government expenditure. Under section 5A of the *Constitution Act 1902* the Legislative Council is not able to prevent the passage of Bills appropriating money for the ordinary annual services of the Government.

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6 Minutes of Proceedings, No 41, 23 May 2000, items 16, 19 and 20 (hereafter referred to as Resolution of 23 May 2000).

7 Resolution of 23 May 2000, para 17.

# **Chapter 1 Environment, Emergency Services and Corrective Services**

## **Emergency Services**

Whilst the Hon Bob Debus MP, Minister for Emergency Services, and emergency services representatives were in attendance at a public hearing on the 6 June 2000, no questions were asked on emergency services due to the Committee's decision to concentrate its examination on issues relating to the environment and corrective services portfolios. Questions were however put on notice on a range of issues.

## **Environment**

The Committee heard evidence from the Hon Bob Debus MP, Minister for the Environment together with Dr N Shepherd, Director-General of the Environment Protection Authority, Mr W Hicks, Manager, Sydney Catchments, Mr B Gilligan, Director-General of the National Parks and Wildlife Services and Mr D Keith, Senior Research Scientist, National Parks and Wildlife Services at a public hearing held on 6 June 2000.

An additional hearing was convened on 20 June 2000 to enable further examination of the environment portfolio, in particular, the Woodlawn Mega Tip and related waste issues, with the Committee receiving evidence from Dr N Shepherd, Director-General of the Environment Protection Authority.

## **Corrective Services**

The Committee heard evidence from the Hon Bob Debus MP, Minister for Emergency Services, Minister for Corrective Services, and Minister Assisting the Premier on the Arts, together with Dr L Keliher, Commissioner of the Department of Corrective Services, at a public hearing held on 6 June 2000.

An additional hearing was convened on 20 June 2000 to enable further examination of the portfolio. The Committee heard from Dr L Keliher, Commissioner, Department of Corrective Services, Ms C McComish, Assistant Commissioner (Inmate Services), Department of Corrective Services, and Mr J Nelson, Acting Director Indigenous Services Unit, Department of Corrective Services. The Committee had invited Senior Assistant Commissioner R Woodham to attend, however due to prior commitments, the Snr Assistant Commissioner was unable to attend on that date.

A further hearing was convened on the 28 June 2000, to which Senior Assistant Commissioner R. Woodham was invited to attend. Mr Woodham was unable to attend on that date due to illness. The

Committee resolved to hold an additional hearing on the 6 July 2000, to which Mr Woodham was again invited to appear.

An additional hearing was conducted on the 6 July 2000, attended by Dr L Keliher, Commissioner, Mr R Woodham, Senior Assistant Commissioner, Ms C McComish, Assistant Commissioner (Inmate Services), and Ms Pat Maurer, Director Indigenous Services Unit, all of the Department of Corrective Services.

There were several issues which led the Committee to resolve to hold additional hearings. The presence of the Senior Assistant Commissioner Mr R Woodham, in particular, was deemed to be necessary to address some of the day to day issues surrounding community access to New South Wales prisons and other issues.

The issues discussed at the three days of hearings are outlined below:

## **Environment (6 June 2000 hearing)**

### **Fort Denison**

- 1.1** The Minister was asked several questions in relation to sewerage connection to Fort Denison. The Minister advised that the connection was almost complete, the estimated costs associated with installation of sewerage connection were approximately \$430,000 and that a lease was negotiated with a restaurateur for operation of the café on the island.

### **Harbour foreshore**

- 1.2** The Committee asked the Minister a number of questions regarding costs incurred from the use of harbour foreshores for special events and estimates of revenues from selling access to National Parks and Wildlife Service owned properties around Sydney Harbour on New Year's Eve. On behalf of the Minister, Mr Gilligan advised that operating costs were met from the sale of tickets for public access to the harbour islands and that access to mainland sites did not attract a fee. Total receipts from the occasion were \$303,377, whilst expenses totalled \$294,829.

### **Burning-off on National Parks**

- 1.3** The Committee asked Dr David Keith, on behalf of the Minister, to answer a number of questions in relation to the long-term effects on ecology of frequent burning-off and whether it made the bush more fire prone. Dr Keith advised fire frequency as part of a burning-off regime has different effects on different groups of species. The kinds of changes that occur in relation to fire regimes over the long-term are of concern for the conservation of biological diversity because it affects whether or not the species can maintain an existence in a particular area.

- 1.4** The Minister was also asked whether the amount of burning-off is sufficient to prevent a catastrophic bushfire situation affecting properties. On behalf of the Minister, Mr Gilligan explained that the work of the service in recent years has been to strategically minimise the impact on neighbouring properties and that arrangements in place are adequate.

### **Control of feral animals**

- 1.5** The Minister asked about feral animal control programs. The Minister noted that feral animal control programs have become more effective partly due to operations being conducted by regional offices in collaboration with other agencies.
- 1.6** The Minister was also asked what benchmarks are used to determine the performance of certain programs. The Minister recognised that until recently detailed line item outcomes from some of these programs could not be reported with sufficient effectiveness but that a new management information system now in place will provide more effective reporting.

### **Solitary Islands Marine Park**

- 1.7** The Minister undertook to provide details of funding by the National Parks and Wildlife Service for marine national parks and in particular the Solitary Islands Marine Park. The Minister confirmed that full, open and transparent consultation will be conducted through Regulatory Impact Statements for zoning of the Solitary Islands Marine Park.

### **Scott's Creek exhaust vent**

- 1.8** The Minister addressed issues in relation to the Scott's Creek exhaust vent facility of the Northside Storage Tunnel, including what action the Environment Protection Authority would take if Sydney Water breached clean air limits under the Protection of the Environment Operations Act. The Minister responded that while the EPA would follow its standard approved investigative and prosecution procedures, any action taken would depend entirely on the circumstances of the individual licence breach.

### **Licence conditions**

- 1.9** The Committee asked whether licence conditions that contain hard measurable numbers would be more acceptable to the community than licences that contain vague unmeasurable objectives that are wide open to interpretation. Dr Shepherd, on behalf of the Minister, stated that different kinds of licence conditions will depend on the precise purpose of the licensing condition itself and that for some kinds of pollution you cannot actually measure in numbers the nature of the thing sought to be controlled, the way you control it is by specifying the management practices or kinds of activities that must be carried out by the licensed authority.



**Ambient air quality standards – Northside Storage Tunnel**

- 1.10** In relation to the EPA's ambient air quality targets, Mr Hicks indicated that the operating conditions for the licence for the Northside Storage Tunnel require control equipment to operate so that there is no offensive odour or air quality impact at or beyond the boundary of the premises of any sensitive receptor such as a school.

**Anti-littering legislation**

- 1.11** The Minister was asked several questions about the cost of producing the new anti-littering advertising campaign. The Minister indicated that the campaign will cost \$1.2 million in air time during the coming financial year and that it is expected to run over a three year period. Liaison will occur with community organisations to improve community awareness. Additional funding is to be spent on training of inspectors in state and local instrumentalities to instruct on enforcement of the new legislation.

**Woodlawn megatip**

- 1.12** The Committee asked the Minister how the increased revenue from the Waste Levy is being used to find alternatives to the proposed tip. The Minister advised that a report was about to be released providing directions on alternative waste practices and technology.
- 1.13** The Minister was asked whether the situation of the tip in the Sydney drinking water catchment area would be inconsistent with SEPP 58. On behalf of the Minister, Dr Shepherd stated while the EPA made a submission to the Commission of Inquiry outlining concerns with the proposal and the conditions which should be applied if the proposal were approved, it is not the EPA's decision to approve the tip but to certify whether there is justifiable demand for a waste facility.
- 1.14** This issue was explored in greater detail in an additional hearings on the 20th June 2000.

**Dividend from water and waste services**

- 1.15** The Minister advised that for 1999-2000 a dividend of \$1.4 million and a tax equivalent of \$1.9 million had been paid to NSW Treasury from water and waste services.

**Wildlife as pets**

- 1.16** The Minister indicated that he does not resile from the National Parks and Wildlife's restrictive formal position on the private keeping of native fauna in New South Wales.

**Proposals for wilderness areas**

- 1.17** The Minister was asked how many proposals for declaration of wilderness areas have been submitted that have not been provided to the Minister within a two-year time frame. On behalf of the Minister, Mr Gilligan indicated that some wilderness proposals have been caught up in the comprehensive regional assessment process and as a result, some of those have slipped beyond the two-year period.

## **Environment (20 June 2000 hearing)**

### **Reduction of waste and waste reduction targets**

**1.18** The Committee was told by Dr Shepherd that:

The fact is that the target of 60 per cent reduction in waste going to landfill by the end of 2000 will not be achieved. However, that position has been made abundantly clear by the Minister for the Environment in several statements earlier this year.<sup>8</sup>

**1.19** Dr Shepherd later added:

It was, from an EPA point of view, a target that was always going to be exceedingly difficult to achieve but one that was worth striving for.<sup>9</sup>

**1.20** The Committee was further informed that significant waste reductions have been attained in the municipal and industrial waste streams, but there has been an increase in waste from the construction and demolition waste stream, partly due to Olympic related construction.

### **Megatip at Woodlawn and the Alternative Waste Management Technologies and Practices Inquiry Report**

**1.21** The Committee asked a number of questions in relation to the EPA's attitude to the megatip at Woodlawn and whether it contradicted the recommendations of the Report. Dr Shepherd fielded a number of questions relating to the Woodlawn facility and the Alternative Waste Management Technologies and Practices Inquiry Report.

### **Container deposit**

**1.22** Dr Shepherd informed the Committee that container deposit legislation is effective as a litter control mechanism but is operationally and economically inefficient from a waste management perspective. Nevertheless, the EPA will recommend the Government look into the issue when reviewing the Waste Act.

### **Consultation and public participation processes**

**1.23** The Committee asked what funding was available to the EPA to improve its consultation and participation processes. Dr Shepherd indicated that the EPA has a very comprehensive

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<sup>8</sup> Evidence of Dr Shepherd, Director General, NSW Environment Protection Authority, 20 June 2000, p. 17.

<sup>9</sup> *Ibid*, p. 18.

public participation process. He then outlined various programs providing for participation.

### **Sewer overflow reduction programs**

- 1.24** The Committee enquired in regard to the EPA's actions on stormwater induced sewage outflows. Dr Shepherd indicated that after years of negotiation, licences have finally been issued to Sydney Water so that sewer overflow reduction programs will occur.

### **Treatment of Sydney sewage**

- 1.25** The Committee asked the EPA to outline its position on tertiary treatment of Sydney's sewage. Dr Shepherd indicated that no measures are planned with respect to offshore ocean outfalls, however there is a constant requirement to upgrade and improve the performance of plants which discharge into estuaries or to inland waterways sometimes beyond tertiary treatment.

### **Stormwater contamination by pets**

- 1.26** The Committee considered the extent of public promotion surrounding the impacts of pet faeces in stormwater. Dr Shepherd explained that the problem regarding pet faeces will feature in any long-term publicity on contamination of stormwater.

### **Air quality study**

- 1.27** Dr Shepherd indicated that although much data has already been collected for the Metropolitan Air Quality study, research and modelling is continuing.

### **Air quality in Sydney**

- 1.28** The Committee asked Dr Shepherd to comment on the perception that Sydney's air quality is in decline. Dr Shepherd advised that air quality in Sydney for almost all parameters has improved significantly over the last two decades.

## **Corrective Services (6 June 2000 hearing)**

### **Security systems at correctional centres**

- 1.29** The Minister was asked whether, in the light of serious allegations made in the media against a Corrective Services senior bureaucrat, tendering had been conducted for the security systems installed by Advanced Security Systems at the various correctional centres in New South Wales. The Minister declined to comment on the specifics of the matter since there are two inquiries underway into the matter, but advised that all of the security systems that have been contracted by the department in the last five years have been put out to tender as required by the Public Sector Management Act.

**Payment of funeral expenses for deaths in custody**

- 1.30** The Committee drew the Minister's attention to the criteria for paying funeral expenses when there has been a death in custody. The Committee cited the example of an Aboriginal inmate who had died in custody, and whose family had complained of alleged unsatisfactory treatment regarding funeral expenses at the hands of the department. Dr Keliher, on behalf of the Minister, advised that the department is flexible when it comes to the payment of funeral expenses and the amount paid will depend upon what is reasonable in individual circumstances.

**Assaults in correctional centres**

- 1.31** The Committee addressed matters concerning budgetary measures to address assaults by inmates on staff and on other inmates in correctional centres. The Minister stated that, while there has been a modest increase in non-serious assaults over recent years, there has been very little change in the rate of serious assaults. The number of inmates actually requiring hospital treatment from assaults has fallen and the rate of assaults on officers has also fallen. The increase in minor assaults is due to the large overall increase in the prison population and an increase in the number of offenders on remand, whom are more likely to strike out at any source of aggravation. Dr Keliher outlined various initiatives to stabilise inmates. The Committee raised the matter that New South Wales appears to have a higher assault rate than other States. Dr Keliher said this was due to the uncertain reporting mechanisms used to collect data in other States, especially those featuring private prisons. There had been some attempt to introduce standardised reporting across the States but this has not eventuated to date.

**Special Care Unit**

- 1.32** The Minister was asked whether the Special Care Unit has operated fully for the last financial year and whether this will continue. On behalf of the Minister, Dr Keliher stated that the unit runs a number of programs, and for a period some were suspended while the buildings were renovated. The unit was temporarily closed for a time in order for the staff to work on reformulating and redesigning the program that is now incorporated into the broader Violence Prevention program.

**Junee Correctional Centre**

- 1.33** The Committee considered comparative operational costs for Junee Correctional Centre with other medium security non-privately managed correctional facilities. Dr Keliher, on behalf of the Minister, stated that there is difficulty in comparing costs between correctional centres. Junee, being a relatively new establishment, is much more efficient than other centres. It is also relevant to look at the degree of difficulty of management of individuals as Junee largely houses protection prisoners who are generally very well behaved. The major saving however, is though the operating procedures and salary structures that are in place.

**Tendering for correctional centre management**

- 1.34** The Committee questioned the Minister on the department's tender for management of the Junee Correctional Centre. On behalf of the Minister, Dr Keliher stated that there have been a number of significant changes to the role of the public sector, and that in light of the increase in prison numbers and resulting major projects, such as the takeover of police cells and court security and escorts from the police service; and the expansion of gaols in the system, tendering for that prison represents an unreasonable diversion of resources. Dr Keliher stated that the tendering cost was less than \$100,000.

**Support for inmates with intellectual disabilities**

- 1.35** The Committee was concerned that prisoners with intellectual disabilities have been estimated as comprising up to 20 % of the prison population, and queried the extent to which the 2000-2001 Budget was allocated to support programs for this group. Dr Keliher indicated that spending on programs for prisoners with an intellectual disability comprised around \$1,100,000 for the current financial year. Dr Keliher also drew the Committee's attention to debate that the number of inmates that actually have an intellectual disability is a matter of definition depending on screening criteria.

**Access to prisons by welfare groups**

- 1.36** The Minister was asked to comment on access by community organisations to NSW prisons, particularly in the non-metropolitan area. The Minister indicated that it is not the intention of the system to deprive welfare groups of appropriate access to inmates and undertook to look into the issue. This issue was explored in greater detail in subsequent hearings on 20 June 2000 and 6 July 2000.

**Corrective Services (20 June 2000 hearing)****Community access to NSW Prisons**

- 1.37** The Committee continued its questioning on this issue from the first hearing on 6 June 2000, requesting that more information be provided of the Authorised Visitor access to prisons. The Commissioner, Dr Keliher, stated that clearance for access to corrective centres has been completed for all community groups and there are only one or two individuals who have not yet been issued with passes. Problems with authorisations arose due to the significant increase in groups seeking access and administrative confusion regarding issue of passes from various points. Some passes were also being improperly used for different centres and as a result, existing passes were recalled and new passes issued specific to correctional centres. The Committee followed up this issue by scheduling an additional hearing for 28 June 2000, when the Senior Assistant Commissioner could appear to further clarify the issue. The matter was followed up in the subsequent hearing on 6 July 2000.

**Access by Aboriginal support groups**

- 1.38** The Committee expressed concern that it appeared that there were restrictions on the number of indigenous organisations being allowed access to NSW prisons. Consequently, several questions were asked regarding access by Aboriginal support groups to correctional centres. The department stated that some delays were experienced during the recall of passes. The accreditation process was complex due to a number of people belonging to more than one support group and the number of new members party to those support groups.
- 1.39** The Committee gave particular attention to access available to the NSW Prisoner and Family Support Service, which provides access to prisons in the event of a serious incident or a death in custody. The Committee was advised that accreditation delays to the new support service were linked to the recall and reissue of passes. Access was provided to the new support service in the event of a death in custody even though accreditation was pending.
- 1.40** The Committee was concerned that the previous organisation established to provide this service - The Aboriginal Deaths in Custody Support Unit - had also experienced some difficulties with obtaining access to prisons. Questions were raised regarding withdrawal of access to prisons for Mr Ray Jackson, former Manager of the Aboriginal Deaths in Custody Support Service. Dr Keliher informed the Committee that Mr Jackson's pass was withdrawn due to repeated instances where, in the department's opinion, Mr Jackson exceeded the bounds of responsibilities he was required to fulfil.

**Security systems at correctional centres**

- 1.41** Following questions regarding Advanced Security Systems and allegations pertaining to a Corrective Services senior employee raised in the first hearing on the 6 June 2000, Dr Keliher took on notice several questions regarding installation of security systems and contracts for security systems. The matter was revisited in the subsequent hearing on 6 July 2000.

**Measures for keeping drugs out of jails**

- 1.42** Dr Keliher outlined a detailed range of measures to prevent drug supply to inmates.

**Corrective Services (6 July 2000 hearing)****Access to correctional centres by Aboriginal groups**

- 1.43** Following on from questions asked in the previous Budget Hearings on the 6 June and 20 June 2000, the Committee explored the issue of Aboriginal community access to NSW prisons. Senior Assistant Commissioner Woodham advised that only one funded organisation would be authorised to carry out deaths in custody functions in correctional centres, and that this had been the arrangement for some years.

- 1.44** The Senior Assistant Commissioner advised that approximately 60 Aboriginal groups have access to correctional centres. Ms McComish advised that of these organisations, the New South Wales Aboriginal Prisoner and Family Support Service is the only organisation accredited to access correctional centres to provide the deaths in custody function. The organisation provides a state wide service to Aboriginal prisoners and their families. This is the only indigenous organisation to have passes that allow access to all NSW prisons.

### **Workplace dispute**

- 1.45** The Committee considered issues relating to conflict between two senior staff in the department. The Committee directed the Commissioner to respond to the questions asked by Committee members in this regard.

### **Advanced Security Systems**

- 1.46** Following on from previous hearings on 6 and 20 June 2000, the Committee asked a number of questions in relation to circumstances surrounding Commander Owens and Advanced Security Systems. Dr Keliher advised that, once he had established Mr Owens had travelled overseas with a principal of Advanced Security Systems, he requested that Mr Owens return to Australia.
- 1.47** The Committee heard evidence that Mr Owens had subsequently been reassigned to other duties in the department associated with security issues at courts and minimising opportunities for self harm in correctional centres and court cell complexes. Dr Keliher made a number of supporting remarks about the calibre of work undertaken by Mr Owens for the department over many years. The Committee directed the Commissioner to respond to the questions asked by Committee members in this regard.

### **Trafficking of drugs in maximum security prisons**

- 1.48** The Committee received details of the processes implemented by the department to detect and stop the introduction of drugs into correctional centres. Mr Woodham advised that the department did not support the elimination of physical contact between visitors and prisoners as a means of minimising drug trafficking. Mr Woodham stated that many families who visit inmates are law abiding and deserved to have physical contact with loved ones.
- 1.49** Advanced x-ray equipment, that enhances the detection of drugs and weapons concealed in food entering correctional centres, is under consideration.

### **Damage to cells in Goulburn Gaol**

- 1.50** The Committee heard evidence that around \$150,000 in damage was caused to 24 cells of Goulburn Gaol. The damage was caused by prisoners who felt aggrieved at being locked in their cells early after a yard disturbance.

**Access to correctional centres for Mr Ray Jackson**

- 1.51** The Committee was provided with a document by Mr Jackson rejecting the Department's position regarding restricted access to New South Wales prisons by indigenous community organisations. Following on from statements made in the last Budget Estimates hearing on 20 June 2000, the Committee requested further information regarding Mr Ray Jackson's, former Manager of the Aboriginal Deaths in Custody Support Unit, access to certain prisons. Assistant Senior Commissioner Woodham outlined the department's perspective of circumstances that led to Mr Jackson being restricted from accessing certain prisons.

**Collection of information on Members of Parliament**

- 1.52** The Committee inquired into the whether the department of Corrective Services routinely collected information relating to Members of Parliament, the purpose of the information; and on what authority it was collected. The Committee also inquired whether this information was passed onto the Minister's office. The Commissioner advised that it was standard operational procedure for a Member of Parliament to advise the Minister's office if intending to visit a correctional centre. The Commissioner also advised that if the Member is not accompanied by senior prison staff on the visit, the Governor or Deputy will inform the department of the visit, the time and date it occurred; who was there and what was discussed. The Minister's office is not advised of much of this information due to its mundane nature.



## **Chapter 2 Local Government, Regional Development and Rural Affairs**

The Committee heard evidence from the Hon Harry Woods MP, Minister for Local Government, Minister for Regional Development, and Minister for Rural Affairs, together with Mr G Payne, Director General of the Department of Local Government and Mr L Harris, Director-General of the Department of State and Regional Development, Mr M Cullen, Executive Director (Regional Development), Department of State and Regional Development at a public hearing held on 7 June 2000. A brief summary of issues discussed at the hearing is provided below.

### **Regional Development and Rural Affairs**

#### **Pilot saline processing project**

- 2.1** Mr Cullen indicated that the Department is looking at what can be done to develop a pilot project proposal linking a geo-processing plant with a solar-operated desalination plant.

#### **New Market Expansion Program**

- 2.2** The Committee referred the Minister to the \$600,000 New Market Expansion program to assist 300 regional firms to access new markets through a variety of business activities. On behalf of the Minister, Mr Harris stated that the quantum per company is sufficient if an incentive can be provided to assist the company on a dollar for dollar basis.

#### **Regional business investment tours**

- 2.3** The Committee asked the Minister several questions in relation to regional business investment tours. On behalf of the Minister, Mr Harris indicated that three tours have already been conducted, providing positive results by bringing together about 50 senior representatives of Australia's investment institutions, and some 200 regional businesses. Several initiatives were outlined that arose from those tours such as investment readiness seminars. A fourth tour is planned.

#### **Business relocation**

- 2.4** The Committee was advised that the department conducts business relocation seminars to raise company awareness that benefits may be attained from relocating operations to country areas.

**Benchmarking**

- 2.5** The Minister was asked several questions regarding benchmarking the department's performance against equivalent state agencies in Australia and overseas. The Committee was referred to an Australian Graduate School of Management study conducted on the department.

**Regional Development Assistance program**

- 2.6** The Committee addressed issues in relation to allocation of funds under the Regional Development Assistance program. The Committee was advised that the budget includes a range of programs including the regional business development scheme, the regional economic transition scheme, the Community Economic Development programs, the Main Street program, the Small Towns program, and a range of other smaller programs which are designed to help the building of local capacity in regional areas.

**Village at Inverell**

- 2.7** The Minister was asked several questions relating to the involvement that the Department of State and Regional Development has had with the proponent of a village planned for development on prime agricultural land at Inverell. The Committee was advised that the Department's involvement extends to discussions with the Bruderhof community to help them understand regional New South Wales and options there, and an introduction to various people locally and that the Department is interested in them as they are talking about manufacturing industries in the area.

**Dairy industry deregulation**

- 2.8** The Minister advised that a number of department programs were available to country towns through the country centres growth strategy, and the regional economic transition scheme to address unemployment associated with dairy deregulation.

**Local Government****Registration fees and fines for companion animals**

- 2.9** The Committee asked the Minister several questions in relation to the impact of registration fees and fines in the companion animals legislation and the destruction of animals for a failure to pay a prescribed amount. The Minister stated that the aim of the legislation is to encourage responsible pet ownership. It is possible that with the introduction of the legislation there could be an initial increase of euthanased animals but in the longer term a reduction is likely to occur.

**Registration of companion animals**

- 2.10** The Committee considered how many animals are currently registered in New South Wales and how much revenue was received from registrations. On behalf of the Minister, Mr Payne indicated that from 1 July 1999 to 7 June 2000, the total number of animals registered and identified was 98,000. Revenue this financial year is estimated at \$4.6 million, of which about \$3.1 million will be returned to councils for enforcement and management of the companion animals programs.

**Access to pet registry**

- 2.11** The Minister stated that the pet register provides 24-hour, seven-day-a-week access to those people who are authorised to access it. Progress was being made to provide vets with access to the register.

**999 test chips**

- 2.12** The Minister was asked how many of the so-called 999 test chips that are without unique numbers have been implanted. The Minister detailed that about 150 dogs are implanted with test chips that have the 999 prefix, although all are followed by a number after it which is unique.

**National Competition Policy funding**

- 2.13** The Minister stated that the Department for Local Government has received no funding from Treasury relating to National Competition Policy. The department has requested that councils provide further details on costs incurred as a result of National Competition Policy.

**Pensioner rate rebates**

- 2.14** The Committee directed questions to the Minister concerning funding for pensioner rate rebate. The Minister indicated that the scheme, paid to local government, is based on the number of claims submitted by councils and the number of pensioner households in a particular local government area. Although the number of people of pensionable age is growing, there has been a general rise in the number of self-funded retirees.

**On-site sewage management funds**

- 2.15** The Committee asked the Minister how funds are being allocated for on-site sewage management. The Minister stated that the Government announced \$400,000 in funding for new on-site sewage management improvement in key shellfish production areas and also drinking water catchment areas. The total funding of \$3.8 million over three years is available for three types of projects, being to develop and implement OSM strategies, the second is enhancement projects in environmentally sensitive areas, and third is research projects.

**Freedom of information requests**

- 2.16** The Minister indicated that Freedom of Information (FOI) charges are determined on a cost recovery basis and that it is not a method of raising funds.

**Department relocation to Nowra**

- 2.17** The Committee asked several questions on the department's relocation to Nowra. On behalf of the Minister, Mr Payne indicated that the department has completed a facilities plan that has been endorsed by a central committee. The next stage is a determination on the type of accommodation to be secured in Nowra. The Department will require a small central office in Sydney to service the Minister's office for certain things such as the need in some cases for officers to be in Sydney for several days.

## **Chapter 3 Information Technology, Energy, Forestry and Western Sydney**

The Committee heard evidence from the Hon Kim Yeadon MP, Minister for Information Technology, Minister for Energy, Minister for Forestry, and Minister for Western Sydney, together with Mr W Watkins, Director General, Department of Information Technology and Management, Mr P Lee, Assistant Director, Ministry for Energy and Utilities, Mr Mark Fogarty, Executive Director, Sustainable Energy Development Authority, Dr R Smith, State Forests of NSW, Ms M Ryan, Executive Director, Office of Western Sydney and Mr A Walker, Chief Executive Officer, Sydney Water Corporation and Mr R Quill, General Manager, Transwater at a public hearing held on 9 June 2000.

An additional hearing was convened on 19 June 2000 to enable further examination of the energy portfolio with the Committee receiving evidence from Mr A Walker, Chief Executive Officer, Sydney Water Corporation, Mr R Quill, General Manager, Transwater and Mr R Powis, Chief Executive Officer, Integral Energy.

The issues discussed at both days of hearings are provided below.

### **Western Sydney**

#### **Western Sydney Budget**

- 3.1** The Minister explained that the Western Sydney Budget Statement is designed to provide qualitative information to the community of Western Sydney so that they are aware of where money is being spent through funding programs and that the document is compiled through cooperation from other Ministers.

#### **Western Sydney Business Awards**

- 3.2** The Minister detailed that the awards are conducted through a sponsorship program and the sponsorship figure for 1999-00 totalled \$330,000. There are two staff members from the Office of Western Sydney who have primary carriage of the awards but that is not their only functional task.
- 3.3** The Minister was asked whether organisation of the awards should be put out to tender. The Minister explained that the awards are part of a partnership and the association with the New South Wales Government is recognised abroad and gives business greater prestige and integrity in those markets.

### **Greater Western Sydney Economic Development Board**

- 3.4** The Committee considered the roles of the Greater Western Sydney Economic Development Board and the Office of Western Sydney. The Minister stated the Greater Western Sydney Economic Development Board is not a government body, but a community organisation that receives some funding from government, whereas the Office of Western Sydney is a government agency. The Office of Western Sydney takes a broad strategic focus on issues in western Sydney, specifically covering jobs and economic development, social services and the environment. The Greater Western Sydney Economic Development Board is focused on only economic development.

## **Information Technology**

### **Internet in classrooms**

- 3.5** The Minister stated every public school in NSW has a connection to the Internet and that New South Wales was the first state in the world to achieve that outcome.

### **Online government services**

- 3.6** The Committee questioned the Minister about what percentage of government services are on line including bill payments, form lodgements and bookings. The Minister stated that by the end of 2001 the Government it will put all appropriate services on line.

### **Government Network Service**

- 3.7** The Minister advised that the Government Network Service (GNS) was developed over the last couple of years in terms of a business case and tender documents. The tender for the GNS was awarded to six different contractors so that each could bring expertise, knowledge and skills to the rollout of the Government Network Service.

### **Connect.NSW project**

- 3.8** The Committee addressed issues relating to funding for development of the information technology content of the Connect.NSW project. The Minister stated that the project is about taking the content that already exists within government on a range of legacy systems with varying platforms, and bringing them together into a seamless one-window presentation for the community.

## **Forestry**

### **Charcoal plant at Gunnedah**

- 3.9** The Committee asked the Minister several questions in relation to wood supply to the proposed charcoal plant at Gunnedah. While the Minister did not state whether or not

“sawlog material” would be burnt in the plant, he advised that “wood residues” for charcoal production to be used in the proposed silicon smelter in Lithgow could be derived from the state's north-east forest regions and there would not be the need to cut down a single tree specifically for the purpose of charcoal production.

**3.10** Dr Smith advised that the price for the timber to be used by the plant is still under negotiation and would form part of a commercial contract and timber haulage to the plant would not be subsidised by State Forests.

**3.11** The Minister also stated that the smelter would provide a dual benefit to New South Wales. A significant commercial investment will occur creating over 300 new jobs and the company will develop a hardwood plantation west of the Great Dividing Range to encourage reforestation in parts of the state where impacts of dry land and stream salinity are evident.

### **Forestry plantations**

**3.12** The Minister stated that there is a range of reasons that affect plantation establishment such as availability of land and escalation in land prices when it is known that State Forests is actively seeking to purchase land. The Minister affirmed the Government's commitment to plantations, which is indicated by doubling of the plantation estate since it has been in office.

### **Recreation in new forest reserves**

**3.13** The Minister noted that 1,400,000 hectares of new national parks and reserves had been created since 1995, involving, in part, the reclassification of State Forests areas designated for timber production to recreational use and national parks.

### **Maintaining forest area**

**3.14** The Minister acknowledged that the *Forestry Act 1916* needs updating to reflect current community values and to reflect the significant activity that the Government has undertaken in conservation and forestry over the last few years.

## **Energy (9 June 2000 hearing)**

### **SEDA budget**

**3.15** The Committee asked the Minister for a response to concerns that the budget for SEDA had been reduced. The Minister stated that when SEDA was initially formed by the Government the objective was to use that organisation as a major catalyst and driver of sustainable energy projects, developments and information that would eventually become self-sustaining financially and ultimately not relying on the injection of government funds.

**State owned corporations**

- 3.16** The Committee sought clarification of the roles of the portfolio Minister and the shareholding Ministers under the State Owned Corporations Act. The Minister explained that shareholding Ministers represent the New South Wales community to ensure that the state owned corporation operates on a sound financial basis and produces the best outcome for the people of New South Wales. The portfolio Minister's role is to ensure that a particular product, commodity or service is provided by a state owned corporation in the best interests of customers and the community.

**Integral Energy billing systems**

- 3.17** The Committee addressed issues relating to the Integral Energy billing system and the implementation of the new Customer Service System (CSS). The Minister advised that he made his dissatisfaction clearly known to Integral Energy and has been monitoring them very closely since that time to ensure that they are addressing this problem as quickly as possible. Integral Energy have a technical problem with the billing system and are working with their supplier to rectify the areas of concern.

**Energy Smart business program**

- 3.18** The Minister stated that the Energy Smart campaign includes both live Energy Smart and Work Energy and undertook to provide details of recipients from the program.
- 3.19** The Committee considered SEDA's budget allocation for education and marketing expenses. The Minister stated that the campaigns that SEDA wanted to conduct in relation to education were completed. The range of programs that SEDA is involved with in education and promotion varies depending on what issues arise.

**Greenhouse gas emissions**

- 3.20** The Minister explained that New South Wales is the only state to apply greenhouse gas reduction requirements to the licences of electricity retailers. For New South Wales retailers, there has been significant progress in reducing their emissions, especially Integral Energy, which has exceeded the benchmark reduction by over 15 per cent through the use of coal-seam methane as a fuel and the Sithe co-generation facility at Smithfield. The Minister provided detailed information on a range of initiatives to reduce greenhouse gas emissions.

**Energy (19 June 2000 hearing)****Integral Energy CCS billing system**

- 3.21** The Committee was advised that CSS consists of a billing system and metering functions including installation of meters, changing meters and reading of meters. Expenditure on CSS was around \$40 million as at May 2000.



- 3.22** When questioned on the shortcomings of CSS, Mr Powis mentioned the timely delivery of bills to customers, noting that 18,100 customers were still awaiting bills. Problems in billing previously restricted the inflow of money to Integral Energy and its ability to operate using cash. This necessitated the acceptance of an overdraft for approximately \$1 million from NSW Treasury that has since been closed off.

### **Consultants**

- 3.23** Mr Powis took on notice details of the number and cost of consultants engaged by Integral Energy since 1997 and whether their recommendations were adopted.
- 3.24** The Committee enquired as to the response that Integral Energy had taken to recommendations in the Arthur Anderson report, April 2000, concerning the operation of call centres. Mr Powis indicated that as a result of a senior person being appointed, emergency procedures had since been established at the Huntingwood call centre and improvements in call centre technology were due to be considered by as part of a report to the Board in June 2000.

### **Staff turnover**

- 3.25** The Committee heard evidence that Integral Energy's retail energy area had experienced a large turnover in staff (18% – 20%), predominantly senior employees, over the last four months. Mr Powis pointed to a convergence of issues including, lower salaries in the retail area than competitors, operational problems and corresponding adverse publicity for the organisation, management of bonuses and personal issues between employees as reasons for the turnover. Reorganisation of the retail area was foreshadowed as a first step in addressing these issues.

### **Organisational restructure**

- 3.26** Mr Powis briefed the Committee on a number of organisational changes for Integral Energy involving the retail area, call centre, asset management, financial management and human resources. In addition, a review of senior management is underway.

### **IPART's role in electricity distribution**

- 3.27** Mr Powis indicated that the proposed new role for the Independent Pricing and Regulatory Tribunal in regulating the electricity distribution industry will make distributors more accountable.

### **Greenhouse forest project**

- 3.28** Mr Powis detailed Integral Energy's involvement in the first greenhouse forest project in Western Sydney. The onus on electricity distributors to more closely consider dynamics of building infrastructure, gas and alternative energy sources was foreshadowed as part of distributors' increasing accountability for carbon dioxide emissions.

**Solar panels in schools**

- 3.29** In consultation with the SEDA, Integral Energy has two people employed to investigate the technical possibilities of installing solar panels in schools.

**Sydney Water (9 June 2000 hearing)****Northside Storage Tunnel vent at Scott's Creek**

- 3.30** The Minister stated that Sydney Water had been involved in a lengthy period of mediation with residents in relation to the vent. Advice received by Sydney Water indicated that the vent posed a very low risk. The Northside Storage Tunnel will create environmental benefits by reducing the amount of sewage currently flowing into Scott's Creek.
- 3.31** The Committee asked a number of further questions which were taken on notice regarding issues including, Manly lagoon, retro-fitting Northside Storage Tunnel, filtration of hydrogen sulphide gas discharge at Scott's Creek.
- 3.32** Mr Walker stated that the very last of the four tunnel boring machines has approximately 400 metres to complete the tunnelling project and is working in very difficult ground. No compromise with safety will occur and tunnelling is proceeding on a very cautious basis.

**Sydney Water (19 June 2000 hearing)****Northside Storage Tunnel**

- 3.33** The Committee asked additional questions relating to the health implications of the Northside Storage Tunnel exhaust vent at Scott's Creek. A chemically impregnated, granular-activated carbon filter is to be installed to filter gases vented from the site. The Committee heard evidence that a bypass system to the gas filtering process has been designed, although risk assessment of the tunnel's operation indicates that chances of the bypass being used are very slight.
- 3.34** Mr Quill advised that a mediation process between Sydney Water and community groups concerning the Scott's Creek vent involved consideration of around a dozen alternatives, many of which were costed.
- 3.35** Evidence was received that no bonus had been issued to contractors or staff involved in the construction of the tunnel to date.
- 3.36** The Committee heard evidence that a completion date for the project had yet to be determined.

**Salary, travel and legal expenses of Sydney Water Corporation**

- 3.37** The Committee asked questions in relation to bonuses and travel expenses of senior staff. Mr Walker advised that bonuses to senior staff of Sydney Water would not be considered until the completion of the 1999-2000 year. The extent of court actions and legal expenses

incurred by Sydney Water and Australian Water Technologies were taken on notice by Mr Walker.

**Staff redundancies at Sydney Water**

- 3.38** In August 1999, staff of Sydney Water and Australian Water Technologies were invited to express an interest in taking voluntary redundancy. Approximately 950 people have expressed interest in the proposal, with 700 people expected to take redundancy by the completion of the program on 31 July 2000.

## **Chapter 4    Agriculture, and Land and Water Conservation**

The Committee heard evidence from the Hon Richard Amery MP, Minister for Agriculture, and Minister for Land and Water Conservation, Dr Kevin Sheridan, Director General, Department of Agriculture, Mr Steve Griffith, General Manager, Rural Assistance Authority and Dr Bob Smith, Director General, Department of Land and Water Conservation, at the public hearing on 9 June 2000. A brief summary of issues discussed at the hearing is provided below.

### **Agriculture**

#### **Sources of revenue**

- 4.1**        The level of revenue NSW Agriculture is expected to achieve in 2000-2001 is slightly lower than the previous year. Dr Sheridan advised that the department was pursuing avenues to charge for services where private benefits could be identified.

#### **Funding for Bovine Johne's Disease**

- 4.2**        Dr Sheridan advised that funding for Bovine Johne's Disease has not been identified in the Budget Papers, as it is an ongoing management issue that will be funded through general recurrent expenditure.

#### **Levy contributions for Ovine Johne's Disease**

- 4.3**        The Committee asked for comment on the success of the \$100 voluntary levy for management of Ovine Johne's Disease. Dr Sheridan indicated the levy was part of a national program that industry had agreed to contribute to, and anticipated an improved response from industry in the time leading up to the 30 June 2000 deadline. Dr Sheridan noted that if voluntary levies were insufficient at this time, then legislative powers would be applied to make payment of the levy compulsory.

#### **District agronomist numbers**

- 4.4**        Dr Sheridan advised that there was no plan to decrease district agronomist numbers and that overall the number of extension officers had risen by 40% in the last five years.

**Management of Ovine Johne's Disease**

- 4.5** The committee heard evidence that the department is conducting separate trials on the use of a Spanish vaccine and a destocking program to manage OJD. Initial tests have indicated that eradication of the disease may be achieved by destocking for one year rather than two years as originally envisaged. Results will not be confirmed for either of the trial programs for several years.

**Structural adjustment in the dairy industry**

- 4.6** Dr Sheridan stated that economic pressures brought to bear from deregulation of the dairy industry is likely cause dairy farmers to be more intensive and efficient, with larger farm sizes, larger herd numbers and greater use of grain and concentrate feeding.
- 4.7** The Committee heard evidence that the Minister has established a ministerial committee to oversight a program for assisting dairy farmers adjust to the deregulated environment. The program comprises of three components "Dairy Do It", "Dairy Family" and "Dairy

**Review of the *Animal Research Act 1985***

- 4.8** The department is continuing its review of the *Animal Research Act 1985* after releasing an issues paper in April 1999, receiving over 470 submissions and conducting five public meetings. The review group, which includes a number of interest group representatives, is due to report to the Minister by mid 2000.

**Noxious weeds grants**

- 4.9** Funding to assist local councils and rural lands protection boards to control noxious weeds for 1999-2000 totalled \$6.536 million, an increase of \$128,000 from the previous year.

**Rural Assistance Authority financing activities**

- 4.10** The Committee asked for an explanation of the how the figures under the item "cash flows for financing activities" for the Rural Assistance Authority were arrived at. Mr Griffith advised that for 2000-01, \$9 million in advance payments consists of budgeted loans from NSW Treasury for distribution to farmers, while \$24.6 million is budgeted as payments received by the Authority on behalf of NSW Treasury from farmers repaying their loans.

**Rural Assistance Authority loan portfolio**

- 4.11** Mr Griffith stated that the current portfolio is approximately \$78.3 million, a net increase of \$6 million from the previous 12 months. Approximately 50% of the loans are for conservation purposes under the Special Conservation Scheme and another 50% are in response to natural disasters.

**Managing farm debt under the Western Electricity scheme**

- 4.12** The committee was advised that administration of farm debt under the Western Electricity scheme has been transferred from the energy portfolio to the Rural Assistance Authority.

**Assistance for installing flying fox deterrents and netting**

- 4.13** The committee was advised that nine applications had been approved and two applications declined for low interest loans on flying fox deterrents and netting. Less than \$500,000 in loans had been granted on a fixed interest basis of 5%, with the usual term of the loan being 10 years.

**Potential impacts of land fill sites on agriculture**

- 4.14** Dr Sheridan noted that the department had raised concerns about potential problems for agriculture associated with fruit fly from a proposed solid waste land fill site at Ardlethan. Mention was made that the department had advised the Minister of its concerns about proposed solid waste land fill sites in the Hunter as a possible source of phylloxera, an aphid that causes destruction to grape vines.

**Agricultural student numbers**

- 4.15** Evidence was tendered that 76 students are currently enrolled at the Murrumbidgee College of Agriculture with peak intake being around 83 or 85. The Tocal Institute is presently operating at about its peak intake of 110 or 120 students.

**Advancing Australia Agriculture FarmBis**

- 4.16** The committee considered the allocation of funds from the Advancing Australia Agriculture Farm Bis package. Dr Sheridan advised that requests for funding for FarmBis had increased dramatically and expected all funding to be allocated by 2000-01.

**Revenue from sale of property, plant and equipment**

- 4.17** The committee was informed that the department had raised \$14.7 million in revenue from the disposal of houses in the Western Division and in tick areas and the disposal of surplus machinery.

**Acid Soil Action Program**

- 4.18** Dr Sheridan gave evidence that the original Acid Soil Action program, scheduled to end on 30 June 2000, has been extended for another three years. The base allocation remains at \$2 million per annum. The committee noted some fluctuations in annual allocations, which Dr Sheridan accounted for as a result of unused amounts being carried forward from previous years.

### **Assistance for farmers under fruit fly quarantine**

- 4.19** Dr Sheridan advised that there were a number of areas still quarantined due to fruit fly outbreaks. Primary producers may apply for financial assistance from the Rural Assistance Authority. The Department of Agriculture has no funding identified in its budget for this purpose although \$1 million has been expended as part of an eradication campaign.

## **Land and Water Conservation**

### **Salinity**

- 4.20** Dr Smith advised that the department has been allocated an initial \$5 million for salinity and is seeking supplementation funding through this year's budget.
- 4.21** The Minister estimated that New South Wales was faced with an annual cost of \$24 million from salt action to land and detailed some of the Government activities in this area including the Salinity Summit. Dr Smith reported that, due to the implementation of water management plans, the levels of ground water in the Kooragang, Murray and Murrumbidgee areas have stabilised or decreased.

### **Weir management**

- 4.22** The committee was advised that the department allocated around \$1 million for weir management. Approximately six or seven weirs have been identified for trial removal and another seven weirs are in the process of having fish-ways installed in conjunction with Department of Fisheries.

### **Murray Darling Basin Commission (MDBC) Cap applied to the Barwon Darling River**

- 4.23** Dr Smith advised that a number of options are being reviewed to ensure water use on the Barwon Darling River complies with the MDBC Cap. A reduction in water usage by 60 gegalitres is proposed.

### **Murray Darling Basin Commission funding**

- 4.24** New South Wales contributes \$20.5 million or 34% of total funding for Murray Darling Basin Commission operations. The Minister advised he is satisfied with the proportionate return to the state of MDBC funded projects.

### **Reduction in staff numbers**

- 4.25** The committee asked what services had been reduced as a result of staff numbers declining by 53 during this budget and around 300 overall since 1997-98. Dr Smith indicated that more efficient work practices had ensured no services had been cut even though staff reductions had been necessary to ensure the department operated within budget.

- 4.26** The introduction of technology advancements such as CLID, to improve the efficiency in billing and day to day administration, has created productivity gains.

#### **Declaration forms for members of Catchment Management Boards**

- 4.27** Dr Smith advised that representatives of Catchment Management Boards are required to sign a declaration that no conflict of interest exists with membership of the committee.

#### **Breaches of the *Native Vegetation Conservation Act 1997***

- 4.28** Dr Smith advised that since the implementation of the Act, 350 reported breaches had been investigated, of which 120 had been determined not to be illegal, 109 had warning notices issued and 108 were still under investigation. There have been no prosecutions to date although the department has a number of matters that it is waiting Crown Solicitors advice upon.

#### **Breaches of the *Water Act 1912***

- 4.29** The department did not institute any prosecutions for illegal use of water last year although a couple of matters are currently being considered.

#### **Kerin Report**

- 4.30** The Kerin Report has been released for public discussion and considers institutional and administrative arrangements for the Western Division and the Western Lands Act. Native vegetation clearing guidelines for the Western Division are administered under the *Native Vegetation Conservation Act 1997* and will not be influenced by the Kerin report.

#### **Ground water**

- 4.31** Dr Smith indicated that the department was looking to increase its efforts in the area of ground water dependent ecosystems. Additional time taken in obtaining broader committee involvement was mentioned as one reason for the department not implementing any ground water management plans in the past two years.

#### **Options for increasing water flows to the Snowy River**

- 4.32** The Minister updated the committee on the Government's negotiations between Victoria, South Australia, the Commonwealth and other shareholders in relation to increasing environmental flows to the Snowy River and surrounding watercourses. Discussions on the Snowy River have led to investigations of options for improving water efficiency. Note was made that unaccounted water losses from river systems averaged around 30%, comprising channel losses in the vicinity of 25% - 30%. Dr Smith mentioned that preliminary assessments indicate that water efficiency options for lining channels or delivering water via pipes have a capital cost of around \$1,000 per megalitre.



**Water releases for hydro electricity**

- 4.33** Dr Smith acknowledged that while a large amount of water is used for the generation of base rate electricity, generators prefer to release water during the shoulder of peak electricity demand to maximise revenue. Differences between the desired timing for release of water by the irrigation industry and electricity generators is causing some tension between the two groups.

**Country town water supply and sewerage program**

- 4.34** The Minister responded to a number of questions relating to the country town water and sewerage program. Note was made of the annual expenditure on the program for 2000-01 and the benefits achieved so far. Projects commenced under the scheme since 1995 were incorporated into the transcript.

**Hexham Swamp**

- 4.35** The Minister provided details of funding allocations for estuary management works. Dr Smith advised that work was continuing on the operation of the Hexham swamp floodgates and that the Minister would be in a position to make a decision on this matter in the next 12 months.

**Revised water resource legislation**

- 4.36** The Minister stated his intention to introduce a bill into the Legislative Assembly, concerning water resources, as part of the Government's white paper on water reform. The bill is scheduled for introduction prior to the Parliament's winter recess, although debate is not anticipated to commence until later in the year when Parliament resumes. The purpose of the bill is to incorporate all aspects of the water reform process and existing legislation. The Minister announced that community consultation would be part of the legislation reform process.

## **Chapter 5 Administrative matters**

### **Conduct of the budget estimates hearings**

#### **Order for portfolios to be considered**

- 5.1** The Committee agreed prior to the commencement of each hearing the order in which portfolios were to be examined.

#### **Questions by topic**

- 5.2** Members agreed to direct questions to witnesses on a topic basis, rather than allocate individual time to a Member or political party. This allowed all Members to participate in a topic area until questions were exhausted.

#### **Extension of time for budget estimates hearings**

- 5.3** On 21 June 2000, the House resolved to vary the resolution of 23 May 2000, referring the 2000-2001 budget estimates to the General Purpose Standing Committees, to permit General Purpose Standing Committee No.5 to conduct additional hearings into the portfolio of corrective services during the week commencing 26 June 2000. The resolution is outlined in Appendix 2.
- 5.4** On 29 June 2000, the House resolved to amend the resolution of 21 June 2000, enabling General Purpose Standing Committee No.5 to conduct additional hearings to examine inmate and custodial services of the corrective services portfolio. The resolution is outlined in Appendix 3.

#### **Questions on notice**

- 5.5** No questions were placed on notice prior to the public hearings.
- 5.6** The Committee has set Monday, 7 August 2000 as the date by which all Ministers should respond to questions placed on notice at, or after, the hearing. Responses to these questions will be tabled in the Legislative Council, in a second volume to this report, once they are received.

#### **Supplementary hearings**

- 5.7** The Committee has not set a date for supplementary hearings at this stage.

# Appendix 1 – Proceedings of the Committee

## Minutes No. 25

Tuesday 6 June 2000  
At Parliament House at 7:45pm

### 1. Members Present

Mr R Jones (in the Chair)  
Ms Burnswoods  
Mr Lynn (Jobling)  
Mr Johnson  
Mr M Jones  
Mr Manson (Dyer)  
Mr Ryan (Bull)

### 2. Apologies

Nil

### 3. Budget Estimates reference

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

The Committee deliberated.

Resolved, on motion of Mr Ryan, that Members will question witnesses on specific issues rather than allocating blocks of time to individual parties or Members.

The Hon R.J. Debus MP, Minister for the Environment, Minister for Emergency Services, Minister for Corrective Services, and Minister assisting the Premier on the Arts was admitted and accompanied by the following advisors:

#### ***Environment Protection Authority***

Dr N. Shepherd, Director General  
Mr A. Ramsay, Acting Executive Director, Finance and Administration  
Mr B. Watt, Manager Services Unit, Strategic Services  
Mr W. Hicks, Manager, Sydney Catchments

#### ***National Parks and Wildlife Service***

Mr Brian Gilligan, Director General  
Mr Arthur Diakos, Manager, Environmental Planning

Ms Sally Barnes, Director, Education and Community Programs  
Dr David Keith, Senior Research Scientist

***Department of Corrective Services***

Commissioner Leo Keliher  
Mr Ian Holt, Director, Budget  
Ms Deborah Allen, Director, Strategy and Policy  
Mr Neil Daines, Capital Works

***New South Wales Fire Brigades***

Commissioner Ian MacDougall  
Mr Gary Tower, Director, Resources

***State Emergency Service***

Major General Hori Howard, Director General

***Department of Rural Fire Service***

Commissioner Phil Koperberg  
Mr Peter Hennessy, Acting Director, Corporate Services

***Waste Service NSW***

Mr R. Grimwade, Managing Director

The public and media were admitted.

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

The Chair declared the proposed expenditure for the portfolio areas of Environment, Emergency Services and Corrective Services open for examination.

The Minister and relevant advisors answered questions by Members of the Committee.

The examination of the proposed expenditure for the portfolio areas of Environment, Emergency Services and Corrective Services concluded and the witnesses withdrew.

The public and media withdrew.

The Committee deliberated.

Resolved, on motion of Mr Ryan, that Members are to lodge questions on notice for the portfolios of Environment, Emergency Services and Corrective Services with the Committee Clerk by close of business Thursday, 15 June 2000.

The Committee deliberated.

Resolved, on motion of Mr M Jones, that an additional budget estimates hearing be scheduled for the portfolios of Environment, Emergency Services and Corrective Services, with the date, time, location and portfolios to be examined, determined by the Chair.

The Committee deliberated.

Resolved, on motion of Mr M Jones, that Mr Ron Quill, General Manager, TransWater be asked to appear before the Committee on 9 June 2000 at 9:30am for its budget estimates hearing into portfolios of Information Technology, Energy, Forestry, and Western Sydney.

#### **4. Adjournment**

The meeting adjourned at 10:20pm until 7:00pm on Thursday, 8 June 2000.

Steven Carr  
Clerk to the Committee

## **Minutes No. 26**

Thursday 8 June 2000  
At Parliament House at 6:50pm

### **1. Members Present**

Mr R Jones (in the Chair)  
Mr Dyer  
Mr Gay (Bull)  
Mr Harwin (Jobling)  
Mr M Jones  
Mr Kelly (Burnswoods)  
Ms Saffin (Johnson)

### **2. Apologies**

Nil

### **3. Budget Estimates reference**

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

The Committee deliberated.

Resolved, on motion of Mr Gay, that Members will question witnesses on specific issues rather than allocating blocks of time to individual parties or Members.

The Committee deliberated.

Resolved, on motion of Mr M Jones, that if the Minister leaves the hearing to attend a division in the Lower House, Members will continue to question witnesses.

The Committee deliberated.

The Hon H.F. Woods, MP, Minister for Local Government, Minister for Regional Development, and Minister for Rural Affairs was admitted and accompanied by the following advisors:

#### ***Department of Local Government***

Mr Gary Payne, Director General  
Mr Tim Rogers, Deputy Director General  
Mr John Scott, Director Policy and Reform  
Mr Kevin Bishop, Manager Information Services

***Department of State and Regional Development***

Mr Loftus Harris, Director General  
Mr Michael Cullen, Executive Director (Regional Development)  
Mr John Grady, Manager Finance  
Mr Noel Mercer, General Manager Executive Support

The public and media were admitted.

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

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

The Minister and relevant advisors answered questions by Members of the Committee.

The examination of the proposed expenditure for the portfolio areas of Local Government, Regional Development and Rural Affairs concluded and the witnesses withdrew.

The public and media withdrew.

The Committee deliberated.

Resolved, on motion of Mr M Jones, that Members are to lodge questions on notice for the portfolios of Local Government, Regional Development and Rural Affairs with the Committee Clerk by close of business Thursday, 15 June 2000.

**4. Adjournment**

The meeting adjourned at 9:20pm until 9:20am on Friday, 9 June 2000.

Steven Carr  
Clerk to the Committee

## **Minutes No. 27**

Friday 9 June 2000  
At Parliament House at 9:20am

### **1. Members Present**

Mr R Jones (in the Chair)  
Mr Dyer  
Ms Burnswoods  
Mr Gay (Bull)  
Mr M Jones  
Mr Kelly (Johnson)  
Mr Lynn (Jobling)

### **2. Apologies**

Nil

### **3. Budget Estimates reference**

The Chair advised that, Mr Gay would be substituting for Mr Bull, Mr Kelly would be substituting for Mr Johnson and Mr Lynn would be substituting for Mr Jobling.

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

The Committee deliberated.

Resolved, on motion of Mr Gay, that Members will question witnesses on specific issues rather than allocating blocks of time to individual parties or Members.

The Committee deliberated.

Resolved, on motion of Mr Gay, that if the Minister leaves the hearing to attend a division in the Lower House, Members will continue to question witnesses.

The Hon K.M. Yeadon, MP, Minister for Information Technology, Minister for Energy, Minister for Forestry, and Minister for Western Sydney was admitted and accompanied by the following advisors:

#### ***Department of Information Technology Management***

Mr Warwick Watkins, Director General

#### ***Ministry of Energy and Utilities***

Mr Phillip Lee, Assistant Director



***Sustainable Energy Development Authority***

Mr Mark Fogarty, Executive Director

***State Forests of New South Wales***

Dr Robert Smith

***Office of Western Sydney***

Ms Margaret Ryan, Executive Director

***Sydney Water Corporation***

Mr Alex Walker, Chief Executive Officer  
Mr Ron Quill, General Manager, Transwater

***Office of the Minister for Information Technology, Minister for Energy, Minister for Forestry, and Minister for Western Sydney***

Ms Leisl Baumgartner, Senior Policy Adviser  
Mr Peter Payne, Departmental Liaison Officer

The public and media were admitted.

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

The Chair declared the proposed expenditure for the portfolio areas of Information Technology, Energy, Forestry, and Western Sydney open for examination.

The Minister and relevant advisors answered questions by Members of the Committee.

The examination of the proposed expenditure for the portfolio areas of Information Technology, Energy, Forestry, and Western Sydney concluded and the witnesses withdrew.

The public and media withdrew.

The Committee deliberated.

Resolved, on motion of Mr M Jones, that Members are to lodge questions on notice for the portfolios of Information Technology, Energy, Forestry, and Western Sydney with the Committee Clerk by close of business Thursday, 15 June 2000.

The Committee deliberated.

Mr Gay moved that :

An additional budget estimates hearing be scheduled for the portfolios of Energy, Forestry, and Western Sydney, on Monday, 19 June 2000 with the time and location to be determined by the Chair.

Debate ensued

Question put

The Committee divided:

Ayes: 4  
Mr R Jones  
Mr Gay  
Mr M Jones  
Mr Lynn

Noes: 3  
Mr Dyer  
Ms Burnswoods  
Mr Kelly

Question resolved in the affirmative.

#### **4. Adjournment**

The meeting adjourned at 11:50am until 3:20pm on Friday, 9 June 2000.

Steven Carr  
Clerk to the Committee

## **Minutes No. 28**

Friday 9 June 2000  
At Parliament House at 3:20pm

### **1. Members Present**

Mr R Jones (in the Chair)  
Mr Bull  
Mr Gay (Jobling)  
Mr M Jones  
Mr Kelly (Dyer)  
Ms Saffin (Johnson)

### **2. Apologies**

Mr Macdonald (Burnswoods)

### **3. Budget Estimates reference**

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

The Committee deliberated.

Resolved, on motion of Mr Bull, that Members will question witnesses on specific issues rather than allocating blocks of time to individual parties or Members.

Resolved, on motion of Mr Bull, that if the Minister leaves the hearing to attend a division in the Lower House, Members will continue to question witnesses.

The Hon R.S. Amery, MP, Minister for Agriculture, and Minister for Land and Water Conservation was admitted and accompanied by the following advisors:

#### ***Department of Agriculture***

Dr Kevin Sheridan, Director General  
Dr Alan Gleeson, Executive Director, Administration  
Mr Steve Griffith, General Manager, Rural Assistance Authority  
Mr Tom Ely, Financial Controller  
Mr David Harris, Executive Assistant to the Director General  
Mr Ian Hallett, Senior Project Officer

***Department of Land and Water Conservation***

Dr Bob Smith, Director General  
Ms Susan Kemp, Deputy Director General, Regional and Commercial Services  
Mr Murray Sheather, Director Corporate Finance

The public and media were admitted.

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

The Chair declared the proposed expenditure for the portfolio areas of Agriculture, and Land and Water Conservation open for examination.

The Minister and relevant advisors answered questions by Members of the Committee.

The Minister requested that the document "Country towns water supply and sewerage program works starting construction from March 1995" be incorporated in Hansard.

Leave granted

The examination of the proposed expenditure for the portfolio areas of Agriculture, and Land and Water Conservation concluded and the witnesses withdrew.

The public and media withdrew.

The Committee deliberated.

Resolved, on motion of Ms Saffin, that Members are to lodge questions on notice for the portfolios of Agriculture, and Land and Water Conservation with the Committee Clerk by close of business Thursday, 15 June 2000.

The Committee deliberated.

Resolved, on motion of Mr Gay, that:

1.
  - (a) Dr Neil Shepherd, Director General of the NSW Environment Protection Authority, Mr Ron Woodham, Assistant Senior Commissioner, Department of Corrective Services, and Mr Jeff Bridges, Acting Director, Indigenous Services Unit, Department of Corrective Services, be invited to attend the committee budget estimates hearing at 10:00am on Monday 19 June 2000, in Room 814/815 to consider the portfolios of Environment and Corrective Services.
  - (b) Mr Richard Powis, CEO, Integral Energy  
Mr Alan Mason, Chief Financial Officer, Integral Energy  
Ms Valerie Duncan, General Manager Retail Electricity, Integral Energy,  
Mr Ron Quill, General Manager, Transwater  
Mr Alex Walker, CEO, Sydney Water Corporation, be invited to attend the committee budget estimates hearing at 2:00pm on Monday 19 June 2000, in Room 814/815, to consider the portfolios of Energy, Forestry, and Western Sydney.

That, if the Committee receives advice that these invitations will not be accepted, a summons could be issued to compel the attendance of these officers.

2. The Hon Bob Debus, MP, Minister for the Environment, Minister for Emergency Services, Minister for Corrective Services, and Minister Assisting the Premier on the Arts be invited to attend the committee budget estimates hearing at 10:00am on Monday 19 June 2000, in Room 814/815, to consider the portfolios of Environment and Corrective Services.

3. The Hon Kim Yeadon, MP, Minister for Information Technology, Minister for Energy, Minister for Forestry, and Minister for Western Sydney be invited to attend the committee budget estimates hearing at 2:00pm on Monday 19 June 2000, in Room 814/815, to consider the portfolios of Energy, Forestry, and Western Sydney.

#### **4. Adjournment**

The meeting adjourned at 5:40pm until 10:00am on Monday, 19 June 2000.

Steven Carr  
Clerk to the Committee

## **Minutes No. 29**

Monday 19 June 2000  
At Parliament House at 2:00pm

### **1. Members Present**

Mr R Jones (in the Chair)  
Ms Burnswoods  
Mr Johnson  
Mr M Jones  
Mr Lynn (Jobling)  
Mr Gay (Bull)

### **2. Apologies**

Mr Dyer

### **3. Budget Estimates reference**

The Chair advised that, Mr Gay would be substituting for Mr Bull and Mr Lynn would be substituting for Mr Jobling.

The Chair tabled advice from the Minister for Information Technology, Minister for Energy, Minister for Forestry, and Minister for Western Sydney, dated 16 June 2000, advising of witnesses nominated to appear before the committee budget estimates hearing of 19 June 2000 (attached).

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

The Committee deliberated.

Resolved, on motion of Lynn, that Members will question witnesses on specific issues rather than allocating blocks of time to individual parties or Members.

The Committee deliberated.

The following departmental staff were admitted:

#### ***Sydney Water Corporation***

Mr Alex Walker, Chief Executive Officer  
Mr Ron Quill, General Manager, Transwater

#### ***Integral Energy***

Mr Richard Powis, Chief Executive Officer

The public and media were admitted.

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

The Chair declared the proposed expenditure for the portfolio areas of Energy, Forestry, and Western Sydney open for examination.

The departmental officers answered questions by Members of the Committee.

The examination of the proposed expenditure for the portfolio areas of Energy, Forestry, and Western Sydney concluded and the witnesses withdrew.

The public and media withdrew.

The Committee deliberated.

Resolved, on motion of Mr Lynn, that Members are to lodge questions on notice for the portfolios of Energy, Forestry, and Western Sydney with the Committee Clerk by 5:00pm Tuesday, 20 June 2000.

The Committee deliberated.

The Chair tabled draft Minutes of meeting No.25, 26, 27 and 28.

The Committee deliberated.

Ms Burnswoods moved that:

Draft Minutes of meeting No.28 be amended to delete the resolution of Mr Gay relating to invitation of witnesses on 19 June 2000.

Debate ensued

Question put

The Committee divided:

Ayes: 2  
Ms Burnswoods  
Mr Johnson

Noes: 4  
Mr Gay  
Mr M Jones  
Mr R Jones  
Mr Lynn

Question resolved in the negative.

The Committee deliberated.

Resolved, on motion Mr M Jones, that:

Draft Minutes of meeting No.28 be amended to replace “will” with “could”, in 3. Budget Estimates Reference, motion of Mr Gay, 1(b), paragraph 2, between the words “summons” and “be”.

The Committee deliberated.

The Chair tabled two documents, dated 15 and 16 June 2000 respectively, received from the Office of the Minister for the Environment, Minister for Emergency Services, Minister for Corrective Services, and Minister Assisting the Premier on the Arts, advising of the availability for nominated witnesses to appear before the committee regarding budget estimates (attached).

Resolved, on motion of Mr Lynn, that:

An additional hearing be held from 6:30pm – 8:00pm on Tuesday 20 June 2000 to consider the portfolios of environment and corrective services with the following people to attend, as per advice received from the office of the Minister dated 16 June 2000:

Dr Neil Shepherd, Director General, NSW Environment Protection Authority,  
Dr Leo Keliher, Commissioner, Department of Corrective Services,  
Ms Catriona McComish, Assistant Commissioner (Inmate Services), and  
Mr Nelson, representative, Indigenous Services Unit, Department of  
Corrective Services.

#### **4. Adjournment**

The meeting adjourned at 4:40pm until 6:30pm on Tuesday, 20 June 2000.

Steven Carr  
Clerk to the Committee



## Minutes No. 30

Tuesday 20 June 2000  
At Parliament House at 6:30pm

### 1. Members Present

Mr R Jones (in the Chair)  
Mr Dyer  
Ms Burnswoods  
Mr Johnson  
Mr Lynn (Jobling)  
Mr Oldfield (M Jones)  
Mr Ryan (Bull)

### 2. Apologies

Nil

### 3. Budget Estimates reference

The Chair advised that, Mr Lynn would be substituting for Mr Jobling, Mr Oldfield would be substituting for Mr M Jones and Mr Ryan would be substituting for Mr Bull.

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

The Committee deliberated.

Resolved, on motion of Mr Lynn, that Members will question witnesses on specific issues rather than allocating blocks of time to individual parties or Members.

The Committee deliberated.

Resolved, on motion of Mr Lynn, that Members examine the portfolio of corrective services for 45 minutes, and then the portfolio of environment for 45 minutes.

The following departmental staff were admitted:

#### ***Department of Corrective Services***

Dr Leo Keliher, Commissioner  
Ms Catriona McComish, Assistant Commissioner (Inmate Services)  
Mr Jeff Nelson, Acting Director, Indigenous Services Unit

#### ***Environment Protection Authority***

Dr Neil Shepherd, Director General  
Mr Alan Ramsey, Acting Executive Director, Finance and Administration

Mr B Watt, Policy Review Branch

The public and media were admitted.

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

The Chair declared the proposed expenditure for the portfolio areas of corrective services and environment open for examination.

The officers of the Department of Corrective Services answered questions by Members of the Committee.

Resolved, on motion of Mr Ryan, that examination of the corrective services portfolio be extended for 5 minutes.

The examination of the proposed expenditure for the portfolio area of corrective services concluded and the witnesses withdrew.

The officers of the Environment Protection Authority answered questions by Members of the Committee.

Mr Lynn moved that:

The duration of the hearing be extended by 15 minutes.

Debate ensued

Question put

The Committee divided:

Ayes: 3  
Mr R Jones  
Mr Lynn  
Mr Ryan

Noes: 4  
Ms Burnswoods  
Mr Dyer  
Mr Johnson  
Mr Oldfield

Question resolved in the negative.

The examination of the proposed expenditure for the portfolio area of environment concluded and the witnesses withdrew.

The public and media withdrew.

The Committee deliberated.

The Chair tabled draft Minutes of meeting No.25, 26, 27, 28 and 29.

The Committee deliberated.

Resolved, on motion of Mr Dyer, that the draft Minutes of meeting No.25, 26, 27, 28 and 29, be confirmed.

#### **4. Adjournment**

The meeting adjourned at 8:05pm *sine die*.

Steven Carr  
Clerk to the Committee

## **Minutes No. 31**

Wednesday 21 June 2000  
At Parliament House at 1:00pm

### **1. Members Present**

Mr R Jones (in the Chair)  
Mr Dyer  
Mr Bull  
Mr Kelly (Burnswoods)  
Mr Jobling  
Mr Johnson  
Mr M Jones

### **2. Apologies**

Nil

### **3. Correspondence**

\* \* \* \*

### **4. Budget Estimates reference**

The Committee agreed to hold an additional Budget Estimates hearing to consider the portfolio area of Corrective Services on Wednesday, 28 June 2000, for a period of no longer than one hour, at a time when all Members of the Committee are able to attend.

### **5. Adjournment**

The meeting adjourned at 2:05pm until Wednesday, 28 June 2000, at a time to be determined.

Anna McNicol  
Committee Director

## **Minutes No. 32**

Wednesday 28 June 2000  
At Parliament House at 9:52am

### **1. Members Present**

Mr R Jones (in the Chair)  
Mr Dyer  
Ms Burnswoods  
Mr Johnson  
Mr M Jones  
Mr Lynn (Jobling)  
Mr Ryan (Bull)

### **2. Apologies**

Nil

### **3. Budget Estimates reference**

The Chair advised that, Mr Lynn would be substituting for Mr Jobling, and Mr Ryan would be substituting for Mr Bull.

The Chair advised that the Office of the Minister for the Environment, Minister for Emergency Services, Minister for Corrective Services, and Minister Assisting the Premier on the Arts notified the Committee Clerk at 8:45am today that Mr Ron Woodham, Senior Assistant Commissioner (Inmate and Custodial Services) was unavailable to appear as a witness due to illness.

The Committee deliberated.

The Chair tabled the following resolution of the House, dated 21 June 2000, varying the Budget Estimates reference for General Purpose Standing Committee No.5:

That the resolution of the House of 23 May 2000, referring the 2000-2001 budget estimates to the General Purpose Standing Committees be varied as follows:

1. That General Purpose Standing Committee No. 5 may hold additional hearings in relation to the Corrective Services portfolio in the week commencing Monday 26 June 2000.
2. That the Committee present its first report to the House within 5 working days of the conclusion of any additional hearings.
3. (1) That, if the House is not sitting when the Committee wishes to report, the Committee is to present its report to the Clerk of the House.

- (2) A report presented to the Clerk is:
- (a) on presentation, and for all purposes, deemed to have been laid before the House,
  - (b) to be printed by authority of the Clerk,
  - (c) for all purposes, deemed to be a document published by order or under the authority of the House, and
  - (d) to be recorded in the Minutes of the Proceedings of the House.

*(Minutes of the Proceedings, No.53, 21 June 2000, No.3)*

The Committee deliberated.

Resolved, on motion of Mr Ryan, that the Chair seek resolution of the House to amend the resolution of 21 June 2000 as follows:

That the Resolution of the House of 21 June 2000 relating to additional budget estimates hearings of General Purpose Standing Committee No. 5 be amended by omitting all words after 'to' in paragraph 1 and inserting instead 'inmate and custodial services within the portfolio of Corrective Services.'

Resolved, on motion of Mr Ryan, that if the resolution is passed by the House, that:

The Committee meet at 10:00am on Thursday 6 July, 2000 to conduct a 1 hour hearing to examine the corrective services portfolio with Mr Ron Woodham, Senior Assistant Commissioner (Inmate and Custodial Services), Department of Corrective Services, requested to attend.

#### **4. Adjournment**

The meeting adjourned at 10:10am until 10:00am Thursday, 6 July 2000.

Steven Carr  
Clerk to the Committee

## Minutes No. 33

Thursday 6 July 2000  
At Parliament House at 10:00am

### 3. Members Present

Mr R Jones (in the Chair)  
Mr Dyer  
Ms Burnswoods  
Mr Johnson  
Mr M Jones  
Mr Lynn (Jobling)  
Mr Ryan (Bull)

### 4. Apologies

Nil

### 3. Budget Estimates reference

The Chair advised that, Mr Lynn would be substituting for Mr Jobling, and Mr Ryan would be substituting for Mr Bull.

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

The Committee deliberated.

Resolved, on motion of Mr Ryan, that Members will question witnesses in 15 minute blocks alternating between cross bench and opposition Members.

The following departmental staff were admitted:

#### ***Department of Corrective Services***

Dr Leo Keliher, Commissioner  
Mr Ron Woodham, Senior Assistant Commissioner (Inmate and Custodial Services)  
Ms Catriona McComish, Assistant Commissioner (Inmate Services)  
Ms Pat Maurer, Director, Indigenous Services Unit

The public and media were admitted.

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

The Chair declared the proposed expenditure for the portfolio area of corrective services (inmate and custodial services) open for examination.

The departmental officers answered questions by Members of the Committee.

The examination of the proposed expenditure for the portfolio area of corrective services (inmate and custodial services) concluded and the witnesses withdrew.

The public and media withdrew.

The Committee deliberated.

Resolved, on motion of Mr Ryan, that Members are to lodge questions on notice for the portfolio of corrective services (inmate and custodial services) with the Committee Clerk by 5:00pm Friday, 7 July 2000.

The Committee deliberated.

The Chair tabled draft Minutes of meeting No.'s 30, 31 and 32.

The Committee deliberated.

Resolved, on motion of Ms Burnswoods, that the draft Minutes of meeting No.'s 30, 31 and 32, be confirmed.

The Committee deliberated.

Resolved, on motion of Mr Lynn, that the Committee meet at 11:00am on Wednesday, 12 July 2000 to consider a draft version of the Committee's first report on the 2000-2001 budget estimates reference.

\* \* \* \*

#### **4. Adjournment**

The meeting adjourned at 11:30am until 11:00am Wednesday, 12 July 2000.

Steven Carr  
Clerk to the Committee



## **Minutes No. 34**

Wednesday 12 July 2000  
At Parliament House at 11:05am

### **1. Members Present**

Mr R Jones (in the Chair)  
Mr Dyer  
Ms Burnswoods  
Mr Johnson  
Mr M Jones  
Mr Jobling  
Mr Ryan (Bull)

### **2. Substitution of Members**

The Chair advised that Mr Ryan would be substituting for Mr Bull.

### **3. Confirmation of Minutes**

Resolved, on motion of Mr Dyer: that Minutes of meeting No.33 be confirmed.

### **4. Budget Estimates reference**

The Chair tabled his draft first report into the 2000-2001 budget estimates reference, entitled "Budget Estimates 2000-2001, Volume 1."

The committee proceeded to consider the draft first report.

*Environment, Emergency Services and Corrective Services*

Resolved, on motion of Ms Burnswoods: that page 5, paragraph 3 be amended by inserting "and other issues" at the end.

Resolved, on motion of Ms Burnswoods: that page 5, paragraph 4, be deleted.

Resolved, on motion of Ms Burnswoods: that paragraph 1.13 be amended by deleting "and it is the EPA's view that there is." at the end.

Resolved, on motion of Ms Burnswoods: that paragraph 1.18 be amended by deleting all words after "The" and inserting instead:

Committee was told by Dr Shepherd that:

The fact is that the target of 60 per cent reduction in waste going to landfill by the end of 2000 will not be achieved. However, that position has been made abundantly clear by the Minister for the Environment in several statements earlier this year.

Dr Shepherd later added:

It was, from an EPA point of view, target that was always going to be exceedingly difficult to achieve but one that was worth striving for.

The Committee was further informed that significant waste reductions have been attained in the municipal and industrial waste streams, but there has been an increase in waste from the construction and demolition waste stream, partly due to Olympic related construction.

Resolved, on motion of Ms Burnswoods: that paragraph 1.19 be amended by deleting all words after "Dr Shepherd" and inserting instead "fielded a number of questions relating to the Woodlawn facility and the Alternative Waste Management Technologies and Practices Inquiry Report."

Resolved, on motion of Mr Ryan: that paragraph 1.24 be amended by omitting the heading and inserting instead "Stormwater contamination by pets."

Resolved, on motion of Ms Burnswoods: that paragraph 1.33 be amended by deleting the final sentence.

Resolved, on motion of Mr Dyer: that paragraph 1.43 be amended by deleting the words "was required to direct" and inserting instead "directed".

Resolved, on motion of Mr Dyer: that paragraph 1.45 be amended by deleting "found it necessary to direct" and inserting instead "directed".

Resolved, on motion of Mr Dyer: that paragraph 1.49 be amended by deleting "refuting" and

Resolved, on motion of Mr Dyer: that paragraph 1.49 be further amended by deleting the words "by Mr Jackson and continued the concerns".

Resolved, on motion of Mr Dyer: that paragraph 1.49 be further amended by deleting the words "community organisations and" and inserting instead "community organisations."

*Regional Development and Rural Affairs*

Resolved, on motion of Mr Dyer: that paragraph 2.7 be amended by deleting all words after "locally and" in the second sentence and inserting instead "that the Department is interested in them as they are talking about manufacturing industries in the area.", and deleting "number of".

The Committee deliberated.

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

Resolved, on the motion of Mr Ryan: that the report be signed by the Chair and presented to the House in accordance with the resolution referring the Budget Estimates of 23 May 2000, and the resolutions of 21 June 2000 and 29 June 2000.

Resolved, on the motion of Mr Jobling: that 5 pm Monday, 7 August 2000 be the date by which Ministers are requested to respond to questions placed on notice in relation to each of the portfolios examined by the Committee, and that answers be made available to Members of the Committee by 5 pm on Tuesday, 8 August 2000.

Resolved, on the motion of Mr Jobling: that the President and Committee Members be advised of any questions not answered by Ministers within the timeframe set by the Committee, including any reasonable extension agreed to by the Committee Chair, and that the President be requested to report to the House any questions not so answered.

Resolved, on the motion of Mr Ryan: that pursuant to the provisions of section 4 of the *Parliamentary Papers (Supplementary Provisions) Act 1975* and under the authority of Standing Order 252, the Committee authorises the Clerk of the Committee to publish the answers provided to questions placed on notice, after these answers have been circulated to Committee Members.

\* \* \* \*

## **6. Adjournment**

The meeting adjourned at 12:40pm, *sine die*.

Steven Carr  
Clerk to the Committee

## **Appendix 2 – Resolution of 21 June 2000, varying the 2000-2001 budget estimates reference for General Purpose Standing Committee No.5**

That the resolution of the House of 23 May 2000, referring the 2000-2001 budget estimates to the General Purpose Standing Committees be varied as follows:

1. That General Purpose Standing Committee No. 5 may hold additional hearings in relation to the Corrective Services portfolio in the week commencing Monday 26 June 2000.
2. That the Committee present its first report to the House within 5 working days of the conclusion of any additional hearings.
3. (1) That, if the House is not sitting when the Committee wishes to report, the Committee is to present its report to the Clerk of the House.  
(2) A report presented to the Clerk is:
  - (a) on presentation, and for all purposes, deemed to have been laid before the House,
  - (b) to be printed by authority of the Clerk,
  - (c) for all purposes, deemed to be a document published by order or under the authority of the House, and
  - (d) to be recorded in the Minutes of the Proceedings of the House.

*(Minutes of the Proceedings, No.53, 21 June 2000, No.3)*

**Appendix 3 – Resolution of 29 June 2000, amending resolution of 21 June 2000, enabling General Purpose Standing Committee No.5 to conduct additional hearings to examine inmate and custodial services of the corrective services portfolio.**

That the Resolution of the House of 21 June 2000 relating to additional budget estimates hearings of General Purpose Standing Committee No. 5 be amended by omitting all words after 'to' in paragraph 1 and inserting instead 'inmate and custodial services within the portfolio of Corrective Services.'

*(Minutes of the Proceedings, No.57, 29 June 2000, No.2)*