

# PORTFOLIO COMMITTEE NO. 4 - CUSTOMER SERVICE AND NATURAL RESOURCES

Wednesday 9 March 2022

Examination of proposed expenditure for the portfolio area

## LANDS AND WATER, HOSPITALITY AND RACING

The Committee met at 09:30

**UNCORRECTED**

### MEMBERS

The Hon. Mark Banasiak (Chair)  
The Hon. Emma Hurst (Deputy Chair)  
Ms Abigail Boyd  
The Hon. Rose Jackson  
The Hon. Taylor Martin  
The Hon. Mark Pearson  
The Hon. Peter Poulos  
The Hon. Peter Primrose  
The Hon. Adam Searle  
Mr David Shoebridge

### MEMBERS VIA VIDEOCONFERENCE

Ms Cate Faehrmann  
Mr Justin Field

### PRESENT

**The Hon. Kevin Anderson**, *Minister for Lands and Water, and Minister for Hospitality and Racing*

\* Please note:

[inaudible] is used when audio words cannot be deciphered.

[audio malfunction] is used when words are lost due to a technical malfunction.

[disorder] is used when members or witnesses speak over one another.



## **CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS**

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

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



**The CHAIR:** Welcome to the additional public hearing for the inquiry into budget estimates 2021-2022. Before I commence, I acknowledge the Gadigal people, who are the traditional custodians of this land. I also pay respects to Elders of the Eora nation past, present and emerging, and extend that respect to other Aboriginals present. I welcome Minister Kevin Anderson and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolios of Lands and Water, Hospitality and Racing.

Before we commence, I will make some brief comments about procedures for today's hearing, which is being broadcast live from Parliament's website. A transcript will be placed on the Committee's website once it becomes available. In accordance with the broadcasting guidelines, media representatives are reminded that they must take responsibility for what they publish about the Committee's proceedings.

All witnesses in budget estimates have a right to procedural fairness according to the procedural fairness resolution adopted by the House in 2018. There may be some questions that a witness could only answer if they had more time or with certain documents to hand. In those circumstances, witnesses are advised that they can take a question on notice and provide the answer within 21 days. If witnesses wish to hand up documents, they should do so through the Committee staff.

Minister, I remind you that you and the officers accompanying you are free to pass notes and refer directly to your advisers seated at the table behind you. Finally, could everyone please turn their mobile phones or laptops to silent for the duration of the hearing. All witnesses will be sworn prior to giving evidence. Minister Anderson, I remind you that you do not need to be sworn as you have already sworn an oath to your office as a member of Parliament. I would also like to remind the following witnesses that you do not need to be sworn as you have been sworn at an earlier budget estimates hearing before this Committee: Dr Jim Bentley, Michael Wright, Ms Melanie Hawyes, Ms Amanda Jones, Mr Andrew George, Mr Roch Cheroux, Mr Darren Cleary and Ms Jen Hickey. I ask the remainder of the witnesses to state their full name, position title and agency and swear either an oath or an affirmation.

**Dr JIM BENTLEY**, CEO NSW Water Sector, Department of Planning & Environment, on former oath or affirmation

**Mr MICHAEL WRIGHT**, Deputy Secretary, Department of Planning & Environment, on former oath or affirmation

**Mr STEVE GRIFFIN**, CEO, Greyhound Welfare Integrity Commission, sworn and examined

**Mr TERRY O'BRIEN**, Director, Office of Racing, Better Regulation Division, Department of Customer Service, affirmed and examined

**Ms NATASHA MANN**, Fair Trading Commissioner/Deputy Secretary, Better Regulation Division, Department of Customer Service, affirmed and examined

**Ms MELANIE HAWYES**, Deputy Secretary, Department of Planning & Environment, on former oath or affirmation

**Mr JOHN TANSEY**, Executive Director, Policy and Strategy, Better Regulation Division, Department of Customer Service, affirmed and examined.

**The CHAIR:** We will now begin the hearing. Today's hearing will be conducted from 9.30 a.m. to 12.45 p.m., with a 15-minute break at 11:00 a.m. The Minister joins us in the morning and in the afternoon we will hear from departmental witnesses from 2.00 p.m. to 5.15 p.m., with a 15-minute break at 3.30 p.m. During these sessions there will be questions from the Opposition and crossbench members only. If required, an additional 15 minutes is allocated at the end of the morning and afternoon sessions for Government questions. We thank you for your attendance today. We will begin with questions from the Opposition.

**The Hon. ROSE JACKSON:** Thanks, Chair. Thanks, Minister, for coming along. Let's talk dams.

**Mr KEVIN ANDERSON:** Sure.

**The Hon. ROSE JACKSON:** I guess the first question is: What is the status—let's start with Dungowan—of the Dungowan dam project?

**Mr KEVIN ANDERSON:** Good morning, Ms Jackson. Thank you for your question. Dungowan dam is a significant, important project for the Tamworth region. That particular region has a town of about 60 people and its immediate surrounds will have water security going into the future. There is significant development on the horizon, particularly around meat processing that employs thousands of people. So to provide that water security for our region is important. To your point, Dungowan dam is a significant project. The final business case is with Infrastructure NSW and Infrastructure Australia. We look forward to that project progressing.

**The Hon. ROSE JACKSON:** Why will you not publicly release the business case so that everyone who has an interest in this, as you describe it, significant project can be fully informed?

**Mr KEVIN ANDERSON:** Ms Jackson, the final business case will remain Cabinet in confidence. That has been the process for many, many years. I do not intend to break Cabinet confidence. With the community consultation having been put into the environmental impact statement, that will be released and that will look at a lot of the areas and answer the questions that the community is looking forward to having their submissions on. We have had a lot of discussion around that EIS in terms of when it does come out, so looking forward to that process.

**The Hon. ROSE JACKSON:** We will deal with the EIS first then. What is the time frame for the EIS process?

**Mr KEVIN ANDERSON:** That is still sitting within the final business case and an investment decision within government, so we will let that process take place. I am looking forward to progressing as soon as possible. This in my view has dragged on and our communities are ready for the dozers to be fuelled up and to start pushing dirt and creating water security for our region. So I am as eager as anyone in the Tamworth community to see this project progress.

**The Hon. ROSE JACKSON:** That is not necessarily a fair characterisation of the views of people across the community. As we know, there are people who have questions about the project. It is pretty difficult for them to make an informed decision about whether the project is good for the community without seeing the business case. Do you accept that? You have seen it, but no-one else has seen it.

**Mr KEVIN ANDERSON:** Well, in terms of comment, Ms Jackson, I would be happy to take you to Tamworth. I am sure you are familiar with the New England north-west. Come to Tamworth. We will hold a town

hall meeting if you like and you can tell a community that you do not want dams—you do not like dams—and why you do not want Tamworth to have water security as we build towards a population of 100,000. The broader community does want this particular project but I am happy if you want to come to Tamworth and hold a town hall meeting.

**The Hon. ROSE JACKSON:** I would prefer if you could publicly release the business case. I mean, it is pretty hard for anyone, really, to stand up and make a case for or against a project when you—you are lucky, you are privileged, you get to see all the information; good for you, Minister—but everyone else is sitting there going, "Oh, well, could we have a look at the business case? Could we be informed about the costs, the benefits, whether this stacks up?" "No, you can't." Only you can have that privilege. Is that right, Minister?

**Mr KEVIN ANDERSON:** Ms Jackson, the community will have a significant role to play when the consultation process with the EIS is released.

**The Hon. ROSE JACKSON:** But the EIS only happens after the business case is assessed and the investment decision is made. So that has already happened and then, "Oh, by the way, community, sorry; we have already made all these decisions based on information that you do not see and now we will consult you." Should it not be the other way round? Should you not fully publicly release all of the information, conduct the community consultation and then make the decision based on that?

**Mr KEVIN ANDERSON:** The business case contains significant commercial-in-confidence clauses and it remains within Cabinet, and that is in confidence. For years that process has been adhered to and respected, and I will continue to do that.

**The Hon. ROSE JACKSON:** What is the commercial interest? What commercial interest—

**Mr KEVIN ANDERSON:** It is Cabinet in confidence, Ms Jackson.

**The Hon. ROSE JACKSON:** Yes. You have said that and then you said that the reason, the explanation that you gave for the designation of Cabinet in confidence, was commercial interest. I am asking what that is.

**Mr KEVIN ANDERSON:** Ms Jackson, I did not say that is the reason. I said it is a component of the business case.

**The Hon. ROSE JACKSON:** So why are you keeping it Cabinet in confidence? What is secret in there? What can we not know?

**Mr KEVIN ANDERSON:** It is part of Cabinet process, Ms Jackson, but the community who want this particular project and is looking forward to having their say when the EIS comes out—it is a significant project. We have already started the pipeline. It is a 55-kilometre pipeline, which will carry that water from Dungowan Dam to Tamworth. That work has started. WaterNSW, Water Infrastructure NSW, is actually going on with the job. We are looking forward to, and the community is looking forward to, capturing the water that is currently falling around us. We need to make hay while the sun shines, if you like. If we had this dam already, we would have that water security and that is what our community wants.

**The Hon. ROSE JACKSON:** One of the things that is becoming increasingly obvious about the project is that the final costs are going to be a higher than the initial costs. I do not think that that is a shocking statement that is revealing state secrets. I think we can all accept that the final cost will be higher than the initial project cost. Have you secured a commitment from the Federal Government to fund 50 per cent of the final project cost, whatever that is?

**Mr KEVIN ANDERSON:** Ms Jackson, as you would understand and agree, these are very complicated projects when you build a dam. A dam has not been built in this State in something like 30 years.

**The Hon. ROSE JACKSON:** It is pretty bad for you, isn't it, actually—that statistic—considering you have been in government for the last 10 years. Anyway, that is not the question.

**Mr KEVIN ANDERSON:** I am happy to comment.

**The Hon. ROSE JACKSON:** You have not done very well building dams.

**Mr KEVIN ANDERSON:** We are trying to get on with the job but you do not want to do another one. You do not want to build this dam.

**The Hon. ROSE JACKSON:** I just want to see the business case, actually. That is all I want.

**Mr KEVIN ANDERSON:** We will get on with the job of progressing this particular project.

**The Hon. ROSE JACKSON:** I agree it is complex. I am not even arguing about whether it is fair or not that the final cost might be higher. There may be good reasons for that to be the case. But have you secured a commitment from the Federal Government to fund 50 per cent of the final project cost?

**Mr KEVIN ANDERSON:** Ms Jackson, as you would know, this is a Federal and State Government project.

**The Hon. ROSE JACKSON:** I do, yes.

**Mr KEVIN ANDERSON:** The final business case is Cabinet in confidence, and we will continue—

**The Hon. ROSE JACKSON:** But that is not my question. You have stood up with your mate the Deputy Prime Minister and said, "Yes, this is a joint project—50 per cent." But that was for the original funding envelope. The final cost is almost certainly going to exceed that. Are New South Wales taxpayers going to be liable for the difference in the final cost, because the Federal Government, from what it sounds like, has not committed to funding 50 per cent of the final project cost?

**Mr KEVIN ANDERSON:** Ms Jackson, I am here to answer on behalf of the State.

**The Hon. ROSE JACKSON:** Have you asked the Deputy Prime Minister, "If this project ends up costing more, are you guys good for 50 per cent?"

**Mr KEVIN ANDERSON:** Ms Jackson, the Deputy Prime Minister is on record as saying that he wants this project as much I do and as much as the communities that we represent do. There is a process that he will go down and there is a process that we are going down. We know how important this project is to the population, the regional growth and the economic development of our region. We need water security and we need it badly. Two-and-a-half years ago we nearly ran out of water. The city nearly ran out of water—a city of nearly 60,000 people. We contemplated trucking it in. We contemplated aircraft dropping. We contemplated so many different things while people and our city looked like a lunar landscape. I intend to rectify that problem by building Dungowan dam.

**The Hon. ROSE JACKSON:** I am going to take that as a no. You have not even asked him is what I am—clearly the commitment has not been given, but I am going to take from your answer that you have not even sought an assurance; you have not even asked the Deputy Prime Minister if the Federal Government will fund 50 per cent. That is what I am taking from that comment.

**Mr KEVIN ANDERSON:** You can take whatever you like, Ms Jackson, but I am telling you that there is a process that the Federal Government will follow and there is a process that the State Government will follow. The Deputy Prime Minister is on public record saying that he wants this project as much as I do and as much as the Tamworth and surrounds community need this dam to go ahead.

**The Hon. ROSE JACKSON:** Are you familiar, Minister, with the principles of the National Water Initiative?

**Mr KEVIN ANDERSON:** I am, Ms Jackson.

**The Hon. ROSE JACKSON:** You would then be familiar with the fact that under those principles the cost of projects such as this are recouped from water users. So what assurances can you give to the Tamworth community that this project, which could end up costing a substantial amount of money, is not going to be recouped from higher water prices for them?

**Mr KEVIN ANDERSON:** Those details will be included in the business case.

**The Hon. ROSE JACKSON:** It is a shame that they will not be able to see that. It is quite possible that in this business case—which no-one else has seen except you—it says, "Yes, under the National Water Initiative, Tamworth ratepayers are going to be paying double for water." That is possibly in the document and you are comfortable with that?

**Mr KEVIN ANDERSON:** Those discussions will be had further down the track in consultation with our community once the EIS is released. But the issues that are contained in the final business case are Cabinet in confidence. We are very keen for this project to continue. The community wants it. The council, Tamworth Regional Council, wants it, through successive mayors. The current mayor is on record as saying that he wants this project as well, and he represents ratepayers just as I represent our communities. It is a significantly important milestone in securing the future growth of our region.

**The Hon. ROSE JACKSON:** How much more do you think Tamworth water ratepayers will have to pay for this project? You are from that community; how much do you think they are going to have to cough up under the principles of the National Water Initiative for this project?



**Mr KEVIN ANDERSON:** Those details are in the final business case, Ms Jackson, and that process is ongoing.

**The Hon. ROSE JACKSON:** But the problem with the constant reference to the final business case is—as you know, because we have already discussed it—that no-one else has seen that document. This is hip-pocket stuff for people who live in Tamworth and your answer to them is, "Yes, it is possible that your water rates are going to double, but it's in a document that you can't see." That is your answer when they say, "Jeez, we're a bit strapped here. We're not quite sure we can afford higher water bills." That is your response to them?

**Mr KEVIN ANDERSON:** No. My response, Ms Jackson, is that the Water Infrastructure and the communications teams on the ground in Tamworth have done a fantastic job. There have been—I would guess, and I am happy to get the numbers for you—over 20 to 30 community consultations with locals in and around Dungowan: water users, community members, ratepayers. The information that they are providing to our communities and the feedback coming back from those community consultation sessions are that they are very keen to see this project.

**The Hon. ROSE JACKSON:** Who is conducting those? Is that WaterNSW?

**Mr KEVIN ANDERSON:** Water Infrastructure NSW and the team.

**The Hon. ROSE JACKSON:** What information is Water Infrastructure NSW providing ratepayers in those community consultations about how much their water costs are going to increase? Dr Bentley, you can answer that if you want. What are you telling the community about how much it is going to cost them?

**Mr KEVIN ANDERSON:** Dr Bentley?

**JIM BENTLEY:** Thank you, Minister, and thank you, Ms Jackson. What customers will pay gets determined by IPART, not by government, and that is an independent process. What Water Infrastructure will be explaining to community is that that process will take place—managed by IPART, not by us. It will be an independent process, like with any other water pricing thing. Also, the National Water Initiative principles do not say that all costs must be fully recovered. They say either fully recovered or transparently subsidised. Clearly that is a process that IPART will lead as it goes through that pricing.

**The Hon. ROSE JACKSON:** Have you been clear, Dr Bentley, in the 20 or 30 community consultations that have been conducted that there is a significant risk that the cost of this project will be borne by Tamworth water ratepayers? Has that been made clear that that is an option?

**JIM BENTLEY:** That is different to saying a significant risk, Ms Jackson. It is not a significant risk. The process will be managed by IPART.

**The Hon. ROSE JACKSON:** How have you described that to the community?

**JIM BENTLEY:** Exactly as I have said to you, that the process will be managed by IPART. It is for it to decide and it has to take affordability into account. If we look at the ruling it made on the Broken Hill pipeline, for example, it is way less than the cost of the pipeline that gets recovered from customers. I cannot say what IPART will do. I can say that it is the independent regulator of pricing and it will conduct that process.

**The Hon. ROSE JACKSON:** Are you confident, Dr Bentley, that if this project proceeds and IPART does decide to pass significant costs on to ratepayers, that they are going to turn around and say, "Yes, we knew that that was an option." Are you confident that that has been made clear, that ratepayers are going to turn around and say, "Yes, we understood that that was the price that we were going to have to literally personally pay"? Are you confident that they understand that?

**JIM BENTLEY:** They understand that IPART will be conducting a process to determine how much should be recovered from customers. Ms Jackson, I cannot comment beyond that because that is what we have told the community through those meetings, and through several meetings that I have had in Tamworth and elsewhere. We have consistently said that, and that is the truth. I cannot direct IPART, not that I would want to. It is entirely independent; it would be up to it. But it does take affordability into account. If you look at what it has done on other projects, you will see that the subsidy is much greater than the recovery from the customer.

**The Hon. ROSE JACKSON:** Minister, this dam and other dams—which we will get to later—were critical needs water infrastructure under the legislation that was passed a little while ago. As you are probably aware, that legislation has expired. When I asked the former Minister about this at the last budget estimates, the answer that I received about the planning status of the dam was that it is now the prerogative of the planning Minister to declare the projects critical State significant infrastructure, as the Water Supply (Critical Needs) Act has expired. Where is that up to?

**Mr KEVIN ANDERSON:** I will ask Dr Bentley if he would like to provide further detail on that particular issue.

**JIM BENTLEY:** That remains the case. It is a decision that will be made by the planning Minister.

**The Hon. ROSE JACKSON:** When I asked Ms Levy, who was then from Water Infrastructure NSW, she said that they had spoken to the planning Minister about it, who was then obviously Minister Stokes. That has not progressed at all. There has been no progress on whether or not these projects are going to get critical State significant infrastructure designation. It is the same answer that I got last time; that is the issue.

**JIM BENTLEY:** I have not got an answer to whether the decision has been made. I can take it on notice. We will have the CEO of Water Infrastructure here this afternoon, so she can give a more detailed update. But we do not yet have that decision.

**The Hon. ROSE JACKSON:** Does that concern you, Minister Anderson? These projects that you have talked about being so important to you, they do not have the planning designations that would be required to do anything like deliver on a timetable that would even come close to what you have outlined. That is a pretty significant issue, isn't it?

**Mr KEVIN ANDERSON:** Ms Jackson, the planning Minister is in my cluster.

**The Hon. ROSE JACKSON:** Have you spoken to him about it?

**Mr KEVIN ANDERSON:** We have had many discussions about Dungowan dam. I expect the process of State significance to continue, as does everybody that is associated with the project.

**The Hon. ROSE JACKSON:** As I said, this is months ago and nothing has happened. Expecting it to continue in the current arrangement is not very satisfactory, considering it has been sitting with him for some time and nothing has happened. Does that concern you?

**Mr KEVIN ANDERSON:** I expect the State significant classification of this project to continue.

**The Hon. ROSE JACKSON:** But it does not have State significant classification. Do you understand that? It does not have that.

**Mr KEVIN ANDERSON:** The planning Minister is well aware of the importance of Dungowan dam, not only to the people of our region but certainly the State significant project that it is elevated to. My expectation is that it will continue, and the many discussions I have had with the planning Minister in relation to Dungowan dam is that this is something that the Government is focused on, there is no doubt about it, from the Premier all the way down to the people in the community. Ms Jackson, it would surprise me if this is not State significant. In fact, I can check throughout the course of this morning to triple-check that it is State significant, and it has not been brought to my attention that it is not. So I would expect that it is still State significant. I can check that for you.

**The Hon. ROSE JACKSON:** It had special designation under—not only this project; other dam projects have special designation under the Water Supply (Critical Needs) Act. It had that, you are correct. That expired in November last year. In order to continue to have special designation, the planning Minister is required—to be required—to give it critical State significant infrastructure status. When I asked last year that had not occurred, so it does not—the continuing arrangement is not that it is critical State significant infrastructure. You can keep saying it is your expectation that that is going to continue, but it is actually not the case right now.

**Mr KEVIN ANDERSON:** Ms Jackson, I wrote to the planning Minister and I have had many discussions with the planning Minister, and the expectation is that it will continue. It is a State significant project. This Government—

**The Hon. ROSE JACKSON:** That is not the position—

**JIM BENTLEY:** It is the position.

**The Hon. ROSE JACKSON:** —that the planning Minister has taken.

**JIM BENTLEY:** Could I clarify?

**Mr KEVIN ANDERSON:** Yes, absolutely, Dr Bentley.

**JIM BENTLEY:** It is State significant infrastructure. It is the difference between the CSSI and the SSI. Critical State significant infrastructure does not affect the timing. It remains State significant infrastructure. What we are seeking clarification on is that it remains critical State significant infrastructure.

**Mr KEVIN ANDERSON:** Yes.

**JIM BENTLEY:** So it is not a timing issue.

**The Hon. ROSE JACKSON:** It was never critical State critical infrastructure under—

**JIM BENTLEY:** Yes, it was under—

**Mr KEVIN ANDERSON:** Yes, it was but it started—

**The Hon. ROSE JACKSON:** Apologies. It was never given that designation, separate to the Act, that expired. Apologies; I agree with that. We might move on to the Wyangala Dam. You would be familiar, obviously, with the fact that there was widespread reporting that that project was being—or we will not move on to that because my time has expired. We will move on to it later.

**Mr KEVIN ANDERSON:** I look forward to that, Ms Jackson.

**Ms ABIGAIL BOYD:** Good morning, Minister. Good morning to all of you.

**Mr KEVIN ANDERSON:** Good morning.

**Ms ABIGAIL BOYD:** I am not going to talk about dams. I am going to talk about racing. You recall, Minister, that in the last estimates we talked about the enforcing of horseracing whip breaches where a number of jockeys were being found to have whipped horses far more than the rules allow but that they were not being penalised for that routinely. Do you remember that discussion?

**Mr KEVIN ANDERSON:** Yes, I do, Ms Boyd.

**Ms ABIGAIL BOYD:** Are you aware that fines are rarely given for breaching the whip rules? Although there are restrictions on the number of times a horse can be whipped in those final 100 metres, it appears that in practice the stewards allow for 18 over the totality of the strikes—so irrelevant of where they occur. In September Racing NSW's chief steward was quoted as talking about how in practice they just look at the totality rather than how much is in the final 100 metres. Given that and given that the industry is not enforcing the already very lax rules, will you reconsider introducing legislation to try and curb that whip usage?

**Mr KEVIN ANDERSON:** Thanks for the question, Ms Boyd. I think the way that Racing NSW is enforcing the rules of racing across the board is consistent with very high welfare and integrity expectations of not only the industry but certainly the community. I know, and I attend a lot of racecourses. In fact, I was at Tamworth on Sunday for a round of the Country Championships where Cody Morgan, a local trainer with his horse Anethole, was successful. There were a significant number of people on course that day. Not one of them raised the issue around whips. So I believe that in terms of the welfare and integrity of the rules around racing in New South Wales, I think that they are doing a good job. They are consistent with what they need to do in terms of meeting those benchmarks.

**Ms ABIGAIL BOYD:** There is a lot to unpack in that answer. Firstly, the idea that the horseracing industry is not particularly concerned with breaches of animal welfare is not—

**Mr KEVIN ANDERSON:** They are. No, they are, Ms Boyd. That is not what I said.

**Ms ABIGAIL BOYD:** Sorry, that they seemed quite happy at the race is not really reflective of the entire community, is it, Minister?

**Mr KEVIN ANDERSON:** Well, it is reflective of the broader community when you see racegoers attending or race fans attending race meetings in terms of the way that they view the industry. It is held in very high regard.

**Ms ABIGAIL BOYD:** Okay. We are not going to have an argument about whether people should race horses; clearly we are going to agree to disagree on that. But when we are looking at the reputation of the horseracing industry it is vital, is it not, that the rules that are in place to protect animal welfare are actually upheld?

**Mr KEVIN ANDERSON:** They are upheld, Ms Boyd. When you look at the scrutiny that racing is under and when you had 40,000 people at Randwick to watch Winx win her final race, you will see that the scrutiny in relation to racing is very high. The standard is at a very high level, and they uphold those rules of racing for animal welfare and integrity.

**Ms ABIGAIL BOYD:** But jockeys are routinely whipping—and we talked a lot about this last September, whenever the last estimates was, October or November—routinely breaching the whipping rule and not being penalised. Now we are hearing it is because the stewards do not really kind of care about the minutiae of the rule; they are just taking some sort of average approach to it. That is a clear noncompliance with the rules that you say are in place to give the public assurance that these horses are not being abused.

**Mr KEVIN ANDERSON:** Ms Boyd, if you have incidences of where jockeys are breaching the rules of racing, please bring them forward and I will have Racing NSW—we have the director, Mr O'Brien, with us today. We will take that on board. If you have clear incidences, please bring them forward.

**Ms ABIGAIL BOYD:** Sure. I gave them to you last time. I can give them to you again, or perhaps this afternoon I can provide those again.

**Mr KEVIN ANDERSON:** That would be great.

**Ms ABIGAIL BOYD:** This is not new. These are routine breaches of what is already a really lax whipping rule that are just not being penalised. It is lovely that you say that racegoers are not really aware of that, but I think if they were aware of it they would be quite horrified. Is it not your responsibility to ensure that these rules are being complied with so the public can be assured that these horses are not being unduly abused and exploited?

**Mr KEVIN ANDERSON:** I think that again, Ms Boyd, if you would like to bring those incidences forward, we would certainly take them on board. Racing NSW has clearly stated its position that welfare and integrity measures are held in very, very high regard. If there are breaches of the racing rules, then they are dealt with.

**Ms ABIGAIL BOYD:** But words are not the same as actions. You can say that you are going to deal with something, then not deal with it. I am talking about the fact that these things are not actually being dealt with. It was not disputed when I raised this last time. It is very clear that there were a number of breaches of the whipping rules. Because these things are televised and because there are people at the races, we can all see it and yet these jockeys are not being penalised.

**Mr KEVIN ANDERSON:** Ms Boyd, again, if you have incidences—

**Ms ABIGAIL BOYD:** I will bring them back again.

**Mr KEVIN ANDERSON:** Yes, please bring them forward. I will personally follow them up for you and we have Mr O'Brien here as well, so we can do that.

**Ms ABIGAIL BOYD:** Can we talk about greyhounds then? How many greyhound tracks are 100 per cent compliant with the New South Wales greyhound track minimum standards?

**Mr KEVIN ANDERSON:** There are a significant number, Ms Boyd. You take a keen interest, and I appreciate your interest and thank you for your interest because it is something that also makes sure that minimum track safety standards are adhered to through the \$30 million capital grants fund. There is a significant amount of money being allocated over the next five years as well. We can update you, Ms Boyd, in terms of those tracks that have received upgrades. I would ask Mr O'Brien—

**Ms ABIGAIL BOYD:** My time has expired but, just to be very clear, the question was how many greyhound tracks are 100 per cent compliant? It was not to do with funding.

**Mr JUSTIN FIELD:** Good morning, Minister. Can you hear me well enough?

**Mr KEVIN ANDERSON:** Not quite, Mr Field. No, I am sorry. You are fine, thank you.

**Mr JUSTIN FIELD:** Maybe we have different definitions of "well enough", Minister. Congratulations on the new role. You have come in at a time when there is lots to be done. Can I start off with the ICAC report and its investigation into complaints of corruption in the management of water in New South Wales and systemic noncompliance with the Water Management Act. Have you read the ICAC report?

**Mr KEVIN ANDERSON:** I have not read the complete report, but I am familiar with its contents, Mr Field. Good morning, now we can hear you clearly.

**Mr JUSTIN FIELD:** Great. What is the primary recommendation from that report? Just so you can give us an understanding of how well you know it.

**Mr KEVIN ANDERSON:** Because it contains great detail, I will ask Dr Bentley to provide some context in and around that. Thank you, Dr Bentley.

**JIM BENTLEY:** Thank you, Minister.

**Mr JUSTIN FIELD:** I will have time with Dr Bentley this afternoon, Minister. I will go to the key point. The view of ICAC was that DPIE Water consistently failed to apply the hierarchy of water needs as required under the Act. The primary finding and the recommendations were related to that. Minister, what have you done

since becoming Minister to understand how the hierarchy of water needs—the key principle of the Act—are considered in the decisions taken by your department?

**Mr KEVIN ANDERSON:** The department's response, Mr Field, to ICAC indicates that it will implement all 15 recommendations. At the time, five of the recommendations have already been implemented and significant reforms to water management have already been implemented in the department, particularly driven through the Water Reform Action Plan that was established after the Matthews investigation, which I am sure you would be familiar with, Mr Field. It came out in 2017 and I think you were a member of The Greens back then, were you? Were you a member of The Greens in 2017?

**Mr JUSTIN FIELD:** I was, Minister. I watched that process very carefully. My question was quite specific, Minister: What have you done to understand how the department is now applying those principles of the Act that ICAC found were systemically not being applied? How is the department, in your view, addressing that?

**Mr KEVIN ANDERSON:** Mr Field, thank you. How the department is progressing that is that ICAC has requested DPE to submit a progress report by 12 May 2022. We are looking forward to that. It is on track to report all the implementations of all its actions to respond to ICAC recommendations, and seven of the 15 recommendations are fully implemented.

**Mr JUSTIN FIELD:** I will direct a question now to Dr Bentley, if I could. How many policy and operational guidance documents have been reviewed and updated to ensure alignment with section 5 of the Act?

**JIM BENTLEY:** I do not have the number of documents to hand, Mr Field. If you really want us to, we can take that on notice. I do not carry round with me the number of documents that I have reviewed, sorry.

**Mr JUSTIN FIELD:** It was actually the Government's response to the ICAC report. The primary recommendation in the Government's response included that:

The Department will review other policy and operational guidance documents—

And—

All relevant policy and operational guidance documents will be identified, prioritised, reviewed and updated ... with all reviews and updates to be complete within 12 months (by March 2022).

Dr Bentley, has this been completed?

**JIM BENTLEY:** As the Minister said, seven out of 15 of the recommendations have been completed and we are on track to complete them all by March 2022. The updated report on that will be published shortly, but I do not have the number that you have just asked for to hand.

**Mr JUSTIN FIELD:** It is March 2022. I realise we are at the start of it. I am asking if that particular element of the Government's response has been finalised?

**JIM BENTLEY:** Sorry, I misspoke when I said March. I should have said May. Thank you, Minister, for the correction.

**Mr KEVIN ANDERSON:** You are welcome, Dr Bentley.

**JIM BENTLEY:** Mr Field, the fact that I do not have the number of policy documents that we have reviewed to hand does not mean that we have not been getting on with the work. We have been getting on with the work. We are on track to complete all actions in the time line that we have committed to, and that includes any documents that needed to be reviewed. As you know, since that ICAC investigation started—that is why five of the things were completed by the time they had written their recommendations—we have done a lot of things including reviews of water sharing plans, including the introduction of first-flush rules, including the A-class licence changes that we made in the Barwon-Darling; as you are aware, a whole host of policy changes that we have made with some degree of success. We are learning from those things that we are also applying. It is many policies that we have changed and implemented and reviewed and learnt from.

**Mr JUSTIN FIELD:** Dr Bentley, I am asking you explicitly about the Government's response, which said these documents would be reviewed and updated by March 2022. I am now not asking you for the number of documents. I would appreciate it if you could provide that on notice. I am now asking you if that element, which you said would be completed by March 2022, has been completed?

**JIM BENTLEY:** It is on track to be completed by the end of this month. It is well progressed.

**Mr JUSTIN FIELD:** Minister, according to the *State of the Environment* report—this is the one that has only recently come out in the last few weeks—more than 90 per cent of Murray-Darling Basin river bellies are rated poor or worse in terms of the health of fish communities. Wetland extent and condition is worsening and

waterbird diversity abundance is already poor and getting worse. Wouldn't you agree this suggests the hierarchy of water needs, as required under the Act, are simply not being delivered?

**Mr KEVIN ANDERSON:** Mr Field, in terms of the focus of the New South Wales Government and addressing the Murray-Darling Basin Plan and working with basin users, water users, our communities and farmers, our focus is to ensure that we have healthy rivers, we have healthy farms and we have healthy communities. We will continue to work towards those three elements, which make up the sustainable growth of our State.

**The CHAIR:** Minister, I will turn to Menindee Lakes, if I may. Minister, are there any operational changes to the management of Menindee Lakes coming up that could potentially increase active water and minimise inactive water in those dead pools? Currently we have fish patches, but there is no safe fish habitat. Is there anything going on in the background in terms of trying to increase the amount of active water?

**Mr KEVIN ANDERSON:** It is a good question, Mr Banasiak. Are you referring to the 60-40, 40-80 rule?

**The CHAIR:** That was going to be a follow-up question. Are there any operational changes to increase the amount of active water? You can talk about the 40-80, 60-40 rule if you would like if there are changes going on there or, additionally, if there is anything else as well.

**Mr KEVIN ANDERSON:** Thank you for your question. As you know, the Menindee Lakes play a very important role in the ecological sustainability of the west of our State—not only to the north, but also to the south and to the east. The Menindee Lakes needs a continuous focus and it is a continuous improvement exercise in the way that those lakes are managed—the top two into the Darling, of course, and the bottom two, which sit below those, and the way that they are managed. The signalling that needs to occur when the 60-40, 40-80 rule is brought into play needs to be better handled, particularly in relation to the fish that will congregate in those bottom two lakes.

Once you start draining those top two lakes, as per the MDBA and other plans and associated water resource plans, you need to ensure that those fish in the bottom two get the signal—whatever that signal may be—to get them to start to swim back up into the top two because they get caught in the bottom two and the bottom two lakes, as you would be aware, Mr Banasiak, go nowhere. That is where you end up with a lack of oxygen, blackwater and significant challenges in relation to fish kills in those bottom two. The management of those lakes is something that is a continuous improvement exercise.

**The CHAIR:** Is there anything specifically we are doing to get the fish to hear that signal to move, from an operational point of view?

**Mr KEVIN ANDERSON:** Mr Banasiak, I am not a fish expert or a fish whisperer, but if you could get Dory in there to say, "Just keep swimming", that would be good to get them moving again.

**The CHAIR:** Dr Bentley, are you a fish whisperer? Can you provide us with any—

**JIM BENTLEY:** I cannot claim to be a fish whisperer, Chair, but I can say that I have raised a couple of times—

**The Hon. TAYLOR MARTIN:** Get Rex Hunt in there.

**JIM BENTLEY:** —this matter with the Basin Officials Committee. Changes to the operating rules need to be agreed to across that committee; so they are not something directly within New South Wales' control. But I have asked the Basin Officials Committee that we continue to look at that, and there is work going on between my officials and those in the other jurisdictions. But it is a pretty complex issue, as you can imagine.

**The CHAIR:** Sure. Thank you. Minister, I might turn to water trading. I asked the previous Minister some questions about water trading, but I want to delve into the more practical application—I guess, what happens on the ground when somebody trades water whether it is via an option or through a broker. I have got the Committee secretariat to give you a document; it is public, it is just the application form to assign surface water allocation. It is my understanding that for any water trade, this application has to be filled out. Is that your understanding?

**Mr KEVIN ANDERSON:** Just give me a moment. I have not seen this document for a little while because I do not own water and do not trade water, Mr Banasiak. But just give me a moment; I will have a quick flick just to make sure the document is current.

**The CHAIR:** I am happy for you to defer to your public servants if you need assistance in terms of whether that is current or not.

**Mr KEVIN ANDERSON:** Thanks, Mr Banasiak. Certainly, documents like these clearly show that there are procedures that need to be followed in place—in particular, the seller's licence number, the licence holder, the applicant name, the buyer's licence number, where the water is going from and to; and then in relation to payment options, meter reading and lots of other information that is required, like the broker statement, the broker name, signatures. If you have a look on the back page there is information for parties to dealings. It is quite significant in the 19 points on there in relation to the trading of water.

**The CHAIR:** So it is quite clear from that document that if someone is trading water they would have a good indication of where that water would be going.

**Mr KEVIN ANDERSON:** That would be my understanding.

**The CHAIR:** If they filled out that form correctly.

**Mr KEVIN ANDERSON:** That is correct.

**The CHAIR:** So at any point during that process you would imagine that they would be able to stop that trade from progressing, if they were not happy with price or anything like that or they objected to where the water was going. You think they would be able to stop that process?

**Mr KEVIN ANDERSON:** That would be a matter between the buyer and the seller. What I would deal with in relation to—and Dr Bentley can clarify—as long as it is the correct procedure and it was legal to do so, they would then be able to fill out that application to assign surface water allocation.

**The CHAIR:** Just so I am clear and we are both clear, if they fill out this form correctly no person who trades water could actually claim with any credibility that they have no knowledge where that water is going. If they fill out this form correctly, they follow the processes, they cannot publicly or privately say, "I have no idea where that water is going", can they?

**Mr KEVIN ANDERSON:** I will get clarification on that. I am not a lawyer, Mr Banasiak—

**The CHAIR:** No, or a fish whisperer.

**Mr KEVIN ANDERSON:** Or a fish whisperer—but let me know if you find one. We will ask Dr Bentley.

**JIM BENTLEY:** Thank you, Minister. I am not a lawyer either, but I can say that not every water trade comes under that form that you are talking about here. If it is within the area of operations of the irrigation corporations there is a different process. So I cannot say every trade in the State would come under that. But if it came under that, it is fairly clear.

**The CHAIR:** I have got only about three seconds left, so I will throw to Ms Jackson.

**The Hon. ROSE JACKSON:** Thank you. I might go to Warragamba Dam. What is the Government's policy on raising the Warragamba Dam wall?

**Mr KEVIN ANDERSON:** Thanks, Ms Jackson. The Government is committed to raising the Warragamba Dam wall.

**The Hon. ROSE JACKSON:** Has an allocation been made in the budget for that project, to which you claim to be committed?

**Mr KEVIN ANDERSON:** I can ask Dr Bentley to provide an update on Warragamba—

**The Hon. ROSE JACKSON:** I can ask Dr Bentley questions. I am asking you questions. You said that the Government's policy is to raise the dam wall and I am asking you if it is the Government's policy, is it in the budget? Because it is pretty expensive.

**Mr KEVIN ANDERSON:** Dr Bentley has had far more experience in relation to Warragamba Dam, and to provide clarity—

**The Hon. ROSE JACKSON:** Dr Bentley, I am happy to put the question to you, but it is a clear question: Is the cost of raising the Warragamba Dam wall in the budget?

**JIM BENTLEY:** At the risk of sounding like I am avoiding your question, Ms Jackson, this does not come under the department.

**The Hon. ROSE JACKSON:** The Minister just threw it to you. I did not actually choose to put the question to you, Dr Bentley.

**JIM BENTLEY:** No, indeed, and I am saying I am not trying to be evasive, but I do not have control over the administration of that particular project. Obviously, I am aware of what is going on, but I am not aware of where it is in the administrative process, as I would be on other projects.

**The Hon. ROSE JACKSON:** Just to be clear, it is Minister Stokes who does have responsibility for that. If it is not you, who is responsible for the project?

**JIM BENTLEY:** It is a little unfair, I think, to ask me which Minister is responsible for a project that is not in my portfolio.

**The Hon. ROSE JACKSON:** Okay. Minister Anderson, Dr Bentley has said it is not him and his department, so who is responsible for the project?

**Mr KEVIN ANDERSON:** In terms of where the project is up to at the moment, there is significant work being done, as you would expect. WaterNSW has undertaken that work, Ms Jackson. There is a detailed concept design, industry constructability advice, adding climate change resilience, compliance with updated dam safety regulations, and all stakeholders and interested parties—

**The Hon. ROSE JACKSON:** So it is WaterNSW? I said, "Okay, fair enough, Dr Bentley says it is not him. Who is?" and then you said WaterNSW is doing the work. But, Dr Bentley, that is you.

**JIM BENTLEY:** Thank you, Ms Jackson. WaterNSW is the owner and operator of the dam; they are the proponent of the project. But as this is a flood mitigation project—and I am sorry it sounds evasive; it is not what I am trying to be—it is a flood mitigation project, not a water supply project, therefore WaterNSW is doing that, not as part of the sector that I coordinate but in support of the flood mitigation objectives of government. That is why it is not under my control and not under Minister Anderson's.

**The Hon. ROSE JACKSON:** And I am not trying to be difficult, Dr Bentley, but you can understand why I have asked two, I think, pretty direct questions—is the money allocated in the budget and who is responsible for it—and I do not feel like I have got a straight answer to either of those questions. I do not think they are difficult questions. Is the money in the budget? Who is responsible for the project?

**Mr KEVIN ANDERSON:** And that would be a question for Minister Ayres.

**The Hon. ROSE JACKSON:** So Minister Ayres—

**Mr KEVIN ANDERSON:** Minister Ayres is responsible. As Dr Bentley just pointed out, Ms Jackson, the raising of the wall and the Warragamba Dam raising project for flood mitigation is being handled by Minister Ayres.

**The Hon. ROSE JACKSON:** Through the Department of Enterprise, Investment and Trade.

**Mr KEVIN ANDERSON:** And the Minister for Western Sydney.

**The Hon. ROSE JACKSON:** So it is in his capacity as Minister for Western Sydney that he is responsible? He is the Minister for Enterprise, Investment and Trade. What part of his portfolio has to do with flood mitigation?

**The Hon. TAYLOR MARTIN:** He is also the Minister for Western Sydney.

**The Hon. ROSE JACKSON:** Yes, that is what I was clarifying. So it is in his capacity as Minister for Western Sydney he is now responsible for flood mitigation. So to the extent that WaterNSW is the proponent, they are working with the department of enterprise, industry and whatever that new one is; they are working with them?

**Mr KEVIN ANDERSON:** Correct.

**The Hon. ROSE JACKSON:** So that is completely clear. Would you be aware, Minister, of the issues that have been raised in relation to the development of the EIS by WaterNSW? Are you familiar with some of those concerns?

**Mr KEVIN ANDERSON:** In relation to the EIS, Ms Jackson, the public exhibition period provided the community, the stakeholders, the opportunity to provide feedback on this project on what is proposed, and to make submissions as part of the assessment process, as you would expect. The EIS was on exhibition for 82 days, from 29 September to 19 December, and DPE has provided a copy of all submissions from the public and agencies to WaterNSW, along with a letter detailing any further information the department requires to make its assessment.



**The Hon. ROSE JACKSON:** That is true—a correct statement of fact there. Are you aware that EES, within DPIE, suggested that WaterNSW had used incorrect assumptions in the development of the environmental impact statement?

**Mr KEVIN ANDERSON:** I cannot answer that in relation to that, Ms Jackson. I am happy to take that question on notice.

**The Hon. ROSE JACKSON:** It has been widely reported that not only the EES division of DPIE but Heritage NSW, Sydney Water and a range of other government departments have raised serious concerns. Are you familiar with any of them?

**Mr KEVIN ANDERSON:** I am familiar with the amount of discussion that has had in relation to this particular project. It is a very, very important project. When it comes to flood mitigation, there is significant discussion going on and there is significant work being done. The environmental impact statement was out for public exhibition. WaterNSW will now review those submissions received. In addition, during the exhibition, WaterNSW made available extensive explanatory information on the EIS on a dedicated portal. They will now collate that information.

It is a very big project when it comes to flood mitigation. The circumstances, as you would expect, that we find ourselves in now, it is devastating. We are in another catastrophe in terms of the floods and east coast lows. My heart goes out to those who are yet again finding themselves in desperate need of support—their goods, their homes, their belongings and their lifelong treasures being washed away. This is an important project that needs to continue to have the focus of the Government.

**The Hon. ROSE JACKSON:** Absolutely. Which is why it is quite frustrating that basic questions like "Is it funded in the budget?" and "Who is responsible for it?" cannot get answered. WaterNSW, as you say, Dr Bentley, are the current owners and operators of the dam. Is WaterNSW able to use the dam for flood mitigation under current settings?

**JIM BENTLEY:** Under current settings, no.

**The Hon. ROSE JACKSON:** That is a pretty big hole in your project, isn't it, Minister Anderson? The whole thing that you have said is that this is a flood mitigation project. The owners and operators of the dam are actually not able to use it for that purpose. How do you propose to resolve that?

**Mr KEVIN ANDERSON:** That is the crux of the discussion that is being had now, Ms Jackson, in relation to the operating licence of Warragamba Dam. WaterNSW is required to operate that dam under licence. Flood mitigation is a completely different scenario. When we see what has occurred as a result of the flooding, then the discussion turns from a water supply to a flood mitigation project. To combine both, many dams are either one or the other or both—

**The Hon. ROSE JACKSON:** But Warragamba is not currently.

**Mr KEVIN ANDERSON:** That is true. That is why significant work is being done to look at what has to happen to turn that water supply dam into a flood mitigation dam by raising the wall and providing the opportunities.

**The Hon. ROSE JACKSON:** But it is not just about the raising of the wall, is it, Dr Bentley? I appreciate that is part of it. Even if that occurred, other changes would need to be made in order for the potentially larger dam to be used for the purposes of flood mitigation. That is true, isn't it?

**JIM BENTLEY:** That is correct.

**The Hon. ROSE JACKSON:** What process is underway to achieve that end? I am not talking about the construction part, the impact of that and all of those issues. I am talking about the actual operation of the dam for the purposes of flood mitigation.

**JIM BENTLEY:** We did ask WaterNSW to review whether we should bring forward arrangements to enable them to operate the dam as a flood mitigation dam before construction started. WaterNSW and my department undertook a lot of work into that. What they found is that, if you were to drop the operating level of the dam—obviously not during an instant like this but if you were to say, "We are going to operate it lower so that we create some airspace"—if you drop it by five metres, which is about eight months' worth of water for Sydney, in last March's flood event it would have made a 0.6 metre difference.

I have details from the modelling of what particular impacts that may have had but, compared with the size of that, it is almost nothing. The decision was made and it was put to me. I chair a group of the other heads

of the SOCs and Treasury and whatever. It was agreed between us that the benefits would not outweigh the costs of bringing forward that work, but we did look at it. It just did not make sense.

**The Hon. ROSE JACKSON:** Would you be able, Dr Bentley, to table that report? I do not know exactly what documentation was prepared for that purpose, but that would be useful if we could have a look at the Government's conclusions in relation to operating it currently for flood mitigation, if that is something you could table.

**JIM BENTLEY:** I can certainly table the analysis that demonstrates that.

**The Hon. ROSE JACKSON:** That would be useful. Thank you. I might move on to Wyangala. It was reported last year—I think it was in November, but it might have been October—that that project was being indefinitely postponed. Is that the case, Minister Anderson?

**Mr KEVIN ANDERSON:** My understanding is work is still being done on that particular project—the Wyangala Dam wall raising project. It is, again, a jointly funded project. I understand the final business case for the project is due for completion this year, so significant work is still being done on that particular project.

**The Hon. ROSE JACKSON:** The initial cost was \$650 million. The initial funding envelope was \$325 from the New South Wales Government. As you said, it is a jointly funded project. There have been reports that has blown out to well over \$1 billion. Do you have an update on where the funding envelope might be? I am not asking you for a final cost; I know the business case has not been done. But you have put \$650 million on the table. The suggestion is that it is going to cost at least double that. Can you give us any sense of the updated funding envelope?

**Mr KEVIN ANDERSON:** I am not in the business of speculating on what the probability of that particular project will cost. My focus is to ensure that—

**The Hon. ROSE JACKSON:** That is kind of your job though. This is budget estimates.

**Mr KEVIN ANDERSON:** I was just getting to that.

**The Hon. ROSE JACKSON:** What are you in the business of?

**Mr KEVIN ANDERSON:** I am in the business of providing water security not only for our regional communities but also, as we were just talking about, with Wyangala and with Warragamba about flood mitigation. It is about ensuring that we do provide the very best in terms of flood mitigation and water supply. Wyangala—that is all part of the final business case. We had this discussion earlier with Dungowan dam. The final business case in relation to Wyangala Dam, that business case is still being worked on.

**The Hon. ROSE JACKSON:** You have come to budget estimates and you cannot give us any update on the cost of a project—the budgetary implications of a project—that it has been reported has at least doubled in cost? You cannot provide us with any information on that?

**Mr KEVIN ANDERSON:** I am not going to speculate on reports in terms of the cost, Ms Jackson. What I can tell you is significant work in relation to the Wyangala water treatment plant—as part of the earlier works, construction started in January, environmental and cultural heritage investigations have generally been completed and meetings are continuing with community groups and local stakeholders about this particular project. That will all form part of what needs to happen going forward.

**The Hon. ROSE JACKSON:** Because the project is in the Murray-Darling Basin—there is no unallocated surface water in the Murray-Darling Basin, is there, Minister?

**Mr KEVIN ANDERSON:** Again, all of that forms part of the business case—

**The Hon. ROSE JACKSON:** No, it does not. That is a pre-existing statement of fact. There is no unallocated surface water. There is no spare water just floating around—excuse that bad pun—in the Murray-Darling Basin. That is correct, isn't it, Dr Bentley?

**JIM BENTLEY:** In global terms for Murray-Darling Basin—in broad terms, yes. There are places where, if you look valley by valley, some valleys have not exceeded their cap or not reached their cap. Generally speaking, I think what you are getting to in your question is will building the dam mean you can allocate a lot more water? I think that is what is behind your question.

**The Hon. ROSE JACKSON:** That is right.

**JIM BENTLEY:** Building the dam is not about allocating more water each and every year. It is about ensuring there is more water available when a drought comes along so that, even if allocations per year are down, there is some water to make available. It is not about more water overall; it is about more water in times of drought.

**The Hon. ROSE JACKSON:** That is an important distinction to make, isn't it?

**JIM BENTLEY:** Correct.

**The Hon. ROSE JACKSON:** The suggestion that this particular project is going to mean that there is more water for the purposes of, for example, drought resilience overall is not accurate, is it? Any additional water that is kept in the dam is already allocated under pre-existing licences. That is the case, isn't it?

It may be that some people who have licences are a bit more likely to be able to fulfil their licence allocation, but that is about as good as it gets, is it not, Dr Bentley?

**JIM BENTLEY:** But that is actually quite a big thing.

**The Hon. ROSE JACKSON:** Yes, but to be clear, that is what it is.

**JIM BENTLEY:** But you said some things in your question that I think are important to comment on. It will improve drought security but not by saying more water overall can be allocated. But there will be water available to allocate at different times through a drought. That is quite important to drought security. But the business case, the EIS and the decisions that Government will ultimately make on this project are not about whether there is more water overall. It is about whether there is more security during times of drought because there is more water at different times.

**The Hon. ROSE JACKSON:** Presumably the business case for that project is not going to be publicly released either?

**Mr KEVIN ANDERSON:** Ms Jackson, we have had the discussion and, again, Cabinet in confidence, we will let that work continue. We look forward to providing some security for water users, particularly the communities in and around that area. I know local members are very keen. Local member Stephanie Cooke has been onto me about it. We want to ensure that we continue to work with those communities to provide that.

**The Hon. ROSE JACKSON:** But the answer is just no. You do not want to work with communities. How can you say you want to work with communities when you will not even show them the business case? It is a pretty basic level of trust and respect, when the communities where these projects are going to be built and the impacts are going to be felt—good and bad—do not even get to have the information that you have about the costs and the benefits?

**Mr KEVIN ANDERSON:** The community does get consulted, Ms Jackson, in terms of environmental and cultural heritage investigations that have been done. The community has its say on that. The community will generally let you know in terms of the feel on a particular project such as Wyangala Dam, such as Dungowan dam, such as Warragamba Dam. The community generally gets it right, and the broader community.

**The Hon. ROSE JACKSON:** Such as Mole River? Where is the Mole River dam up to? That one is dead, is it not? Can we at least accept that?

**Mr KEVIN ANDERSON:** There was funding allocated to—

**The Hon. ROSE JACKSON:** The business case.

**Mr KEVIN ANDERSON:** —a study on Mole River, and that work is progressing as well.

**The Hon. ROSE JACKSON:** Is the business case on the Mole River dam complete?

**Mr KEVIN ANDERSON:** I will ask Dr Bentley to provide detailed information in relation to Mole River.

**JIM BENTLEY:** The commitment on Mole River was only to do a strategic business case. The strategic business case is complete and is being—

**The Hon. ROSE JACKSON:** When was that completed?

**JIM BENTLEY:** I will take that on notice. But, again, the CEO will be here this afternoon; no doubt we can answer that then. That work is still being considered by Government, but that strategic business case was completed. Could I just clarify, Ms Jackson, on the Lachlan Valley: That is one of the valleys that actually uses less than the sustainable diversion limit, so there is some more water to allocate. But it is still the case that the big benefit you get from that is water in different years, but there is actually more water that could be allocated as well.

**The Hon. ROSE JACKSON:** When did you receive the strategic business case on the Mole River dam?

**Mr KEVIN ANDERSON:** I will ask Dr Bentley if he has that information.

**The Hon. ROSE JACKSON:** When did you give it to the Government?

**JIM BENTLEY:** I will take that on notice. We will definitely be able to clarify this afternoon.

**The Hon. ROSE JACKSON:** Minister, the ball is in your court on that one. Is that project proceeding or not?

**Mr KEVIN ANDERSON:** The Government is considering a strategic business case and, in due course, we will have further to say on that particular case in terms of whether it proceeds.

**The Hon. ROSE JACKSON:** One of the reasons that these projects have all had either significant cost blowouts or delays is the cost of biodiversity offsets. In fact, the Premier raised that as a concern in his budget estimates last year. We will start with Warragamba. Has any work been done on the actual location of proposed offsets?

**Mr KEVIN ANDERSON:** I would just like to make a comment if I can in terms of—you were saying the major cost would be around biodiversity. When it comes to significant projects like dam building, the cost around a particular project like that does not solely rest with biodiversity. There is significant—there is a laundry list of—

**The Hon. ROSE JACKSON:** I am not saying that that is the major component of the cost. I am saying it is a major reason why some of the costs have been larger than projected. That is not actually me saying that. That is literally taken from what the Premier said at estimates last year.

**Mr KEVIN ANDERSON:** It is a component of the cost in terms of a particular project such as a dam being built.

**The Hon. ROSE JACKSON:** My time is up, but just to be clear, has any work been done to identify actual, realistic, proposed offsets for Warragamba?

**Mr KEVIN ANDERSON:** That is the job of the business case and that work being done with EISs, and all of that work gets folded into that particular process. So to isolate one particular location or one particular element of a business case, I think does not do and disrespects the process.

**The Hon. ROSE JACKSON:** It is a pretty significant part, though, raised not by me but by the Premier.

**Mr KEVIN ANDERSON:** I am not discounting it.

**The Hon. ROSE JACKSON:** Dr Bentley, has any actual work been done to identify specific offsets or specific offset locations?

**Mr KEVIN ANDERSON:** That work, Ms Jackson, is continuing. Biodiversity, as you rightly do point out, is a significant component in any particular project that involves anything of State significance. So whether it be projects that require those offsets, it is a significant component, even in my area where we look at offsets in different locations. So you are right; they are significant parts of the particular project, and it is important to get it right.

**The CHAIR:** I might start off this round. I pick up from our last line of questioning. Through you, Mr Anderson, I might go to Dr Bentley. We finished off with you giving a disclaimer that it might be different with IIOs in terms of the process of buying and selling water, or trading water. What is your understanding of the process in terms of a similar application form with IIOs or are you unaware?

**JIM BENTLEY:** I do not have the detail of that process. We can get that detail and make it available to you, but I do not have it to hand, sorry.

**The CHAIR:** Yes, sure, no problems at all. Minister, I turn to another issue. Are you aware of the positive youth intervention work of the Down The Track team at Lake Cargelligo? Have you heard of the work that they are doing down there?

**Mr KEVIN ANDERSON:** I have heard of it, Mr Banasiak. But in terms of the detail of what they are doing, I would have to get further information on that.

**The CHAIR:** No, that is fine. It is just a precursor to the question. They are doing some good work. They are currently leasing a no-longer-required WaterNSW admin building and have been attempting to purchase that building for a number of years now. They are willing to do so at a fair commercial value. The member for Barwon has asked me to raise with you whether the public good of the work that they are doing can be considered in assessing the sale price, noting that they are willing and prepared to pay fair commercial value. Where are we up to in terms of that sale? Is it something that WaterNSW is entering into negotiations about or is prepared to?

**Mr KEVIN ANDERSON:** I will have to take that question on notice, Mr Banasiak.

**The CHAIR:** Is there no-one here who could possibly answer that?

**JIM BENTLEY:** No, I am the only water official witness this morning.

**Mr KEVIN ANDERSON:** We will take it on notice and come back to you.

**The CHAIR:** Thank you. I turn to Yarrie Lake. The previous Minister implemented a review of the operation of the Yarrie Lake trust because of failures to lodge returns and produce accounts for around a decade, all of which I raised in budget estimates. She committed to that review. Is the review continuing? Are you prepared to table the terms of reference, to start off with?

**Mr KEVIN ANDERSON:** Mr Banasiak, I will ask Dr Bentley if he can provide some further information in relation to that.

**JIM BENTLEY:** Thank you, Minister. I am afraid that I have to take that on notice, Chair.

**The CHAIR:** I think there is a quick change—

**Mr KEVIN ANDERSON:** Yes, it is coming back across. We will ask Ms Hawyes if she has some information to provide.

**MELANIE HAWYES:** Thanks, Minister. Thanks for the question. As you mentioned, it is a matter that you have raised in a couple of budget estimates sessions. As a result, we have engaged an independent firm to have a look at the financial and governance arrangements of the former board and ensure that we set it up for success so that the Minister is able to appoint and reconfigure a new board. That is well in progress. I am expecting the report in the next couple of weeks.

**The CHAIR:** What is the name of that independent firm?

**MELANIE HAWYES:** It is Deloitte.

**The CHAIR:** You are expecting that report in a couple of weeks. Is that the full and final report?

**MELANIE HAWYES:** Yes.

**The CHAIR:** I do not think you would be aware of this, Minister, but I will ask the question. Are you aware that one regional departmental official is ringing candidates for the new appointees to this trust and telling them that the review has no merit and that their appointment is being delayed by this review?

**Mr KEVIN ANDERSON:** No, Mr Banasiak, I am unaware of that.

**The CHAIR:** Ms Hawyes, are you aware of that? Has any direction been given by your department?

**MELANIE HAWYES:** No, absolutely not. I would be really interested in seeing what this concern is and where the source is so that we can look into that because I have no awareness of that. If you have something, it would be great.

**The CHAIR:** We might continue that discussion offline.

**MELANIE HAWYES:** Absolutely.

**The CHAIR:** I would like to just quickly turn to greyhounds, Minister. There has, obviously, been several announcements and re-announcements around the Goulburn straight track by the former Deputy Premier. During the Upper Hunter by-election, he committed to \$12 million or \$11 million to get that project done. Can you update us on what is happening there, how much money has been allocated, and how far along are they—pardon the pun—down the track to actually getting this thing built? I think I first raised this with you in 2019. It has been a lengthy process.

**Mr KEVIN ANDERSON:** It has been a lengthy process, Mr Banasiak. Thank you for your question. In terms of Goulburn—it is a great project too, by the way. We have been down there and had a look. I think, for the greyhound racing community in and around that southern area, Goulburn will play an important part. They have a round track there at the moment that needs some work. They are also looking at some lights. Part of what they are keen to do is install a straight track, which will sit just inside the concourse, in between the other tracks. So significant work has to be done. There is a lot of stakeholders involved in that, as you would be aware, Mr—

**The CHAIR:** I am familiar with all of that. I just want to get to the heart of the matter. The \$11 million was committed by the former Deputy Premier with you. How much of that has already been allocated or sent to them? Have they put in submissions or budget requests—requests for the money? Where are we up to in terms of the money being allocated?

**Mr KEVIN ANDERSON:** Yes, significant work has been done, Mr Banasiak. You are right. Again, I will just make an observation in terms of the process around harness racing being involved, the show society being involved. A lot of stakeholders and users of that particular location need to have input in terms of how that all fits in with the jigsaw puzzle, as you would expect, of a pastoral and agricultural society, whether it be through the pavilions or whether it be through showjumping. Greyhounds will need to fit into that particular project. We are getting closer to, hopefully, coming up with an announcement in relation to where that project will land. But I am confident it will proceed.

**The CHAIR:** No money has been allocated?

**Mr KEVIN ANDERSON:** That work is still being done, Mr Banasiak. As I said, there is a lot of stakeholders still involved.

**Ms ABIGAIL BOYD:** Sticking with greyhounds and going back to the question I was asking before, Minister, I am just after a number here: How many greyhound tracks are 100 per cent compliant with the New South Wales greyhound track minimum standards? And how many are not 100 per cent compliant?

**The CHAIR:** Thank you, Ms Boyd. I will ask Mr O'Brien if he could elaborate, please.

**TERRY O'BRIEN:** We need to seek advice from Greyhound Racing NSW in terms of the number that are compliant at the moment. There is a program of works that has been set out by Greyhound Racing NSW. They have accessed government funding to do some of those works, but a lot of those works are still in progress. They are phased works. So they are not addressing all minimum standards issues at once. There might be a number of projects at different tracks.

**Ms ABIGAIL BOYD:** It sounds like certainly the number is not 100 per cent of those tracks being 100 per cent compliant.

**TERRY O'BRIEN:** That is right.

**Ms ABIGAIL BOYD:** Does the department have any oversight? Is there any regular reporting back, even if it is a few months ago or a year ago, of how many are actually 100 per cent compliant? Are any 100 per cent compliant?

**TERRY O'BRIEN:** GRNSW has not provided that information to date in terms of which ones they consider compliant with the minimum standards. But that is certainly something we can request they provide to us.

**Ms ABIGAIL BOYD:** Thank you.

**Mr KEVIN ANDERSON:** If I can add some comment, Ms Boyd, in relation to that.

**Ms ABIGAIL BOYD:** Yes, please.

**Mr KEVIN ANDERSON:** As part of that program, in the vicinity of 24 projects across 18 racing clubs have received funding to look at those minimum track safety standards and again put welfare and integrity at the top of what Greyhound Racing NSW does. We are very fortunate to have Mr Griffin, Greyhound Welfare Integrity Commission with us today as well, who look at making sure that that integrity and those track inspections—that they are safe at every race meeting, that they are inspected. For example, Gosford track remediation, 762,000—

**Ms ABIGAIL BOYD:** Sorry. Can I just stop you there?

**Mr KEVIN ANDERSON:** Sure.

**Ms ABIGAIL BOYD:** Again, we are not talking about funding. We are talking about how many tracks are actually compliant with the minimum standards. Are there any that are 100 per cent compliant with the minimum standards?

**Mr KEVIN ANDERSON:** As Mr O'Brien intimated earlier, we will get that number for you, but there is 24 projects off the 18 tracks that are being working on.

**Ms ABIGAIL BOYD:** So at least 18 tracks are not 100 per cent compliant because they still have work to be done to make them 100 per cent compliant. Does it not concern you, when you sit here and talk about the integrity and welfare of the greyhound-racing industry, that we have minimum standards that are not currently being complied with by quite a substantial number of clubs, by the sound of it?

**Mr KEVIN ANDERSON:** Each particular club, Ms Boyd, will manage their facility as required. When any race meeting is held, Greyhound Welfare Integrity Commission are on hand, and they will inspect the track. If a track is not safe or there is an issue, then racing does not occur.

**Ms ABIGAIL BOYD:** Why are any of them operating if they are not 100 per cent compliant with the minimum standards? These are the minimum standards.

**Mr KEVIN ANDERSON:** It is a process that is worked through with the University of New South Wales in terms of setting that framework. It is a very big task. When you get to 24 projects across 18—

**Ms ABIGAIL BOYD:** Twenty-four clubs that are not compliant. Sorry. Eighteen.

**Mr KEVIN ANDERSON:** No—24 projects across 18 of those tracks that are being worked on, significant work is being done. I would like to ask Mr Griffin in terms of the quality of the tracks that he is seeing as part of the Welfare Integrity Commission, that he finds, moving across the club.

**Ms ABIGAIL BOYD:** I will just bring you back to the question, though, which is around the compliance. Perhaps, Mr Griffin, you could tell me how many track sites there are in New South Wales—so clubs, rather than individual tracks, where you might have more than one at one club. How many of them are there in New South Wales?

**STEVE GRIFFIN:** There are 32.

**Ms ABIGAIL BOYD:** So at least 18 of 32 are not compliant. I will come back to you, Mr Griffin, if I can, this afternoon. GWIC's most recent quarterly injury report shows that major 2 injuries—that is long bone fractures; severe spinal, pelvic or skull injuries; major fracture dislocations; and Achilles tendon ruptures—are the highest that they have ever been. With the amount of government money you keep talking about being poured into the industry for track upgrades and given that at least 18 of these clubs are not meeting the minimum standards, how can you be okay with this?

**Mr KEVIN ANDERSON:** In terms of welfare and integrity, it is something that we are focused on, not only from Greyhound Racing NSW but also with the Greyhound Welfare and Integrity Commission, Ms Boyd. I think what you do need to think about is the holistic component of greyhound racing when it comes to not only a racing perspective but also how those animals are integrated within the industry. They are much loved by their owners.

**Ms ABIGAIL BOYD:** No. Sorry. This is extraordinary. This is a systemic issue. We have tracks that are not safe for greyhounds to race on. We have tracks that do not meet minimum standards. The result is that we have major 2 injuries, of the type I have just listed, being the highest they have ever been. This is in an industry that is supposed to have been reformed and has this great focus on welfare. We have the most injuries ever, and we have a bunch of clubs that are not up to scratch.

**Mr KEVIN ANDERSON:** But I was just—

**Ms ABIGAIL BOYD:** How are you okay with this?

**Mr KEVIN ANDERSON:** I was getting to that, Ms Boyd. In terms of greyhound racing injuries, it needs to be looked at in totality. It is just not about racing. I will ask Mr Griffin if he would like to comment on that.

**Ms ABIGAIL BOYD:** Again, I will come to you, Mr Griffin, this afternoon. My time is limited. In the past year 92 dogs were killed through racing injuries and 3,074 dogs were injured on New South Wales racetracks. You may talk about that in terms of the number of starts and try to massage the figures, but we are talking about individual dogs continuing to die and being euthanased after injury because they are racing on New South Wales' greyhound racing tracks that do not comply with minimum standards. How are you okay with that?

**Mr KEVIN ANDERSON:** Ms Boyd, those numbers do not match with what we have got here in terms of those quarterly numbers. I will ask Mr O'Brien, who has got those numbers handy. They do not match with our numbers, Ms Boyd, but we are happy to have that discussion.

**TERRY O'BRIEN:** The Greyhound Welfare Integrity Commission reports quarterly on injuries. For 2021 the total catastrophic injuries was 64, from their reports.

**Ms ABIGAIL BOYD:** We will come back to that this afternoon.

**The Hon. MARK PEARSON:** Can you move the microphone closer to you, please, and repeat your answer? What was the last sentence?

**TERRY O'BRIEN:** Sorry. There were 64 catastrophic injuries in 2021.

**Ms ABIGAIL BOYD:** That is not actually what I said, but we will come back to that this afternoon. Thank you.

**The CHAIR:** I will throw to Mr Pearson, who has joined us.

**The Hon. MARK PEARSON:** Minister, do you realise it is an offence under the Prevention of Cruelty to Animals Act to knowingly permit or authorise something to occur where an animal is likely to be harmed?

**Mr KEVIN ANDERSON:** Mr Pearson, good morning. I do not administer that Act.

**The Hon. MARK PEARSON:** But everybody is catchable under the Act. If the evidence is very clear that an oval track, a circular track, is more likely to cause catastrophic or other serious injuries, to then knowingly permit people to race dogs on that track is actually putting dogs at a high risk of harm. If they were raced not at all or raced on a straight track, the likelihood of catastrophic injuries is far less. So why do you—and why does GWIC, Mr Griffin—still permit that and not ensure that circular tracks or oval tracks are prohibited?

**Mr KEVIN ANDERSON:** Mr Pearson, I take from your comment that you do not like racing—

**The Hon. MARK PEARSON:** That is not what I said, Mr Anderson. Can you please answer the question?

**Mr KEVIN ANDERSON:** I am just passing comment. I am just making comment in relation to your comments, Mr Pearson.

**The Hon. MARK PEARSON:** Incorrect.

**Mr KEVIN ANDERSON:** In terms of that, the safety and welfare and integrity of greyhound racing in New South Wales has been a focus for a number of years, and I think that level has lifted significantly over the last couple of years. When you look at—

**The Hon. MARK PEARSON:** The evidence does not point to that, Minister.

**Mr KEVIN ANDERSON:** The evidence does point to that, Mr Pearson, and I will take you back to the tracks that have been upgraded over the last while. In terms of the safety and welfare, the Greyhound Welfare Integrity Commission is doing a very good job working with Greyhound Racing NSW to provide the very best environment when it comes to racing for greyhounds.

**The Hon. MARK PEARSON:** Minister, are you aware of the illegal practice of pin firing in greyhounds?

**Mr KEVIN ANDERSON:** No, I am not.

**The Hon. MARK PEARSON:** Mr Griffin, are you?

**STEVE GRIFFIN:** Yes, I am. Yes.

**The Hon. MARK PEARSON:** Can you explain to the Committee what has occurred in relation to pin firing of greyhounds, which is actually unlawful to be done on horses?

**STEVE GRIFFIN:** Pin firing is a breach under POCTAA, as you are aware, Mr Pearson. New South Wales is the only jurisdiction in Australia that has pin firing as a breach under the prevention of cruelty to animals. It is an offence to pin fire an animal. Earlier last year we detected three greyhounds that had been pin fired, we believe, sometime last year by a veterinarian in New South Wales. We then took action to disqualify those greyhounds for racing while we conducted further inquiries and investigations into those aspects of the pin firing.

**The Hon. MARK PEARSON:** Has a veterinarian or another person been prosecuted for pin firing a greyhound?

**STEVE GRIFFIN:** At the moment we are in discussions with RSPCA about conducting a joint investigation into that.

**The Hon. MARK PEARSON:** Minister, have you been briefed at all as to what are the factors that lead up to a greyhound being susceptible to catastrophic injuries, particularly on a circular track?

**Mr KEVIN ANDERSON:** There are a range of factors, Mr Pearson. When you look at injuries, again, it is not just about racing. There are significant other areas where—they might be returning from injury. They may already have an injury. They may be susceptible to injury.

**The Hon. MARK PEARSON:** Could it have to do with being trained on circular tracks as well as raced?

**Mr KEVIN ANDERSON:** I think that there are a number of broader areas that need to be taken into consideration, and I will make a comment in relation to what you are talking about. When it comes to greyhound racing, they are the Formula One of the canine breed—



**The Hon. MARK PEARSON:** Listen, Minister, please do not give us that. We have heard it before and it is not sustained by veterinary evidence.

**Ms ABIGAIL BOYD:** It is not scientific.

**The Hon. MARK PEARSON:** Please just answer the welfare questions.

**The Hon. TAYLOR MARTIN:** The Minister is entitled to answer as he sees fit.

**The Hon. MARK PEARSON:** We are not talking about cars. We are talking about sentient animals.

**Mr KEVIN ANDERSON:** Yes, we are talking about canine—

**The Hon. MARK PEARSON:** Are you aware that the evidence is that because the dogs are being trained and raced on circular tracks, the pressure on the various musculature and skeletal system from having to race on these angles and turn corners actually leads to vulnerability and susceptibility to catastrophic and serious injuries? Isn't that enough evidence to say that we cannot be putting these animals into these situations?

**Mr KEVIN ANDERSON:** Significant work is being done with Greyhound Racing NSW, the Greyhound Welfare Integrity Commission and the University of New South Wales to look at minimum track safety standards and the angles, in terms of when—just like a human or when a car or a canine turns a corner, they need to be guided and they need to traverse that corner in safety.

**The Hon. MARK PEARSON:** Guided by what?

**Mr KEVIN ANDERSON:** Through the degree of the track, Mr Pearson. I am happy to take you to Wentworth Park. I am happy to take you to Gunnedah. I am happy to take you to Tamworth.

**The Hon. MARK PEARSON:** But you are not answering the question. The question is in relation to the connection between—

**The Hon. TAYLOR MARTIN:** Come to Gosford.

**Mr KEVIN ANDERSON:** Gosford is a good track.

**The Hon. MARK PEARSON:** Could you show respect to the questioner, please, Minister?

**Mr KEVIN ANDERSON:** Yes, I am.

**The Hon. MARK PEARSON:** The relationship between the circular track, a direct relationship to training and racing on those tracks, and the cause of the injuries—that is what the University of Sydney reports and studies are showing are extremely serious causes of catastrophic injuries. I put to you, Minister, that if you do not ban these tracks, you are actively contributing to harming these dogs.

**Mr KEVIN ANDERSON:** Mr Pearson, the Greyhound Racing Act 2017 and the operating licence of Greyhound Racing NSW has adopted minimum track safety standards for the design and construction of greyhound racecourses, with safety and welfare at the top of everything it does.

**The CHAIR:** That finishes the crossbench time. We will have a short break.

**(Short adjournment)**

**The Hon. PETER PRIMROSE:** Minister, could you please provide an update on the status of the new independent casino commission recommended by the Bergin inquiry.

**Mr KEVIN ANDERSON:** That is something that I firmly believe is a step in the right direction when it comes to making sure that the appropriate regulatory powers are in place to keep not only casinos but also our communities free from criminal influence and exploitation. You will recall that the Bergin inquiry is something that this Government took very seriously to ensure the strictest controls are in place. I will ask Ms Mann if she would provide an update in terms of where that casino commission is up to.

**NATASHA MANN:** Mr Primrose, as you are aware, that was one of the 19 recommendations of the Bergin review. At the moment, a bill is being drafted and we are targeting the first half of this year for a bill to come forward. But in the meantime, the Independent Liquor & Gaming Authority announced on 14 January that there are a number of practical interim arrangements that they would take ahead of those legislative changes to establish the independent casino regulator. There are a number of things they have done. There is a separation of functions within the regulator. There is an appointment of a new ILGA board member, who has anti-money laundering experience. There is the allocation of additional resources and there is also a new MOU being developed with AUSTRAC. They are the interim arrangements in place until legislation comes through.

**The Hon. PETER PRIMROSE:** You expect that the necessary bill will be before the Parliament in the first half of this year?

**NATASHA MANN:** That is what we are targeting. There is some complexity to the bill, but we are targeting that date.

**The Hon. PETER PRIMROSE:** Most bills are complex, but that is what you expect to take place.

**NATASHA MANN:** That is right.

**The Hon. PETER PRIMROSE:** Given the Government's support was announced on 18 August last year, I am pleased it is finally coming. Can you please confirm that the new independent casino commission will be funded by the casino supervisory levy?

**NATASHA MANN:** Yes, that is the intention.

**The Hon. PETER PRIMROSE:** Can you advise which stakeholders are being consulted in establishing the independent casino commission?

**NATASHA MANN:** Mr Primrose, as you will appreciate, the Bergin inquiry caught up very many stakeholders who were consulted as part of that process. I think we have the consultation through Bergin. The drafting of the bill will be a confined, targeted consultation. It will not be a general public consultation process, but it will be targeted consultation.

**The Hon. PETER PRIMROSE:** Who are you targeting?

**NATASHA MANN:** In consulting on that bill, we will be targeting obviously Mr Crawford, the head of the Independent Liquor & Gaming Authority, and he is here this afternoon so you might want to talk to him a little bit about it as well. We will also be speaking to our government colleagues, Premier and Cabinet, Treasury, and so forth, but also the other regulators, so the AUSTRAC, the police and the Crime Commission.

**The Hon. PETER PRIMROSE:** Any employer groups?

**NATASHA MANN:** Not that I am aware of, but I can take that on notice.

**The Hon. PETER PRIMROSE:** What about employee organisations?

**NATASHA MANN:** With reference to?

**The Hon. PETER PRIMROSE:** The people who will actually be involved, like the United Workers Union.

**NATASHA MANN:** I will take that on notice, if I could.

**The Hon. PETER PRIMROSE:** My problem is that you say Government support was announced on 18 August. It is March. You say you are going to bring in legislation in the first half of this year. I have asked who has been consulted, and we are not sure. Please take it on notice, but I would have expected by this time there would have been substantial—has there been substantial consultation amongst key stakeholders, Minister? Are you satisfied with the levels of consultation to date?

**Mr KEVIN ANDERSON:** Where the Bergin inquiry landed and where we have gone on from that particular report, when you think about the amount of work that the Bergin inquiry put in play and the 19 recommendations that it provided, the thousands and thousands of hours, the thousands of people who would have been interviewed in relation to the Bergin inquiry and the key recommendations—

**The Hon. PETER PRIMROSE:** So, Minister, you do not think there is a need for any additional consultation with employers and employee organisations, for example, and key stakeholders?

**Mr KEVIN ANDERSON:** Consultation is ongoing, and no doubt as this process—

**The Hon. PETER PRIMROSE:** Yes, but with who?

**Mr KEVIN ANDERSON:** The process will continue, Mr Primrose—

**The Hon. PETER PRIMROSE:** With who?

**Mr KEVIN ANDERSON:** Go ahead.

**The Hon. PETER PRIMROSE:** You cannot tell me who has been consulted in relation to the preparation of the bill.

**Mr KEVIN ANDERSON:** We can come back to you, Mr Primrose, if you would like specifics—

**The Hon. PETER PRIMROSE:** Yes, I would. Thank you, Minister.

**Mr KEVIN ANDERSON:** But in terms of the inquiry's final report—

**The Hon. PETER PRIMROSE:** In terms of my time, I would appreciate you coming back and telling me who has been consulted specifically. We all accept it is an important bill. I would just like to know before it is presented, given it is important, who has been consulted. Will the new independent casino commission look to also ensure the industry offers secure and well-paid jobs for workers?

**Mr KEVIN ANDERSON:** I think that would be a given, Mr Primrose. When we look at the hospitality industry, it is a key component of stimulus, a key component of economic growth and the driver of making sure that our hospitality industry is sustainable going forward. To ensure that they are receiving the correct remuneration, there are rules and regulations in relation to industrial relations, and that is outside my portfolio so I would expect that that would be part of the norm, if you like.

**The Hon. PETER PRIMROSE:** You would expect, therefore, given their importance, as you have outlined, that the organisations representing them, such as employee organisations, would be fully consulted before the bill was presented to the House?

**Mr KEVIN ANDERSON:** That brings me back to your point you made earlier, Mr Primrose, in relation taking on notice those stakeholders.

**The Hon. PETER PRIMROSE:** You can confirm not only that it may be a good idea but that the new independent casino commission will also look to ensure the industry offers secure and well-paid jobs for workers?

**Mr KEVIN ANDERSON:** What I have said is that those jobs within the hospitality industry are critical to ensuring that, not only from a casino perspective but also pubs, clubs, cafes and restaurants—I was actually at the industry awards on Monday night where we highlighted those businesses that have been doing it very difficult, and the first thing and the last thing that they keep talking about is their staff. They know how important it is to look after their staff.

**The Hon. PETER PRIMROSE:** I am just trying to get it clear, Minister. We all acknowledge what you are saying. It is perfectly true. We still do not know who has been consulted. You have taken that on notice. Will you confirm that the new independent casino commission will also ensure the industry will offer secure and well-paid jobs for workers? Is that part of their remit?

**Mr KEVIN ANDERSON:** In terms of staff having a significant role to play and the different levels of where they start—whether they have just got an RSA or RCG, whether they work up to managerial level, whether they are in the business of opening and closing a particular premise, whether they work through the pokie rooms or whether they work at front of house—each particular role attracts a different remuneration. Staff are so important. We heard that very clearly on Monday at the restaurant and catering awards. They do a fantastic job.

**The Hon. PETER PRIMROSE:** Minister, it is a very simple question. This is an important organisation and there is legislation about to come up to establish an independent casino commission. I am simply accepting what you are saying—staff are really important. Those of us with an RSA, such as myself, would accept that. But is the proposed independent casino commission going to have a role in ensuring that the industry offers secure and well-paid jobs? Is that going to be part of their remit—yes or no?

**Mr KEVIN ANDERSON:** Again, workers in the hospitality industry and the level that they operate at attract a different remuneration, and, again, it comes under the industrial relations component of what you are talking about. But in terms of that consultation process, we will come back to that.

**The Hon. PETER PRIMROSE:** So the answer is no. That is right. I can take it from you that the new independent casino commission is not going to look at ensuring the industry offers secure and well-paid jobs for workers. Is that correct?

**Mr KEVIN ANDERSON:** No, that is not what I said, Mr Primrose. You are putting words in my mouth, and that is not what I said.

**The Hon. PETER PRIMROSE:** I am trying to get you to say will it or won't it, Minister?

**Mr KEVIN ANDERSON:** I am telling you, Mr Primrose, as I have said previously, with great respect, that under the areas that we are working in—hospitality—staff are very, very important, and in terms of the industrial relations component of that particular part of that role, that is where it sits. We will continue to, as we always do, look after workers who are valuable in our community, whether they are in hospitality—

**The Hon. PETER PRIMROSE:** I accept that. I will not keep labouring the point because either you do not know or you will not say. I am simply asking you to make a clear statement about whether your proposed

independent casino commission will actually have a role in ensuring that those very important workers have secure and well-paid jobs in the industry. It is a very simple question but, if you are not going to answer it, I am not going to keep labouring the point. Can I now turn to poker machines and the digital wallet. Your predecessor, Mr Dominello, was pushing for a digital gaming wallet. Do you share the former Minister's views on the need to introduce such a wallet?

**Mr KEVIN ANDERSON:** Significant work is being done in relation to harm minimisation and gambling measures to protect those in our community who are vulnerable. There is a trial underway in terms of cashless gaming, and I will come to your point in a moment. But in terms of the trial that is happening up around Newcastle to look at what is one of the more acceptable ways of moving toward a gaming card, cashless gaming and making sure that all those checks and balances and harm minimisation measures are put in place—to further detail some of those areas, Ms Mann might like to provide further information for you.

**NATASHA MANN:** Just to make it clear, there is a distinction between the gambling card and the cashless gaming trial. The gambling card, as you would know, Mr Primrose, was an idea that was floated in 2020. The cashless gaming trial is something that we are actively working on at Liquor & Gaming at the moment.

**The Hon. PETER PRIMROSE:** Can I specifically ask about this concept of a digital gaming wallet. That is the expression that was used.

**NATASHA MANN:** I think what you would be referring to is the cashless gaming trial. That is for patrons who can go into venues and they would have a digital wallet potentially on their phone that they would be able to utilise both to access food and beverages, if they wanted to, and to play on the gaming machines—they would also be able to access that.

**The Hon. PETER PRIMROSE:** Before we continue, Minister, has this got your support? Do you support the idea of the whatever we call it, but I will use the former Minister's term—digital gaming wallet. Does that have your support?

**Mr KEVIN ANDERSON:** What does have my support is harm minimisation across the gaming sector. Whatever that looks like, we will continue to work with clubs and pubs. Again, up in the north at Wests, working with Aristocrat in west Newcastle looking at different options around cashless gaming and the digital wallet—

**The Hon. PETER PRIMROSE:** Minister, I understand. In the time I have got I am trying to be quite specific and give you the opportunity to say that either you disavow or support what the former Minister said. Do you support the introduction of a digital gaming wallet—yes or no?

**Mr KEVIN ANDERSON:** What I do support is harm minimisation and different options. There are different options being presented.

**The Hon. PETER PRIMROSE:** Do you think this is a good option?

**Mr KEVIN ANDERSON:** There are lots of good options being brought forward by industry.

**The Hon. PETER PRIMROSE:** Is this a good option?

**The Hon. ROSE JACKSON:** Is this one of them?

**The Hon. PETER PRIMROSE:** Is this one of them? Is this a good option?

**Mr KEVIN ANDERSON:** Rather than single out a particular option, there are a number of options that industry are bringing forward. When it comes to the industry having a role to play, they are right at the forefront of providing excellent opportunities to bring in new harm minimisation when it comes to gambling.

**The Hon. PETER PRIMROSE:** So that is a no. You do not support what Minister Dominello—

**The Hon. TAYLOR MARTIN:** That is not the Minister's answer.

**The Hon. PETER PRIMROSE:** Is the Minister saying he supports this as an option or not?

**The Hon. TAYLOR MARTIN:** Point of order—

**The Hon. PETER PRIMROSE:** What is the point of order?

**The Hon. TAYLOR MARTIN:** The point of order is you are perfectly entitled to ask your questions. The flip side of that is the Minister is perfectly entitled to give answers in the way in which he sees fit.

**The Hon. PETER PRIMROSE:** He can.

**The Hon. TAYLOR MARTIN:** You cannot badger the Minister into giving an answer that you are looking for or fishing for.

**The Hon. PETER PRIMROSE:** To the point of order: I am asking the Minister to simply say yes or no.

**The CHAIR:** Let's hear the point of order to be clear.

**The Hon. PETER PRIMROSE:** Does the Minister support what the former Minister said—yes or no?

**The CHAIR:** Have you finished with your point of order?

**The Hon. TAYLOR MARTIN:** It is pretty simple. The Minister is entitled to answer in any way he sees fit.

**The Hon. PETER PRIMROSE:** Yes, he can obfuscate all he wishes. If he is refusing to say yes or no—

**The CHAIR:** Let me rule on the point of order so we can move on. The Hon. Taylor Martin is correct: The Minister can answer the question how he so wishes. But it is still well within the rights of the member who is asking the question to reword the question and ask again. I am listening carefully to see whether it does constitute badgering. If it does get to that level, I will reel Mr Primrose back in.

**The Hon. PETER PRIMROSE:** How many venues will be participating in the current trial that we were hearing about?

**Mr KEVIN ANDERSON:** That trial is being run at Wests Newcastle in association with Aristocrat. There are four other applications from Utopia Gaming, IGT, Konami and Scientific Games. I am not trying to be difficult, Mr Primrose, but there are a number of options that are being brought forward by the industry because they too want to protect and make sure that those in our community that would like to take up exclusion or harm minimisation—in terms of limits, there are so many options coming forward that the industry is providing us with the answers, and we will continue to work toward where we need to be.

**The Hon. PETER PRIMROSE:** Would you please take on notice which particular venues are involved? Also Minister Dominello and his department had also been in discussions with Star casino about obtaining a further 1,000 gaming machines. Are you supportive of that proposal?

**Mr KEVIN ANDERSON:** Again, that is an issue that is under discussion at the moment in terms of where that lands, but to get a further update on that particular issue I would ask Ms Mann to further elaborate.

**The Hon. PETER PRIMROSE:** Minister, can I just ask if you have a view, given that this was already under discussion?

**Mr KEVIN ANDERSON:** Those discussions are continuing.

**The Hon. PETER PRIMROSE:** When do you expect to make a decision?

**Mr KEVIN ANDERSON:** In the fullness of time, Mr Primrose, and I am not being difficult.

**The Hon. PETER PRIMROSE:** In the effluxion of time, I think.

**Mr KEVIN ANDERSON:** I am not being difficult. There are significant issues. When it comes to gambling harm minimisation, I take it very seriously, not only from a casino perspective but regionally as well. Whether you are in Walgett, Wamboona, Tamworth or Temora, issues around gambling harm minimisation are at the forefront of what we do. So when it comes to the transfer of 1,000 gaming machines, that is a significant amount—

**The Hon. PETER PRIMROSE:** When do you expect to make a decision, Minister?

**Mr KEVIN ANDERSON:** —and a significant amount of concern needs to be placed around these decisions.

**The Hon. PETER PRIMROSE:** When do you expect to make a decision?

**Mr KEVIN ANDERSON:** In the fullness of time and when we have all that information in front of us. I will ask Ms Mann, if you would like some further information in relation to that.

**NATASHA MANN:** There is work progressing on that issue, but it is really in its infancy. Obviously, as the regulator we want to make sure that the proposal to increase Star's threshold from 1,500 to 2,500 is not impacting on the community interests and is not increasing harm. What I will say is that the proposal is looking at sourcing existing gaming machines held by hotels and clubs so that there would not be an increase in the number of gaming machines in New South Wales, and hotels and clubs would not be forced to participate in that scheme.

That being said, the work is in its inception phases. There is a steering committee and there is a probity adviser who has been engaged, and we are continuing to work and we will bring advice to the Minister in due course.

**The Hon. PETER PRIMROSE:** While you are consulting on this matter, other than Star casino, have any other industry stakeholders been consulted about this proposal?

**NATASHA MANN:** ClubsNSW and the AHA are also aware of the proposal. It is obviously in the public domain, and there is an absolute commitment to continue consultation with both of those groups as progress is made.

**The Hon. PETER PRIMROSE:** How much has been paid into the Responsible Gambling Fund, the controlled community benefit fund, in the 2021-22 financial year?

**Mr KEVIN ANDERSON:** I will ask Ms Mann if she has those numbers handy.

**NATASHA MANN:** I am afraid I will have to take that on notice.

**The Hon. PETER PRIMROSE:** I will skip back to the gaming machines. How many of the proposed poker machines will come mostly from regional pubs and clubs?

**Mr KEVIN ANDERSON:** Again, Mr Primrose, that is all part of the discussions and where they come from and are sourced.

**The Hon. PETER PRIMROSE:** So you do not know, okay. You have taken on notice the responsible—

**Mr KEVIN ANDERSON:** Yes, we have.

**The Hon. PETER PRIMROSE:** Can you also give me some figures for the 2020-21 and 2019-20 years? Please take that on notice again. Also take on notice how much money has been granted from the fund in the 2021-22 financial year. Do you have those figures to hand?

**NATASHA MANN:** It might be best if I take those on notice, Mr Primrose.

**The Hon. PETER PRIMROSE:** Okay. Also, again, the allocation from the 2020-21 and 2019-20 financial years. Finally, how much of the granted money from the period between 2019 and 2021 has been expended, knowing that in many cases COVID or other factors prevented projects from going ahead?

**NATASHA MANN:** What I will say, to give you a sense of the overall spend, is that approximately \$30 million per year is paid out by the IGF. But I can obviously get you the details that you have asked for.

**Mr JUSTIN FIELD:** Minister, I would like to turn to gaming. Given the recent announcement that AUSTRAC is taking action against Crown over breaches of money laundering laws, has AUSTRAC raised any questions with the Government about potential money laundering through New South Wales clubs and pubs?

**Mr KEVIN ANDERSON:** Mr Field, thank you for your question. As you know, the Gaming Machines Act 2001 requires all gaming machines in New South Wales hotels and clubs to be connected to the central monitoring system. Liquor & Gaming NSW is part of a joint investigation with the NSW Crime Commission and the Australian Criminal Intelligence Commission in order to coordinate its regulatory and enforcement efforts, and to better contribute to the detection and prevention of money laundering as it relates to gaming and machines and licensed premises. An inquiry has been conducted to investigate the nature and extent of money laundering that may be occurring in licensed premises in New South Wales in particular. I can make reference to those, Mr Field, if you wish.

**Mr JUSTIN FIELD:** My question specifically is—and I understand that is all on the public record—are you aware of any AUSTRAC investigations into New South Wales clubs or pubs?

**Mr KEVIN ANDERSON:** As you know, Mr Field, AUSTRAC is Australia's financial intelligence agency and is, in part, responsible for anti-money laundering and counterterrorism financing regulation. Regulated entities must monitor and report suspicious financial activities or transactions involving gaming machines directly to AUSTRAC and ensure that they have appropriate policies in place.

**Mr JUSTIN FIELD:** I will take that as either you not aware or you are not taking any notice. There has been very public information about AUSTRAC taking action against Crown for breaches. We have seen concerns raised about the lack of compliance in clubs and pubs. As you note, there is an investigation into money laundering incidents in pubs and clubs. I am asking if AUSTRAC is conducting investigations and if you are aware of them or not. You can simply say yes or no.

**Mr KEVIN ANDERSON:** Mr Field, I am aware that AUSTRAC is currently investigating Star casino for alleged breaches. ILGA recently announced a review into the Star casino, if that is what you are referring to.

**Mr JUSTIN FIELD:** No, it is not, Minister. We might move on. I will take that up this afternoon with officials who may know. You would be aware that Blackstone has made a bid to buy Crown casino. Of course, that would include its casino and property at Barangaroo. Have you met with any representatives of Blackstone?

**Mr KEVIN ANDERSON:** No, I have not.

**Mr JUSTIN FIELD:** Is it your expectation that the conditions that have been agreed by Crown casino with the Government for a \$200 million licence fee and a commitment to \$1 billion in royalties over 10 years will transfer to any new owner?

**Mr KEVIN ANDERSON:** I have no knowledge of that, Mr Field. But I will ask Ms Mann if she has anything further to add.

**NATASHA MANN:** Mr Field, the issue of Blackstone and its proposal is something that is currently being dealt with by the Independent Liquor & Gaming Authority, of which, as you know, Mr Phil Crawford is the Chair. Mr Crawford is appearing this afternoon, so it might be better to direct your questions to him.

**Mr JUSTIN FIELD:** I am happy to do that. Minister, are you aware if a probity assessment into Blackstone has been commenced?

**Mr KEVIN ANDERSON:** No, I am unaware of that, Mr Field.

**Mr JUSTIN FIELD:** Ms Mann, I am happy to ask Mr Crawford this afternoon, but I am wondering what level of engagement there has been with Liquor & Gaming at this point?

**NATASHA MANN:** The engagement is primarily with the Independent Liquor & Gaming Authority, so I think it would be best to direct your questions to Phil Crawford.

**Mr JUSTIN FIELD:** Minister, can I get a sense from you about your level of understanding and involvement in the offer from Blackstone to buy Crown? There is obviously legislation about how casinos are going to be regulated in New South Wales in the future. This is an offer by a private equity company to buy a massive asset in New South Wales, which is hugely controversial. What is your knowledge of that proposal and how the Government is intending on dealing with it?

**Mr KEVIN ANDERSON:** It is being dealt with through the correct probity and processes of the Independent Liquor & Gaming Authority.

**Mr JUSTIN FIELD:** It is 100 per cent up to Phil Crawford whether or not Crown is able to proceed with that sale to Blackstone. Is that the case?

**Mr KEVIN ANDERSON:** Mr Field, it is being dealt with in accordance with the probity and procedures as required by the Independent Liquor & Gaming Authority and New South Wales jurisdictions.

**Mr JUSTIN FIELD:** It was also the case that the Act was [inaudible] Crown made its unsolicited proposal to the Government. Most of that seemed to be done through Cabinet decisions. Are you telling me that Cabinet will have no say on whether or not Blackstone can buy Crown and then the Barangaroo asset?

**Mr KEVIN ANDERSON:** Mr Field, the Independent Liquor & Gaming Authority is running due process and probity in relation to that particular issue and in line with New South Wales jurisdictions. ILGA is running that particular process, Mr Field. Mr Crawford will be your guest this afternoon, so you might like to direct those questions to Mr Crawford.

**Mr JUSTIN FIELD:** I most certainly will. I am trying to understand where your responsibilities sit around a potential sale of a major gambling asset in New South Wales. Will Mr Crawford be required to make a recommendation to you or to Cabinet about how to deal with the proposed sale?

**Mr KEVIN ANDERSON:** Mr Field, ILGA stands for "Independent Liquor and Gaming Authority". Mr Crawford is heading that up, and along with the new casino commission, to look at ensuring that there is harm minimisation, free from any form that this Government would frown upon. The Independent Liquor and Gaming Authority are well placed to be able to ensure probity and process is followed.

**Ms CATE FAEHRMANN:** Good morning, Minister. I just wanted to turn to the issue of floodplain harvesting licences. My first question is a general one: What is the total volume of floodplain harvesting licences the Government intends to hand out?

**Mr KEVIN ANDERSON:** Good morning, Ms Faehrmann. I understand you are in isolation. You have COVID, I hear?

**Ms CATE FAEHRMANN:** Yes. So far I am feeling okay, so I can do this. Thank you.

**Mr KEVIN ANDERSON:** Alright. Well, we wish you well and a speedy recovery.

**Ms CATE FAEHRMANN:** Thanks.

**Mr KEVIN ANDERSON:** In terms of floodplain harvesting, Ms Faehrmann, it is something that has been talked about significantly for many, many years, as you know. Even with your report on the Select Committee on Floodplain Harvesting, it clearly highlights that this issue is dating back to the seventies and your committee rightly looked at what needed to be done in terms of floodplain harvesting. This issue is now being dealt with with the regulation, the first instance of Border Rivers and Gwydir, and the licences were determined a number of weeks ago for the Border Rivers and Gwydir. We will continue to work with bipartisan support because, in my view, this is something—as you clearly highlight in your Chair's foreword, "in relation to volume measurement, illegal structures, water accounting rules, and community engagement and transparency" is something that this Government is focused on. I believe that the community want it, healthy rivers need it and farmers need that certainty in their planting calendar around making sure that they are not breaking the rules. My sweeping generalisation of farmers across the great State of New South Wales is that they are hardworking, they do the right thing and they want floodplain harvesting to become law.

**Ms CATE FAEHRMANN:** Thank you, Minister. The question was, though, around total volumes. In your response to me, I think you said that you had issued licensed determinations for the Border Rivers Valley then. Let's just start there. How many determinations were made in the Border Rivers Valley then, prior to the disallowance of the regulation?

**Mr KEVIN ANDERSON:** I will ask Dr Bentley, who will be able to provide clarity in relation to the number of licences that were determined.

**JIM BENTLEY:** Thank you, Minister. Morning, Ms Faehrmann. In the Border Rivers Regulated River Water Source, there were 36 floodplain harvesting regulated river access licensees determined, totalling 51,665 unit shares.

**Ms CATE FAEHRMANN:** Thank you. So it was 36 with 51,000 unit shares. Could you just clarify then to me what is all of that in gegalitres, how much is determined—or is that not possible yet?

**Mr KEVIN ANDERSON:** Well, Ms Faehrmann, what I can outline to you in terms of the return to the environment—and, again, we come back to the principles of what we need to do is return water to our river systems to ensure that we have end-of-flow targets down the southern basin but keeping our rivers healthy, healthy farms and healthy communities. It is expected with the sustainable diversion limits and ultimately on the baseline determined limits, which were the first port of call before the Murray-Darling Basin Plan was in action and which gave you a benchmark of the amount of take of water that was occurring at the time to where we now sit, the sustainable diversion limits and the gap in between, the Border Rivers and Gwydir, with those determinations, will return approximately 100 gegalitres back to the environment. My mistake—let me start that again. The five valleys will return 100 gegalitres, that being the Border Rivers, Gwydir, Lachlan, Macquarie and Namoi. Just from those two zones, the Border Rivers and Gwydir, what they will return is 50 gegalitres of the 100, so it is a significant amount, Ms Faehrmann. It is incredible to think that we are on the same page, but we all want healthy rivers and to have 50 gegalitres returned back to the river is significant, just from the Border Rivers and Gwydir.

**Ms CATE FAEHRMANN:** Thank you, Minister. That is good to hear, considering that hundreds and hundreds of gegalitres have been held up north in these floods. We know what the issue is, and we know that some water will be returned to the environment, as it should be and of course as should more water be. The reason I am asking what the total volume of floodplain harvesting licences is that the Government intends to hand out is that it is an important question, as you know. I think DPIE has previously said 346 gegalitres; New South Wales irrigators corporation has stated it is now closer to 270 gegalitres. Of course, the Murray-Darling Basin Plan SDL states 64 gegalitres. So I am just trying to get the sense of how much your Government is intending to license and how much it already has handed out over the past couple of months.

**Mr KEVIN ANDERSON:** Ms Faehrmann, as you know, there are clear targets as you rightly pointed out with those numbers. In terms of those clear targets set out by the Murray-Darling Basin Authority—and the northern basin is a significant player in terms of floodplain harvesting—we need to keep pushing the efficiency measures to realise those targets, and it is incumbent upon everyone to work together to achieve the revised northern target of 320 gegalitres per year through those efficiency measures. When it comes to floodplain harvesting, farmers are ready, willing and able. Out of all of those 36—

**Ms CATE FAEHRMANN:** Thank you, Minister. I am aware you that have a sheet in front of you with those messages. That is great. I have asked several times now about the actual quantity of floodplain harvesting licence that your Government intends to hand out. You avoided the question during the entire time I have been



asking you the questions. Can you please just give me a straight answer? Not just me, a lot of people are interested in this.

**Mr KEVIN ANDERSON:** Ms Faehrmann, I am not trying to be difficult, but the efficiency measures and the difference between the baseline diversion limits and the sustainable diversion limits keeps changing, and in terms of favourability for the environment—because we are getting better at our water efficiency and ensuring that farmers only take what they need to use so they can get their planting underway. When it comes to making sure that those numbers are reached—and we will talk about end-of-flow targets as much as you like in the southern basin because it is important. I know your concerns, and we have had discussions in relation to this, but we need to keep pushing efficiency. So the first two—the licences being determined will return 50 gigalitres back to the environment.

Ms Faehrmann, I will just finish on this: The longer that we delay these regulations—and in your report you clearly state that it needs to happen. We will continue to work bipartisan across the table because the longer we delay—and to your point—the environment continues to miss out. The environment continues to be the one that is being held to ransom by the delay of these regulations. Let us get on with it. If you have some further concerns, we are happy to talk to you about it because ultimately we all want the same thing.

**The Hon. MARK PEARSON:** Minister and Mr Griffin, I just want to talk about some concerns and documentation I have seen under the SO 52 in relation to greyhound racing, there being over-nominating and over-racing of greyhounds. The issue is that there are people who are doing this repeatedly. I am aware that GWIC staff have sent emails, noting there does not seem to be any current policy on how many races is too many for a dog to run in a set amount of time. GWIC, you suggest that seven per calendar month should be the maximum and admit this could cause complaints from participants. Is the Minister aware of this? Mr Griffin, maybe you could comment on this problem of over-racing of these dogs?

**Mr KEVIN ANDERSON:** Mr Griffin.

**STEVE GRIFFIN:** Thank you, Minister, and thank you for the question, Mr Pearson. As the Minister alluded to earlier today, there is very strong focus for GWIC and Greyhound Racing NSW on race injury reduction. There has typically been a focus on tracks. We have a Race Injury Review Panel, which reviews all injury data relating to races. What we are finding in an evidence-based way is that it is not always about the track. There are other factors that you have alluded to: frequency of racing, the age of the greyhound, weather and those sorts of things. We have engaged UTS and Professor Eager to work with us on analysing that data to determine whether there need to be policies put in place to relation to reducing the frequency of racing of greyhounds. That is very much something that we are looking at in an evidence-based way. We do not have longitudinal datasets at the moment. We only have 3½ years that the commission has been operating. We need to look further into that data and UTS is helping us to look at that data. If that data conclusively shows that there is a need to make a policy change, then GWIC will stand ready to do that.

**The Hon. MARK PEARSON:** Do you think it might not be wise to set in policy a limit while it is determined and consider giving the animals the benefit of the doubt, if you would want to put it that way? If it is looking like, and if there are concerns by reputable experts that, this could be a problem, shouldn't we be just be putting a cap on it until we know?

**STEVE GRIFFIN:** No. Government always works on an evidence-based approach, Mr Pearson. At the moment we have a range of hypotheses that need to be proven. We need to do further analysis of data and gather other data from other jurisdictions.

**The Hon. MARK PEARSON:** How long have we got?

**STEVE GRIFFIN:** Again, I am not an expert in terms of the data analytics side of things—I will leave that to Professor Eager. We will be working with the University of Technology Sydney and Professor Eager and Greyhound Racing NSW, who are also doing analyses of data, to reach a conclusion on these matters. I think it will take at least a number of years—perhaps a year or so—to come up with a conclusive dataset.

**The Hon. MARK PEARSON:** I will press that, if it is an offence under the Prevention of Cruelty to Animals Act to overwork an animal or cause unnecessary and unjustifiable pain, I would urge you to put to whoever is looking into this that we are looking at a potential offence under the Prevention of Cruelty to Animals Act happening routinely if people are over-racing or over-nominating their animals. But in relation to your reference to UTS, since 2014 the UTS Open Access Policy requires UTS researchers to deposit their research publications to OPUS to facilitate public access to the university's research. How many publications by UTS has Greyhound Racing NSW or GWIC funded and how many of these publications are available on the UTS OPUS website of open publications? You might need to take that on notice or you might be able to answer it.

**STEVE GRIFFIN:** Most assuredly, Mr Pearson, I will have to take that on notice. It is quite a detailed question and I would have to seek a lot of information from UTS and from our own staff in relation to that.

**The Hon. MARK PEARSON:** Taking it on notice, could you specifically look at research that has been done on catastrophic injuries and whether the research that has been done at this university and others has been published and been made available?

**STEVE GRIFFIN:** Certainly.

**The Hon. MARK PEARSON:** On the subject of video footage of fatal greyhound racing incidents, which are often taken down from the Greyhound Racing NSW website very quickly, I am aware that you have stated in internal emails that GWIC cannot compel Greyhound Racing NSW to release the footage. Can the Minister explain or can you explain who has jurisdiction over that footage of fatal greyhound incidents or serious greyhound incidents and explain why GWIC or the public cannot access that footage? I am referring to an internal email from you, Mr Griffin.

**STEVE GRIFFIN:** That is correct, Mr Pearson. GWIC is not empowered under the Greyhound Racing Act to direct Greyhound Racing NSW to release the footage. It is proprietary.

**The Hon. MARK PEARSON:** Can you compel Greyhound Racing NSW to release it to GWIC?

**STEVE GRIFFIN:** We can ask for that under their operating licence and ask for that to be provided to us.

**The Hon. MARK PEARSON:** Has it ever been refused?

**STEVE GRIFFIN:** Not to my knowledge.

**The Hon. MARK PEARSON:** In Taree there were three deaths in 2021, and those internal emails between GWIC and Greyhound Racing NSW spoke of significant concerns with this track—and this refers to my colleague Abigail Boyd's questioning earlier—and that Greyhound Racing NSW stated, "Have earmarked to have some sections attended to when the commitments allow." Was racing suspended at Taree as a result of these deaths until the upgrade? Are you aware?

**STEVE GRIFFIN:** I cannot recall, Mr Pearson, but I know that Greyhound Racing NSW recently made an announcement that there is a significant upgrade to the Taree track that it is planning to do this calendar year.

**The Hon. MARK PEARSON:** If you could take that question on notice. Was racing suspended as a result of those deaths until the upgrade? If not, why not? And, as you were saying now, has the upgrade occurred or is it occurring?

**STEVE GRIFFIN:** I will take that on notice, Mr Pearson. As I said, I cannot recall whether there was a suspension of racing at Taree following those incidents in question. Certainly more recently there has been an announcement by GRNSW that there is going to be a substantial upgrade of the Taree track.

**The Hon. PETER PRIMROSE:** Minister, some questions on Crown Lands, if I can. The Crown Land Commissioner completed his major report entitled the *Evaluation of the Crown Lands Management Act 2016* implementation. It was made public in July last year. That is correct, isn't it?

**Mr KEVIN ANDERSON:** I understand that date to be correct.

**The Hon. PETER PRIMROSE:** When will you be providing a public response to this report, please?

**Mr KEVIN ANDERSON:** I will ask Ms Hawyes to provide further information in relation to that, but I will make a comment, if I may. In terms of where Crown Lands has come over the last 18 months to two years, Mr Primrose, I think that Crown Lands are doing a significant body of work in relation to addressing a significant asset that is part of the Government's property portfolio and, not only that, but also those trusts that fall under Crown Lands as well. They are all volunteers, Mr Primrose, and they do a sensational job in terms of looking after those assets. From a Crown Lands perspective, I think that this strategy that they have worked up sets a very clear direction in where they are going forward.

**The Hon. PETER PRIMROSE:** Minister, you would agree that it is really important that we have a quick public response to that report, please?

**MELANIE HAWYES:** As you mentioned, the report was released earlier last year. We have been working with the Crown Land Commissioner and the task force that he chairs substantially to incorporate many of those findings in the State plan and its implementation plans. There are elements of his review that are really informative and will provide useful intelligence and information to support the statutory review of the legislation

that is pending for next year. Many of the recommendations are either woven into the State plan and/or will be used to inform the statutory review of the Act.

**The Hon. PETER PRIMROSE:** The Minister, as we have heard, has correctly said it is obviously an incredibly important area. When you will provide a public response to his report? That was the question.

**MELANIE HAWYES:** The public response has, in a sense, in part been incorporated in the State plan and its ongoing implementation, and there will be further consideration of the recommendations of that review in the statutory review of the Act itself, which is pending.

**The Hon. PETER PRIMROSE:** But are you going to do a specific, discrete public response to that report?

**MELANIE HAWYES:** There is no plan to do that at this point within the department because so many of those recommendations have either been taken up and incorporated into the State plan and/or will be used to inform the statutory review.

**The Hon. PETER PRIMROSE:** So there is going to be no discrete public response?

**MELANIE HAWYES:** I think I have already answered that question.

**The Hon. PETER PRIMROSE:** Am I correct in saying there will be no discrete public response to it?

**MELANIE HAWYES:** That was not my evidence. My evidence was that the recommendations have already been incorporated into the State plan, which is public, and the action plan that talks to how that plan will be implemented, which is also due for public release.

**The Hon. PETER PRIMROSE:** Is it the case that there will be no discrete, separate public response to the report?

**MELANIE HAWYES:** I think I have answered the question as to what elements of that review will be made public, and there is the State Plan and then the Action Plan will also be public.

**The Hon. PETER PRIMROSE:** So there will not be. In June last year *Crown Land 2031 - State Strategic Plan for Crown land* was published. Can you please tell us what steps, Minister, your department has taken to begin implementation of the strategic plan?

**Mr KEVIN ANDERSON:** I will ask Ms Hawyes if she would like to elaborate on that.

**MELANIE HAWYES:** Absolutely. The State plan was released, as you know, and there is work underway to bring forward the first action plan. Obviously, with the changes within the ministerial portfolio, that action plan is on its way to Minister Anderson for his review. The intent is that that will be publicly released. There is work underway against all of the domains of the State plan regardless, but that action plan really will tell the public what those practical steps and actions are.

**The Hon. PETER PRIMROSE:** Given that we are in March 2022, when will the Action Plan 2021-23 actually be published?

**MELANIE HAWYES:** As I mentioned, it was pending publication, but in the context of ministerial changes and changes within the department, we are now tracking that plan through Minister Anderson and it has incorporated some of the current directions around the utilisation of Crown land to alleviate areas of housing stress. Minister Anderson requested some changes, they are being made, and then the intent is that it will be published as soon as possible.

**The Hon. PETER PRIMROSE:** We are now halfway through the period that it relates to. Do you expect it will be completed and published before the end of 2023?

**MELANIE HAWYES:** Absolutely.

**The Hon. PETER PRIMROSE:** So we have got halfway through the period that it refers to. Sometime in the second half it will be published. Is that correct?

**MELANIE HAWYES:** That was not my evidence. My answer was that, of course, with the change in ministerial portfolio, it is a matter for Minister Anderson to determine the timing of publication once he is satisfied with the plan.

**The Hon. PETER PRIMROSE:** Minister Anderson, we have got the promised Action Plan 2021-23. We are now halfway through the period that it relates to. When do you expect it to be published, given your officers say it has been held up because of your obvious and correct interest in it?

**Mr KEVIN ANDERSON:** Thanks, Mr Primrose. Some of those requests for changes and the interest relate to the regional housing strategy across New South Wales and working with local Aboriginal land councils as well as the New South Wales Aboriginal Land Council, community housing providers and councils in general—and local government I am referring to there, Mr Primrose—to look at releasing and working in partnership with those operations to open up and repurpose some land that may have been sitting there for quite some time. Again, to come back to your point in terms of that report, what we will be doing is once I can get some clarity and get some framework around that particular process, we will then be releasing the strategy so that those stakeholders are clear on what we need to do.

**The Hon. PETER PRIMROSE:** So the plan relating to 2021—we are now into 2022—can you give the public an assurance it will be published in 2022?

**Mr KEVIN ANDERSON:** We expect it to be published in 2022. But what I was saying is in terms of the framework around the great work that we are doing with local Aboriginal land councils, the New South Wales Aboriginal Land Council and others to address the regional housing crisis and, indeed, the affordable and social houses crisis, I believe Crown Lands taking a lead role in it is very important.

**The Hon. PETER PRIMROSE:** Are you likely to rename it given that it is "Action Plan 2021-23"?

**Mr KEVIN ANDERSON:** That is a good question, Mr Primrose. At this point I had not considered a name change, but I am happy to take your views. But we are focused on what we have got to do to address some of the issues.

**The Hon. PETER PRIMROSE:** Maybe "Action Plan 2025", relating to a retrospective view of what happened?

**Mr KEVIN ANDERSON:** What we will be doing is looking long term as well, and part of that is repurposing some of that available land for regional housing, which looks at affordable and social housing.

**The Hon. PETER PRIMROSE:** So sometime in the future we may see an action plan for last year. Okay.

**Mr KEVIN ANDERSON:** What we will do is take it on notice in terms of renaming that plan.

**The Hon. PETER PRIMROSE:** Thank you. As I said, it is an interesting way to do action plans, but that is your decision. The Crown Land Commissioner, Professor Richard Bush, has recently resigned. Can you please advise us what process you are implementing to find a suitably qualified replacement for that position?

**Mr KEVIN ANDERSON:** Firstly, Mr Primrose, we thank Mr Bush for his service as the Crown Land Commissioner. He has done a great job in working with Crown Lands and our executive officers and officials. Mr Bush has decided to pursue other pathways in life and has decided to move on from that position.

**The Hon. PETER PRIMROSE:** Yes. I think those who knew him would probably appreciate everything you have said. What process are you implementing to find a suitably qualified replacement for the position and when do you expect it to be filled?

**Mr KEVIN ANDERSON:** I think in terms of the task force, Mr Primrose, and the great work that Mr Bush did over the last couple of years setting the platform and the guidance for where we are today, I have great faith in my officials, I have great faith in Crown Lands and the agency to now fulfil the legacy and the platform and the framework that Mr Bush was working on to continue.

**The Hon. ROSE JACKSON:** I am taking from this that you are not intending to replace him.

**The Hon. PETER PRIMROSE:** Yes, precisely.

**The Hon. ROSE JACKSON:** Are you intending to replace him and, if so, what is the process for that?

**Mr KEVIN ANDERSON:** We have not made up our minds in terms of that—

**The Hon. ROSE JACKSON:** So it is an option that he is not replaced. Despite everything you have just said about the importance of Crown land, it is a live option that you do not replace the commissioner.

**The Hon. PETER PRIMROSE:** The Crown Land Commissioner will not be replaced?

**Mr KEVIN ANDERSON:** The Crown Land Commissioner, Mr Bush, did a great job in terms of setting the framework—

**The Hon. ROSE JACKSON:** That is great. He has gone. What is happening now?

**The Hon. TAYLOR MARTIN:** He has just started his answer. Let us hear him out.

**The Hon. PETER PRIMROSE:** Let us hear him out. Minister, can you please clarify, and I think it is a reasonable question, whether it is your intention to replace Mr Bush and appoint a new Crown Land Commissioner?

**Mr KEVIN ANDERSON:** Mr Bush did a great job and the task force did a great job in terms of providing that strategic direction for the agency and Crown lands generally under the leadership of Ms Hawyes and we are currently reviewing the strategic direction in terms of the way Crown Lands operates and we thank Mr Bush, he did some great work, and we will continue to assess—

**The Hon. PETER PRIMROSE:** Minister, your position is that you do not at this stage propose to replace the Crown Land Commissioner position. That is correct, is it not?

**Mr KEVIN ANDERSON:** No, that is not my evidence, Mr Primrose.

**The Hon. PETER PRIMROSE:** I am asking you what is your evidence? Is it that you are going to replace him or not?

**Mr KEVIN ANDERSON:** We are continuing to look at the great work that he did and we will work in with the State plan and Crown land strategy—

**The Hon. PETER PRIMROSE:** Don't play games, Minister. Are you going to do it or not?

**The Hon. ROSE JACKSON:** Who will drive that strategy forward? What are the other options? You are looking at it, he has done good work—please stop saying that; we all acknowledge that. We are trying to figure out what happens now. If you are not going to replace the commissioner, who else will drive that forward? What other options have you got?

**MELANIE HAWYES:** The department has carriage of implementing the State plan and, to my evidence before in terms of what is happening, a lot of work is already underway to orient the entire energy of the department to delivering that State plan. The action plan's release was merely delayed because of ministerial changes, but accountability for the plan is with the department.

**The Hon. ROSE JACKSON:** With you, Ms Hawyes?

**MELANIE HAWYES:** Correct.

**The Hon. ROSE JACKSON:** So the options are to replace the Crown Land Commissioner or do not do that and Ms Hawyes will do that work?

**MELANIE HAWYES:** I think it might—

**The Hon. ROSE JACKSON:** That was a question to the Minister, Ms Hawyes. It is his decision whether the Crown Land Commissioner is replaced or not, I presume, not yours. So the question is to you, Minister. What is your intention?

**Mr KEVIN ANDERSON:** My intention is to continue to ascertain the great work that Mr Bush did over the last couple of years in relation to setting the direction and the strategic pathway for Crown Lands. Ms Hawyes is running the department and doing a great job and I have got great faith in her work.

**The Hon. PETER PRIMROSE:** I accept that, Minister, but given your evidence today, it would not be unreasonable for this public hearing to come to the conclusion that you are contemplating axing the position of Crown Land Commissioner.

**Mr KEVIN ANDERSON:** I am looking—

**The Hon. PETER PRIMROSE:** I am giving you the opportunity now to say that that is not the case.

**Mr KEVIN ANDERSON:** And I am letting you know, Mr Primrose, that in the best interests of Crown Lands we are ascertaining where we sit at the moment and with Crown Lands under the leadership of Ms Hawyes.

**The Hon. PETER PRIMROSE:** You understand then, Minister, I have given you the opportunity. Can I talk then about the whole issue, Minister, of cemeteries and crematoria? My understanding is that Cemeteries & Crematoria NSW published a draft interment industry regulation scheme in November 2021. That is correct, is it not?

**Mr KEVIN ANDERSON:** That is correct.

**The Hon. PETER PRIMROSE:** There have been, I understand, some concerns expressed, particularly by local government, in relation to the specific proposal about the requirement that councils need to recognise all future perpetual maintenance liabilities now and to establish a large capital fund to provide for them. Can you

please talk about that and talk about the concerns and how you are going to answer the concerns in relation to the significant burden on current ratepayers and, particularly, rural and regional users of burial services?

**Mr KEVIN ANDERSON:** In relation to the interment issue that you are talking about, several recommendations in the recent statutory review report suggested that renewable interment should be mandatory. While the Government would like a greater take-up of renewable interment, there is no plan to ever make that compulsory. I would like to make that clear and put that on record. Renewable interment rights are voluntary, not retrospective, and strongly supported by consumer protections in the Act in supporting those regulations.

**The Hon. PETER PRIMROSE:** That is not what I asked about. I asked about the need to establish a large capital fund to provide—

**Mr KEVIN ANDERSON:** Are you referring to the *The 11th Hour: Solving Sydney's Cemetery Crisis* report?

**The Hon. PETER PRIMROSE:** I am talking about the report that was issued last year—the draft interment industry regulation scheme proposed in November 2021 by Cemeteries & Crematoria NSW.

**Mr KEVIN ANDERSON:** I will ask Ms Hawyes to further elaborate on that.

**MELANIE HAWYES:** I would note that, in this afternoon's session, the cemeteries regulatory CEO will be here, so we can take more questions. There is a consultative process underway about a potential interment scheme, as you are aware. The CCNSW is consulting with stakeholders to understand views, including the very concerns that you raise. I am aware of the concerns, and there is a consultative process underway.

**The Hon. PETER PRIMROSE:** I might leave it until this afternoon, then. I have quite detailed questions that are probably appropriate for staff members.

**The Hon. ROSE JACKSON:** I might just jump in briefly. Minister, I want to ask about what is happening with Sydney Water in south-western Sydney. Are you aware of the dozens, potentially up to hundreds, of residents who are about to potentially lose their blocks of land because Sydney Water cannot get sewerage connected in south-west Sydney?

**Mr KEVIN ANDERSON:** Are you referring to the recent and now happening floods, Ms Jackson?

**The Hon. ROSE JACKSON:** No, I am referring to the fact that residents in and around Austral, Torana Estate and other locations in south-western Sydney purchased property years ago on the understanding that Sydney Water would be putting sewerage in. It has now been delayed again, such that they cannot build on their blocks of land. Many of them have sunset clauses, so they are about to lose the blocks back to developers. Are you aware of this issue?

**Mr KEVIN ANDERSON:** I am aware of it, Ms Jackson. I will ask Dr Bentley if he could further elaborate in terms of that particular issue.

**JIM BENTLEY:** Certainly. Sydney Water have put forward their Austral Leppington sewer scheme for investment approval. Mr Cheroux will be here this afternoon. He could answer further detailed questions on it.

**The Hon. ROSE JACKSON:** I will ask him detailed questions when he is here. Minister Anderson, what do you say to the people who purchased property and purchased land with a clear understanding of the time line in relation to when amenities would be available? Electricity has been put in and street signs have been put in—it is all happening, except sewerage. Sydney Water is going to cost these people tens of thousands of dollars because it cannot get its act together. What do you say to them?

**Mr KEVIN ANDERSON:** I am advised in relation to this particular issue and, to get further detail—

**The Hon. ROSE JACKSON:** Even NBN has managed to get in there. They have got NBN, but they cannot get sewerage.

**Mr KEVIN ANDERSON:** I am advised that wastewater service for up to 1,700 lots in Austral and Leppington will be available in the first quarter of 2023. Construction of phase one works commenced in February of this year.

**The Hon. ROSE JACKSON:** The land was rezoned in 2013, Minister. It is not as though this has crept up on anyone. Can you give any reassurance to residents that you are going to try to get this moving? Have you even spoken to Sydney Water about it?

**Mr KEVIN ANDERSON:** We have, Ms Jackson. Again, Sydney Water, through Mr George, will be here this afternoon—and others. In terms of the phase one works and that delay, it was evident that total servicing

costs would materially exceed the original estimates, triggering a reassessment of the servicing solution and the procurement costs.

**The Hon. ROSE JACKSON:** Do you understand, though, what you are saying to those residents is—Sydney Water had intended to put the sewerage in. As I said, NBN is in there, and gas, electricity and street signs. It was going to cost more. There were a couple of reasons why it was going to cost more for Sydney Water to do that. Instead of you as Minister saying, "Geez, let us not leave people out of pocket. If you need more money for this, let us make that available," you say, "No, we are just going to delay the whole thing." Do you understand how difficult that has been for people who just want their slice of the dream? They bought the land; they just want their home. Because of you, and because of sewerage delays alone, they are going to lose that dream because sunset clauses mean the developer has the option to purchase back the land. That is on you, simply because the costs were going to be higher and you were not prepared to cover those costs for Sydney Water.

**Mr KEVIN ANDERSON:** In terms of Sydney Water, again, I understand the frustrations of those with the delays. No-one likes delays, Ms Jackson. Again, Sydney Water, as a State-owned corporation, will have those detailed responses for you. My understanding is that the total servicing costs would materially exceed the original estimates.

**The Hon. ROSE JACKSON:** Yes. They were going to be higher.

**Mr KEVIN ANDERSON:** That is why there has been a push.

**The Hon. ROSE JACKSON:** I appreciate that the costs were going to be higher, so it just did not happen. These are people who have moved their kids into local schools and they are renting around. They own the land, but they cannot build the property because there is no sewerage. Your answer to them is that it is Sydney Water's problem, not your problem?

**Mr KEVIN ANDERSON:** No. In fact, Sydney Water is addressing that issue. They are prioritising services for developers that are further advanced in planning, based on the location of the development within the interim service area, application status with Sydney Water and others. That significant cost, Ms Jackson, has been taken into account. Every measure will be taken by Sydney Water to minimise those costs.

**The CHAIR:** Dr Bentley, do you have any update on the issue I was talking to you about previously about water trades and the difference between WaterNSW and irrigation companies?

**JIM BENTLEY:** I have now in front of me one of the irrigation corporations' forms. It does indeed ask for those details of both parties. I just was not aware of that previously.

**The CHAIR:** That is fine. I guess I will come back and round out with you, Minister, given that both WaterNSW has that process and, it seems, irrigation companies have that process. I take you back to the original question. No-one who trades water can claim with any credibility that they do not know where the water is going to. Would that be a fair statement, based on what has been shown today?

**Mr KEVIN ANDERSON:** Mr Banasiak, if you have any evidence of anybody doing that—that is breaking the rules—and you would like Water Infrastructure or WaterNSW to investigate, please bring it forward, particularly through NRAR, which is the national regulator. They are an independent regulator in that space. If you have specific instances, please inform us or inform NRAR, which is the appropriate authority to investigate.

**The CHAIR:** Thank you for that offer, Minister. I will take that up if the evidence comes to me. I just go back to the Goulburn straight track. I am going to press you a little bit, Minister, because this has been going on for five years. My understanding is that the Goulburn Greyhound Racing Club, through Greyhound Racing NSW, are pretty much at the DA submission stage and they are essentially just waiting for the money to be released. When will the money be released? How much will be released?

**Mr KEVIN ANDERSON:** Greyhound Racing NSW are continuing to work with stakeholders in terms of the design. As you rightly point out, Mr Banasiak—

**The CHAIR:** The information I am getting from Goulburn Greyhound Racing Club is that the design has pretty much been done and it is ready for DA submission. Are you saying that is not the case?

**Mr KEVIN ANDERSON:** No. In your words, Mr Banasiak, the design is pretty much done. It needs to be completely finalised and then, ultimately, look at what amenities need to be either upgraded or shifted with all of those stakeholders—we mentioned them earlier, through the pastoral and agricultural associations. That straight track will sit just inside the concourse and the grandstand. I am not sure if you have ever been.

**The CHAIR:** I have. I was down there recently.

**Mr KEVIN ANDERSON:** Good. So you will know exactly what we are talking about. To have all that jigsaw puzzle come together to form the complete picture, then ultimately that will determine the cost of the project. We will work with Greyhound Racing NSW in terms of what that final number is.

**The CHAIR:** Okay. The amount of up to \$11 million that was promised by—is that still put aside, or has that gone back to consolidated revenue? Are you going to have to find the money elsewhere?

**Mr KEVIN ANDERSON:** That \$11 million that you talk about, Mr Banasiak, was—

**The CHAIR:** I talk about it because you announced it at the Upper Hunter by-election in Muswellbrook.

**Mr KEVIN ANDERSON:** No, I did not. If you have evidence of that, please bring it forward. What we talked about—

**The CHAIR:** You and Mr Barilaro were there.

**Mr KEVIN ANDERSON:** Mr Barilaro may have mentioned that figure.

**The CHAIR:** Yes.

**Mr KEVIN ANDERSON:** But I certainly would not have mentioned that figure.

**The CHAIR:** Okay.

**Mr KEVIN ANDERSON:** What I will say in good faith to Goulburn racing and greyhound racing, and those stakeholders at the PNA, which the property borders, is that we will continue to move forward with the project. It is a great project—no doubt about it. We are committed to the project. We just need to put the final jigsaw puzzle pieces together to form that complete picture so we can then put a number against it, and then we will get on with the project. I think it is a great project, again.

**The CHAIR:** It is.

**Mr KEVIN ANDERSON:** It has the council behind it. We are keen to get on with it.

**The CHAIR:** The council is behind it. The local member is behind it. It should go ahead.

**Mr KEVIN ANDERSON:** I agree.

**The CHAIR:** I turn to another matter, which is Crown lands. Under the Crown Land Management Regulation 2018, the interest rates are set at 8 per cent, which seems quite excessive in today's terms. Would you consider reviewing that interest rate being set at 8 per cent and bringing it into line with the RBA cash rate or how it is done with Regional Investment Corporation loans that are linked to 10-year bonds? I would hate for you to be accused of profiteering. At the rate of 8 per cent, the repayments are significantly higher, would you not—

**Mr KEVIN ANDERSON:** Mr Banasiak, if you could elaborate a little bit more in relation to that 8 per cent—where you got that number from and what that relates to in the line item of the budget of Crown lands—we would be happy to have that discussion. We just need a little bit of clarity in relation to that question.

**The CHAIR:** Okay. It relates to the Crown Land Management Regulation 2018, where the interest rates are set at 8 per cent. I have received correspondence from a constituent who currently has an offer from the Department of Planning and Environment to purchase western lands leases—convert it from leasehold to freehold—but at the current rate of 8 per cent it significantly impacts their ability to do that.

**Mr KEVIN ANDERSON:** I understand. What we would like to do for you, Mr Banasiak—if you like, please bring that forward. I am unfamiliar with that specific case. I am very happy to take that if you would like to bring that forward. Otherwise, I would ask Ms Hawyes to shed some light on that particular case.

**MELANIE HAWYES:** It may be helpful if you can bring forward the specifics. There are abilities for leaseholders to convert. I am not quite sure about the comment about interest because they are conversions, they can be purchases. It is not—

**The CHAIR:** It looks like it is going to be a purchase. They can either pay it in full in 28 days or pay it over a 20-year period at 8 per cent.

**MELANIE HAWYES:** We might take it on notice because it depends on the specifics: what kind of a lease or, if they are seeking to purchase, what it is that they are seeking to purchase. There are different categories and rules.

**The CHAIR:** Thank you. Mr Shoebridge?

**Mr DAVID SHOEBRIDGE:** I think Ms Faehrmann has two questions to start, and I will go from there.



**The CHAIR:** Ms Faehrmann, please fire off your two questions and then we will throw back to Mr Shoebridge.

**Ms CATE FAEHRMANN:** Minister, I go back to floodplain harvesting licences. Is it your understanding that these floodplain harvesting entitlements will be compensable?

**Mr KEVIN ANDERSON:** I will ask Dr Bentley if he would like to elaborate on that please. Thank you, Ms Faehrmann.

**JIM BENTLEY:** No.

**Ms CATE FAEHRMANN:** So, if they are not compensable, the changes to the Water Management Act 2000 back in 2014 that have explicitly put floodplain harvesting licences in there as compensable if changes are made to water-sharing plans or if water has to be bought back for environmental purposes—you are saying that that no longer applies, Dr Bentley or Minister?

**Mr KEVIN ANDERSON:** Dr Bentley?

**JIM BENTLEY:** I am saying that what has been set up for floodplain harvesting—where the modelling has been done that is determining those licensed amounts and the questions have been asked in particular about climate change impact, if climate change means that changes have to be made, that would not be compensable under these arrangements.

**Ms CATE FAEHRMANN:** My final question is: Dr Bentley, is there any situation then—Minister, you should get your head around this as you are referring to Dr Bentley because this is extremely serious. Is there any situation where a floodplain harvesting entitlement or licence would be eligible for compensation, Dr Bentley?

**JIM BENTLEY:** I might take advice on that, given that your question is "is there any situation", Ms Faehrmann. If you do not mind, I will take that on notice and seek specific advice as to whether there is any foreseeable instance.

**Ms CATE FAEHRMANN:** Okay. I will come back this afternoon.

**Mr DAVID SHOEBRIDGE:** It is nice to see you, Minister. Have you got an upgrade?

**Mr KEVIN ANDERSON:** I just like to think that we are doing our bit for our communities, Mr Shoebridge.

**Mr DAVID SHOEBRIDGE:** Lovely to see.

**Mr KEVIN ANDERSON:** But it is nice to see you as well.

**Mr DAVID SHOEBRIDGE:** Have you got any advice about whether or not the use of funds by the Catholic Metropolitan Cemeteries Trust, which is all public funds, for the purchase of Bowraville Cemetery was lawful? Was it lawful? Was it a breach of trust?

**Mr KEVIN ANDERSON:** I do not have that information, Mr Shoebridge, but I am happy to take that on notice.

**Mr DAVID SHOEBRIDGE:** Do you know how much the purchase was? Can you tell me how much the purchase was?

**Mr KEVIN ANDERSON:** I do not have that information in front of me, Mr Shoebridge

**Mr DAVID SHOEBRIDGE:** Will you take it on notice?

**Mr KEVIN ANDERSON:** Yes, of course.

**Mr DAVID SHOEBRIDGE:** Would it trouble you if, say, \$100 million from a trust was used for an unlawful purpose?

**Mr KEVIN ANDERSON:** Again, Mr Shoebridge, I will have to take that—

**Mr DAVID SHOEBRIDGE:** Would it trouble you?

**Mr KEVIN ANDERSON:** I will take that on notice.

**Mr DAVID SHOEBRIDGE:** You will take on notice whether it would trouble you?

**Mr KEVIN ANDERSON:** It is not the case of taking it on notice—

**Mr DAVID SHOEBRIDGE:** You will seek advice on whether or not the potential unlawful use of \$X million is troubling?

**Mr KEVIN ANDERSON:** Mr Shoebridge, they are your words, and I will take that on notice.

**Mr DAVID SHOEBRIDGE:** Can you tell me whether or not you have received any advice about whether or not the use of Catholic Metropolitan Cemeteries Trust funds was lawful or unlawful for the purchase of the cemetery at Bowraville?

**Mr KEVIN ANDERSON:** Mr Shoebridge, I do not have that advice in front of me.

**Mr DAVID SHOEBRIDGE:** Have you received advice?

**Mr KEVIN ANDERSON:** No.

**Mr DAVID SHOEBRIDGE:** Minister, has your department undertaken any review of the former police commissioner's horseracing interests?

**Mr KEVIN ANDERSON:** Not to my knowledge, no.

**Mr DAVID SHOEBRIDGE:** Have you been asked to provide any information either to the New South Wales police or the Law Enforcement Conduct Commission detailing the ownership of horses by the former police commissioner, Mick Fuller.

**Mr KEVIN ANDERSON:** Not to my knowledge, no.

**Mr DAVID SHOEBRIDGE:** Do you know what horses he owns and/or previously owned when he was a senior officer for the NSW Police Force?

**Mr KEVIN ANDERSON:** No.

**Mr DAVID SHOEBRIDGE:** No inquiries? Never asked, never checked?

**Mr KEVIN ANDERSON:** That is a role for the former police Minister and the former police commissioner.

**Mr DAVID SHOEBRIDGE:** Or maybe the racing Minister. You are the racing Minister, are you not?

**Mr KEVIN ANDERSON:** That is correct.

**Mr DAVID SHOEBRIDGE:** So what horses did former police commissioner Mick Fuller own during the last six years of his work with the New South Wales police?

**Mr KEVIN ANDERSON:** Mr Shoebridge, I will have to take it on notice if you require that information.

**Mr DAVID SHOEBRIDGE:** I do.

**Mr KEVIN ANDERSON:** But I do not have that information. It is not something that I would have needed to know.

**Mr DAVID SHOEBRIDGE:** Even though the police are undertaking an internal investigation about that and are looking at probity issues in relation to that, they have never come to you or your department and asked for any information about this. Is that right?

**Mr KEVIN ANDERSON:** Not to my knowledge, no.

**Mr DAVID SHOEBRIDGE:** To Dr Bentley's knowledge? Dr Bentley?

**JIM BENTLEY:** It is not my department.

**Mr DAVID SHOEBRIDGE:** Sorry, I have forgotten. Who is it?

**Mr KEVIN ANDERSON:** Mr O'Brien.

**Mr DAVID SHOEBRIDGE:** Mr O'Brien, has anyone knocked on your door or given you an email and asked about the detail of Mick Fuller's horse ownership?

**TERRY O'BRIEN:** No, Mr Shoebridge.

**Mr DAVID SHOEBRIDGE:** Did you think that you might have actually proactively contacted the police and given them the details? Did it never cross your mind?

**TERRY O'BRIEN:** It is a matter for New South Wales police.

**Mr DAVID SHOEBRIDGE:** Minister, do you know if any other senior police have horseracing interests?

**Mr KEVIN ANDERSON:** No, I do not.

**Mr DAVID SHOEBRIDGE:** Will you undertake a review? You do not mind?

**Mr KEVIN ANDERSON:** I am happy to take that question on notice.

**Mr DAVID SHOEBRIDGE:** Minister, why did the Attorney extend the interim arrangements in relation to the Catholic Metropolitan Cemeteries Trust? Did he speak to your department about that before that decision was made?

**Mr KEVIN ANDERSON:** That was before my time, Mr Shoebridge, but I will ask Ms Hawyes if she has any further update on that.

**MELANIE HAWYES:** I think that is a question for the AG. It was a matter for Government. The cemeteries functions have only recently come back. The task force has recently come back into the Crown Lands portfolio. So I am not aware of any advice provided.

**Mr DAVID SHOEBRIDGE:** Can you take on notice whether or not the Attorney General sought advice and, if so, what advice was given to the Attorney before that decision was made?

**MELANIE HAWYES:** Yes.

**Mr DAVID SHOEBRIDGE:** Is the one cemetery project, the single public provider, which every report has said provides far and away the best value for the people of New South Wales and the State of New South Wales—have you buried that, Minister? Have you buried the cemeteries proposal?

**Mr KEVIN ANDERSON:** No. The establishment of OneCrown? Is that what you are referring to?

**Mr DAVID SHOEBRIDGE:** Yes.

**Mr KEVIN ANDERSON:** No. The statutory review, as you would be well aware, Mr Shoebridge, was one of the most comprehensive reviews of the sector ever taken—

**Mr DAVID SHOEBRIDGE:** But I am asking not about the history. I am asking if you have buried it. Has your Government buried it?

**Mr KEVIN ANDERSON:** No. It is ongoing, Mr Shoebridge.

**The CHAIR:** That is time. I do note the pun that you used. I will now pass to Mr Field on screen.

**Mr JUSTIN FIELD:** Thank you, Chair. Minister, I want to ask you questions now about the New South Wales water resource plans. All 20 of the resource plans, I think, were withdrawn by the State at some stage last year. How many have been resubmitted to the Murray-Darling Basin Authority at this stage?

**Mr KEVIN ANDERSON:** Those resource plans—thank you, Mr Field—are being worked on as we speak. I will ask Dr Bentley if he has a number in relation to those resource plans. All 20 were withdrawn. But, just like it did with every other basin plan and basin States' water resource plans, that was not unique to New South Wales. I would like to put that on the record. We expect the same standards apply—

**Mr JUSTIN FIELD:** But you would acknowledge, Minister, that every other State has now had their resource plans accredited and has for some time.

**Mr KEVIN ANDERSON:** May I just give you some context, Mr Field? As you would expect. New South Wales is responsible for 20 of the 33 water resource plans. So New South Wales does the bulk of the heavy lifting for the Murray-Darling Basin Authority and the plan that is being implemented.

**Mr JUSTIN FIELD:** Minister, you have not had even one accredited. I am just asking how many have been resubmitted.

**Mr KEVIN ANDERSON:** I am just providing some context before Dr Bentley updates you on that, Mr Field. In terms of those plans, significant work is being done on them before resubmitting them. Again, New South Wales does the heavy lifting when it comes to the plan and the Murray-Darling Basin Authority. But, Dr Bentley, if you can shed some light on that number if you have it handy.

**JIM BENTLEY:** I am trying to find in my notes. Mr Field. I will clarify it for you. But certainly it is the case that we are still in active discussion with our colleagues in the Murray-Darling Basin Authority on the bulk of those plans. Whether any have been resubmitted, I just want to double-check for you before I come back.

**Mr KEVIN ANDERSON:** But I can just add to that—thank you, Dr Bentley—that all plans will be resubmitted by June this year.

**Mr JUSTIN FIELD:** By June. Minister—

**JIM BENTLEY:** I do have—I am sorry, Minister. One groundwater plan has been resubmitted.

**Mr JUSTIN FIELD:** One. Thank you. In relation to that withdrawal, I assume there was some sort of advice provided by the MDBA to the New South Wales Government about the concerns that they had with those plans. Is that the case?

**Mr KEVIN ANDERSON:** Dr Bentley?

**JIM BENTLEY:** Certainly, we received feedback from the Murray-Darling Basin Authority and for some months have been in discussion with them. Naturally, it would be fair to assume we do not agree with some of the feedback that we have received.

**Mr JUSTIN FIELD:** Is it possible to make that feedback public?

**JIM BENTLEY:** Let me see what I have got that I can make available. I will take that on notice, Mr Field.

**Mr JUSTIN FIELD:** I am asking the Minister, I guess, Dr Bentley. Minister, will you make that feedback public? Surely we should be able to have these debates about the adequacy of these resource plans in an open and transparent way.

**Mr KEVIN ANDERSON:** Mr Field, open and transparent communication in relation to the Murray-Darling Basin plan and the Murray-Darling Basin Authority and New South Wales' role in term of the heavy lifting of what we do with those water resource plans and the 20 in New South Wales and—as you know, they set the limit on the water take, processes for managing water during drought and flood, and strategies to achieve water quality standards; they manage the current and future risks to water resources, the level of development—

**Mr JUSTIN FIELD:** Minister, we all understand that. You can have a look at the transcripts from the last three years of estimates if you want the context, Minister. We understand that. Will you make the advice that came back from the MDBA public?

**Mr KEVIN ANDERSON:** We will take on board the advice from the MDBA in relation to those 20 plans. They will be resubmitted by June this year. It is important because of what we are doing right across both the northern and southern basin in terms of the efficiencies that will be realised by New South Wales. When I talk about those efficiencies, we talk about Better Bidgee and Better Baaka and ensuring that our communities have a say in those plans and ensuring that ultimately we have—

**Mr JUSTIN FIELD:** Minister, I am sorry. We cannot have a say if we do not see the advice from the MDBA and we will not see your claims until they are submitted. Frankly, that is a nonsense. How can you claim that there is any transparency here?

**Mr KEVIN ANDERSON:** In terms of where we are at with those plans, as I said, Mr Field, the 20 will be resubmitted by June. As part of the process, we will work with the MDBA and we will work back through them in terms of any advice that they provide us in terms of the efficiency targets that need to be met, to set those limits and to ensure that those plans meet the requirements by not only the MDBA but fit in with the basin plan, not only from a north and south perspective but a south as well. If you would like to see some of those plans, we will have them ready for you by June.

**Mr JUSTIN FIELD:** No transparency. I understand that, Minister. With regards to the 18 February proclamation, the Water Management (Application of Act to Certain Water Sources) Proclamation 2022, that appears to turn on provisions of the Water Management Act that now clearly require an access licence to conduct floodplain harvesting in the northern basin water sources. Given the floodplain harvesting licences are not currently in effect in New South Wales, can you confirm that it is today an offence in New South Wales to harvest overland flows?

**Mr KEVIN ANDERSON:** At this point in time, Mr Field, the determinations for the licences in the Gwydir and the Border Rivers have been determined. They will work with landholders, the nine landholders that made those submissions. Out of the 36 licences that were determined, nine landholders over 12 properties have made a submission in relation to the works and the determinations and their planting calendars. So the community consultation that will occur over the Border Rivers and Gwydir Valley will continue. We sincerely hope that we can continue to look at the regulations that will come forward. Again, with all due respect, Mr Field, it is analysis by paralysis on your part that is holding up the process. Landholders want it. The environment wants it—

**Mr JUSTIN FIELD:** You have ignored the question entirely, Minister, absolutely ignored it. It is ridiculous. You are the paralysis here.

**The CHAIR:** Thank you, Mr Field. Your time has elapsed. You are able to pick that up later. I will throw to Ms Jackson.

**The Hon. ROSE JACKSON:** Thanks, Minister. Just a few minutes before the end, I just wondered—just following up on the issues that I was raising previously—as I said, there is a number of residents who are pretty significantly impacted by the delays in the delivery of sewerage. Would you be willing to meet with those residents at the Torana estate and around Austral to talk to them about what options might be available to ensure that the sewerage is delivered as quickly as possible?

**Mr KEVIN ANDERSON:** Ms Jackson, thanks for your question. I am always happy to meet with constituents who have got concerns. Again, it is Sydney Water who are dealing with this particular issue. They are here this afternoon. So you would be able to talk to them about their communication and consultation process. But, yes, I will be happy to meet with them.

**The Hon. ROSE JACKSON:** They have met with Sydney Water, and they have not been able to resolve the issues. You are responsible for Sydney Water. It is good that you would be able to meet with them. The other issue that I mentioned is a number of them purchased properties with sunset clauses. They have not been able to register the land, because the sewerage has not been delivered. In order to rescind the contract, the developer is required to seek a court order, and the purchaser may be able to explain to the court why the land has not been registered and the reason for the delay. The answer to that is Sydney Water. Would you be willing to assist purchasers and intervene in any court action to protect purchasers who have spent a lot of money trying to get their dream home built, only to now be facing a contract rescission purely because of Sydney Water's delay? Would you be willing to assist those purchasers in any potential court action?

**Mr KEVIN ANDERSON:** Ms Jackson, if individual landholders and individual developers and builders are taking court action then that is a matter for them, and I will not interfere with the court process.

**The Hon. ROSE JACKSON:** It is a matter for them to take that action to try to rescind the contract. But what the court will consider is why the delay has occurred, and the reason for that is because Sydney Water has not delivered the sewerage. So you are not willing at all to at least provide the purchasers with some documentation or evidence to support their potential position that it is not their fault that they have not registered the land? In fact, it is Sydney Water's fault. I am not asking you to get involved other than to assist purchasers—validate their position that the delay is the fault of Sydney Water.

**Mr KEVIN ANDERSON:** As I outlined earlier in my evidence, Ms Jackson, the delay is as a result of costs and materials. Sydney Water is working with those communities and affected stakeholders. In terms of any court action that is either pending or impending, certainly I will not be interfering with that court process.

**The Hon. ROSE JACKSON:** That is very disappointing.

**The CHAIR:** Minister, you may need to take these questions on notice. The sustainable diversion limit adjustment mechanism projects, as they were referred to, now called "connecting rivers", what is the total we have received from the Commonwealth for those projects?

**Mr KEVIN ANDERSON:** In terms of that number, Mr Banasiak—and I will get that for you shortly—it is good news in relation to Better Baaka and Better Bidgee.

**The CHAIR:** Yes, I want to delve into that later with the public servants. For context, so I can craft my questions, how much has been given to us from the Commonwealth and how much have we actually spent? Just rough figures; if you have to take it on notice, that is fine.

**Mr KEVIN ANDERSON:** We will try and get those figures for you, if we can. But I can update you, Mr Banasiak. I know you have a very keen interest in those particular projects because they are significant water efficiency measures in and around that southern basin. Those two projects, Better Baaka and Better Bidgee, have been resubmitted back to the Federal Government. We look forward to the Federal Government processing those two particular significant projects quickly so that we can realise those efficiency benefits and the end-of-flow targets—if Ms Faehrmann is still online—that they talk about frequently, to be able to realise those numbers. I will ask Dr Bentley if he has those numbers there.

**JIM BENTLEY:** I do not have them to hand, but we can make sure we have them this afternoon.

**The CHAIR:** Thank you.

**Mr DAVID SHOEBRIDGE:** Minister, an SO 52 was directed to your department, the Crown Land Commissioner and others, seeking all documents about how the sale formula of 3 per cent of the unimproved market value of western pastoral leases was determined. No documents were produced. Is this because someone just made the figure up? Or is it because those documents are held by another department?

**Mr KEVIN ANDERSON:** If I have responded in that regard, Mr Shoebridge, then that would be the answer.

**Mr DAVID SHOEBRIDGE:** You made the figure up? That means the department made the figure up, Ms Hawyes? Was it just made up? Or were there any documents setting out how it was determined?

**MELANIE HAWYES:** The 3 per cent value represents the residual value that the State retains in perpetual leases, noting that they are perpetual leases, and it is legislated in schedule 4 of the Crown Land Management Act.

**Mr DAVID SHOEBRIDGE:** We asked how the figure was produced. "Who came up with 3 per cent? Show us all the documents." Not a single document was produced, Ms Hawyes. Is this because the figure was made up and there was never any analysis or any kind of rigorous determination on the figure? Was it just made up?

**MELANIE HAWYES:** No, that is not my answer. The figure was made during the last round, when the legislation was formed, and I was not in the role at that point. My understanding is that it was supported by independent analysis by PricewaterhouseCoopers.

**Mr DAVID SHOEBRIDGE:** Why was none of that produced in response to the SO 52, Minister?

**MELANIE HAWYES:** I will need to take that on notice, if that is to me.

**Mr KEVIN ANDERSON:** If the response from the SO 52 is as you have received then that is the response, Mr Shoebridge.

**Mr DAVID SHOEBRIDGE:** I know the response is the response. I am asking why the PricewaterhouseCoopers analysis, which was clearly covered by the terms of the order, was not produced.

**The CHAIR:** That is time, but I note that Ms Hawyes agreed to take that on notice in terms of why it did not appear in the SO 52.

**MELANIE HAWYES:** Yes, I will take that on notice. It may be an oversight.

**The CHAIR:** That concludes questioning from the Opposition and crossbench. I now look to the Government for their cross-examination.

**The Hon. TAYLOR MARTIN:** Sure.

**Mr KEVIN ANDERSON:** Go easy, Mr Taylor, please.

**The Hon. ROSE JACKSON:** His name is Mr Martin. Taylor is his first name.

**Mr KEVIN ANDERSON:** I was trying to be polite there, Ms Jackson.

**The Hon. TAYLOR MARTIN:** Minister, is there anything that has been covered here this morning that you want to touch back on, follow up on, or anything of the sort?

**Mr KEVIN ANDERSON:** I just want to thank the Committee for their work. It is a difficult task. I want to thank my officials for the work they do. This is a robust, clear and transparent process, and it helps our communities have a greater understanding of the good work that the Government is doing not only when it comes to the issues covered today, with floodplain harvesting and better environmental outcomes through floodplain harvesting, but also through Crown lands and our regional housing strategy. We are looking to address the housing crisis through affordable and social housing. Whether it be through Independent Liquor & Gaming doing the work they need to do to focus on gambling and harm minimisation, or whether it is Racing NSW ensuring the very highest level of welfare and integrity through the Greyhound Welfare Integrity Commission, and the Water Infrastructure department looking at building dams—in particular Dungowan Dam, Wyangala Dam and the process on Mole River—in terms of that, Mr Martin, I just want to thank the Committee for that opportunity.

**Mr DAVID SHOEBRIDGE:** Please do not ask anything else.

**The CHAIR:** That was a rigorous cross-examination. Thank you, Minister, for your time. You are now excused.

**The Hon. PETER PRIMROSE:** We will see you again in the fullness of time.

**The CHAIR:** In the fullness of time. We will return at 2.00 p.m. after our lunch break.

**(The Minister withdrew.)**

**(Luncheon adjournment)**

**Ms AMANDA JONES**, Chief Executive Officer, Water Infrastructure, Department of Planning and Environment, on former affirmation

**Mr GRANT BARNES**, Chief Regulatory Officer, Natural Resources Access Regulator, on former affirmation

**Mr ANDREW GEORGE**, Chief Executive Officer, WaterNSW, on former affirmation

**Mr ROCH CHEROUX**, Managing Director, Sydney Water, on former oath

**Mr DARREN CLEARY**, Managing Director, Hunter Water, on former affirmation

**Ms JEN HICKEY**, Chief Executive Officer, Cemeteries & Crematoria NSW, affirmed and examined

**Mr PHILIP CRAWFORD**, Chairman, Independent Liquor and Gaming Authority, sworn and examined

**The CHAIR:** Welcome to the afternoon session of the budget estimates hearing into Lands and Water, and Hospitality and Racing. We have additional witnesses joining us this afternoon. We will now proceed with questions from the Opposition.

**The Hon. ADAM SEARLE:** Good afternoon, Mr Wright. How are you?

**MICHAEL WRIGHT:** Very well, Mr Searle.

**The Hon. ADAM SEARLE:** Mr Wright, at the budget estimates hearing in November, the previous departmental secretary, Ms Fishburn, said:

I can confirm that there are a number of investigations underway in relation to matters concerning staff and the Valuer General.

How many investigations are underway into those matters?

**MICHAEL WRIGHT:** The general counsel in the Department of Planning and Environment has procured the services of Kingston Reid solicitors to undertake an inquiry into WHS matters, and that is looking at a range of issues raised by staff within Valuer General NSW. That report is close to finalisation and we have to be in a position to provide that report very shortly to the joint standing committee on the Valuer General.

**The Hon. ADAM SEARLE:** As a member of that joint standing committee, I am very interested to hear that. At the last estimates, again on 5 November, you said:

... the staff have raised complaints about their wellbeing and ... there is an investigation into the nature of those concerns and we will await the conclusion of that report.

Is that the report you have just referred to?

**MICHAEL WRIGHT:** That is correct, Mr Searle.

**The Hon. ADAM SEARLE:** But it is also the case that there was an interim report dated 1 July 2020. Is that correct?

**MICHAEL WRIGHT:** That is correct.

**The Hon. ADAM SEARLE:** That report found the Valuer General had adopted an inappropriate approach of interrogation and accusation towards his team. Do you remember that?

**MICHAEL WRIGHT:** I cannot recall the exact terminology from the report, but there were certainly concerns raised about the interactions between the Valuer General and staff in VG NSW.

**The Hon. ADAM SEARLE:** I am using the words "inappropriate approach of interrogation and accusation". Does that sound familiar?

**MICHAEL WRIGHT:** I cannot recall those exact words.

**The Hon. ADAM SEARLE:** You have seen the interim report.

**MICHAEL WRIGHT:** I have seen the interim report from 2020, and certainly, as I said, raised concerns about the type of interaction that was occurring between the Valuer General and staff in Valuer General NSW.

**The Hon. ADAM SEARLE:** We are not talking about general systems problems; we are talking about the behaviour of the Valuer General himself, are we not?

**MICHAEL WRIGHT:** The report identified concerns with the nature of the interactions between the Valuer General and the department, correct.

**The Hon. ADAM SEARLE:** Another substantiated finding was that the Valuer General had intimidated members of his staff. Do you recall that?

**MICHAEL WRIGHT:** Again, I do not have the report in front of me, but that was the general view of the report, yes.

**The Hon. ADAM SEARLE:** It also found that the Valuer General had belittled the capabilities of his executive to other agencies. Do you recall that?

**MICHAEL WRIGHT:** Again, I do not have the report in front of me. It may well have included those words.

**The Hon. ADAM SEARLE:** The report also found that the Valuer General had undermined his executive team by preventing their involvement in decision-making and strategic planning. Does that sound familiar?

**MICHAEL WRIGHT:** Again, I do not have the report in front of me, but if you are quoting from the report, I am sure it is in the report.

**The Hon. ADAM SEARLE:** It is the case, is it not, that the interim report also found that there were a number of other matters complained of that had occurred prior to 1 April 2020?

**MICHAEL WRIGHT:** That is my recollection.

**The Hon. ADAM SEARLE:** Those matters had been otherwise dealt with and did not form part of this current investigation?

**MICHAEL WRIGHT:** Correct.

**The Hon. ADAM SEARLE:** But it is the case, is it not, that the interim report also found that if those earlier incidents had been included, additional allegations which were found to not be substantiated would in fact have been substantiated. Does that sound familiar?

**MICHAEL WRIGHT:** I would have to take that on notice.

**The Hon. ADAM SEARLE:** I am happy for you to do so. These included that the Valuer General himself bullied and ridiculed members of his team. Does that sound familiar?

**MICHAEL WRIGHT:** There were certainly allegations of that nature.

**The Hon. ADAM SEARLE:** But these are findings in the interim report. He also shouted at members of his team in public forums. Again, does this sound familiar?

**MICHAEL WRIGHT:** It sounds familiar, but not having the report in front of me, I would have to double-check on the actual wording in the report.

**The Hon. ADAM SEARLE:** Are you also aware that the report indicated that from the interview with the Valuer General it appeared that almost all of the matters complained of had, in fact, occurred?

**MICHAEL WRIGHT:** As far as I recall, Mr Searle, the 2020 report substantiated—

**The Hon. ADAM SEARLE:** There were five matters.

**MICHAEL WRIGHT:** —the majority of the allegations that staff were making about the behaviour of the Valuer General.

**The Hon. ADAM SEARLE:** It also found that the complainants or the staff interviewed were "truthfully and genuinely concerned about their futures". There was no question about their integrity or candour?

**MICHAEL WRIGHT:** Certainly, there have been concerns raised by staff in the organisation over a period about the nature of the interactions that they were having with the current Valuer General.

**The Hon. ADAM SEARLE:** That is a very polite way of putting it. The report also found that the employees told similar stories and presented a consistent image of a workplace in which people were stressed, anxious and fearful for their jobs. Does that also sound familiar to you?



**MICHAEL WRIGHT:** That would align with the nature of the concerns raised by staff.

**The Hon. ADAM SEARLE:** It would not surprise you, would it, Mr Wright, that the Valuer General himself had either admitted explicitly or impliedly in all of these matters, according to the report?

**MICHAEL WRIGHT:** I would have to take that on notice and look at the report again.

**The Hon. ADAM SEARLE:** I would invite you to do so, because the report also reached the conclusion that the Valuer General presented a risk to the psychological safety of DPIE employees, did it not?

**MICHAEL WRIGHT:** That is my recollection.

**The Hon. ADAM SEARLE:** What did DPIE do post-July 2020 to protect its employees from the Valuer General?

**MICHAEL WRIGHT:** Probably the most significant thing that the then Department of Planning, Industry and Environment did was, under the previous secretary Jim Betts, institute a direction from Mr Betts to the Valuer General to limit the channels of communication between the Valuer General and Valuer General NSW to certain executive members. The intention of that direction from the secretary was to preclude the Valuer General communicating directly with non-executive staff.

**The Hon. ADAM SEARLE:** Again, I know you do not have a copy of the report in front of you, but given the substantiation of the matters that it found had occurred, it also identified that the Valuer General had failed to act in accordance with the core values of the ethical framework under the GSE legislation. Does that sound familiar?

**MICHAEL WRIGHT:** It sounds familiar. Again, I would need to check the wording of it.

**The Hon. ADAM SEARLE:** Sure—that there had been a breach of the DPIE code of conduct?

**MICHAEL WRIGHT:** If that is what the report says. You have it in front of you, Mr Searle.

**The Hon. ADAM SEARLE:** Does this sound familiar to you?

**MICHAEL WRIGHT:** I would need to check the exact wording of the report.

**The Hon. ADAM SEARLE:** If another senior executive in your agency had behaved in the way in which the interim report had found the Valuer General to have acted, would that person not have been removed from their duties?

**MICHAEL WRIGHT:** The appointment of an executive is a matter for the secretary obviously, and of course the Valuer General is actually appointed, as you know, Mr Searle, by the Governor.

**The Hon. ADAM SEARLE:** I know.

**MICHAEL WRIGHT:** We are talking about a different—

**The Hon. ADAM SEARLE:** I am just saying if someone in a senior executive role had behaved in this way, they would not still be in their role, would they?

**MICHAEL WRIGHT:** I would suggest that if someone in a senior executive role had behaved in that way, it would come to the secretary's attention.

**The Hon. ADAM SEARLE:** It did come to the secretary's attention. Mr Betts gave that directive, did he not?

**MICHAEL WRIGHT:** Correct.

**The Hon. ADAM SEARLE:** Recently—I think 18 February—the Valuer General told the PC6 inquiry into land acquisition for major transport projects that that direction by Mr Betts was about to be rescinded and that he was about to have full communication rights back with staff. Is that correct?

**MICHAEL WRIGHT:** I think the Valuer General said something to that effect at that particular hearing.

**The Hon. ADAM SEARLE:** Was he correct?

**MICHAEL WRIGHT:** One of the recommendations coming out of the independent work health and safety report prepared by Kingston Reid is that the department and the Valuer General look again at whether the communication protocol that Mr Betts put in place should be reviewed. There is a review of that communication protocol underway. There is yet to be a decision taken by the current secretary to rescind or otherwise amend the instruction that Mr Betts put in place.

**The Hon. ADAM SEARLE:** The Valuer General, if I can put it neutrally, was not correct in his statement that it was about to be rescinded.

**MICHAEL WRIGHT:** I think the Valuer General was probably pre-emptive in making that statement.

**The Hon. ADAM SEARLE:** Have you or, as far as you know, the department received any more recent complaints, formal or informal, from staff in relation to the behaviour of the Valuer General?

**MICHAEL WRIGHT:** I am not personally aware of any. When you say more recently, Mr Searle, you mean over what period?

**The Hon. ADAM SEARLE:** More recently than 5 November last year.

**MICHAEL WRIGHT:** I would need to go back and check my records. Certainly, I am aware that staff continue to be concerned about some of the interactions they have with the Valuer General. I would need to go back and look at my records. I may well have been copied in on a complaint. It would have typically gone through to our HR department for consideration.

**The Hon. ADAM SEARLE:** Yes, and I think in the 5 November budget estimates a number of executives in DPIE did talk about having received multiple staff complaints. Do you remember that?

**MICHAEL WRIGHT:** I do recall that.

**The Hon. ADAM SEARLE:** You were there, were you not?

**MICHAEL WRIGHT:** Yes.

**The Hon. ADAM SEARLE:** What is happening with those matters? Have they been folded into this current inquiry or are they the subject of separate inquiries?

**MICHAEL WRIGHT:** My understanding is that they have been folded into the current inquiry, but could I take that on notice and just double-check that that is in fact the case?

**The Hon. ADAM SEARLE:** Of course. Have you received any emails from staff expressing concern about other staff wellbeing, including fears of self-harm, as a result of the actions taken by the Valuer General?

**MICHAEL WRIGHT:** I am aware of concerns raised by some staff about the stress that they have felt as a consequence of working in the current VG NSW environment, which includes interacting with the Valuer General.

**The Hon. ADAM SEARLE:** But again, to speak plainly, it is not just stress about overwork or the nature of their positions; it is stress directly arising from, it is said, the personal behaviour of the Valuer General. That is that correct, isn't it?

**MICHAEL WRIGHT:** That is what has been raised by the individuals.

**The Hon. ADAM SEARLE:** Have staff been moved out of VG NSW because of concerns about their wellbeing?

**MICHAEL WRIGHT:** Certainly at least one executive member who was undertaking a temporary role in VG NSW has moved out of that role primarily because of the stress she was experiencing in undertaking the functions of that role.

**The Hon. ADAM SEARLE:** Apart from that person, are there any concerns about other staff?

**MICHAEL WRIGHT:** I would have to take that on notice. It may well be that we have looked to move some sub-executive staff as well but I would need to check on our records.

**The Hon. ADAM SEARLE:** If you could, that would be good. Given all this material we have just gone through, what is the department doing currently to meet its work health and safety obligations towards its own employees?

**MICHAEL WRIGHT:** I think the fundamental action taken by the department is to undertake this comprehensive WHS report which, as I said, is soon to be finalised, and we would be keen to get the views of the standing committee on the Valuer General on the findings of that report once furnished.

**The Hon. ADAM SEARLE:** I think there was a commitment by the previous secretary to give the joint standing committee that report, and that commitment remains under the current leadership of the department.

**MICHAEL WRIGHT:** It does.

**The Hon. ADAM SEARLE:** There was also, I think, a commitment by the former secretary to brief the joint standing committee. Even as recently as today we are still awaiting a date to be given to us by the secretary. Could we expect that in the near future?

**MICHAEL WRIGHT:** I would have thought there is an opportunity, in providing that WHS report to the standing committee, for there to be a briefing of the standing committee at the same time, if the standing committee so desires.

**The Hon. ADAM SEARLE:** At least one member of the standing committee is very keen to pursue this matter, so I will come back to that. But more specifically, the department has very serious work health and safety obligations. Even a casual read of the interim report or even perhaps materials provided to the Legislative Council under a call for papers would cause great concern that the department, although alive to the issues, was not looking after staff welfare. What assurances can you give this Committee that the department is taking this very seriously and is acting lawfully and appropriately?

**MICHAEL WRIGHT:** I would say that the department does take the allegations and concerns very seriously, which is why it is pursuing finalisation of this independent WHS report, which is quite comprehensive.

**The Hon. ADAM SEARLE:** This is not a criticism but Ms Fishburn, I think in November, said she was expecting the final version of that report "very soon". Can you give us a more definitive time line? I am not going to hold you to a date but is it within days, weeks, months?

**MICHAEL WRIGHT:** I would say within weeks.

**The Hon. ADAM SEARLE:** What is the state of play—the Betts directive, if I can call it that, will remain in place for now?

**MICHAEL WRIGHT:** The Betts directive remains in place until such a time as, should such a time occur, the current secretary makes a decision otherwise.

**The Hon. ADAM SEARLE:** Given that the Valuer General certainly seems to be of the opinion that that is about to be removed, does the current secretary have a time frame within which he is considering that matter or is that going to be considered in the light of this final report?

**MICHAEL WRIGHT:** There is no set time frame that I am aware of for the secretary to make a decision on that matter. All I would say is that in finalising the WHS report we would be looking to bring all matters to the secretary's attention in this context, including the efficacy of the current directive from the previous secretary to limit communication between the VG and VG NSW.

**The Hon. ADAM SEARLE:** How should we view the Valuer General's evidence on 18 February that the directive was about to be scrapped? Was he trying to bounce you?

**MICHAEL WRIGHT:** I am not going to speak on behalf of the Valuer General.

**The Hon. ADAM SEARLE:** The Valuer General was appointed in December 2019 and took office early 2020, and by July 2020 we have quite a considerable body of material that indicates very poor behaviour, not just poor judgement or poor managerial skills but really poor personal conduct. That was nearly two years ago and nothing seems to have changed. Nothing has changed, has it, in terms of the way in which the Valuer General is conducting himself, that you can see?

**MICHAEL WRIGHT:** The communication protocol we put in place has limited the level and type of communication between the Valuer General and VG NSW.

**The Hon. ADAM SEARLE:** But what does that mean in practical terms? He has described that arrangement as unworkable, an infringement on his independence and one which has impeded the discharge of his duties. I think the interim report even said that if these matters are not properly dealt with, there is going to be an impact on not just the wellbeing of staff but the discharge of these important statutory functions. Given the various transport projects underway and the valuations that are being conducted in relation to that, it is a matter of some significant public concern, isn't it?

**MICHAEL WRIGHT:** The Valuer General will have his own views in terms of the performance of VG NSW.

**The Hon. ADAM SEARLE:** Yes, he does.

**MICHAEL WRIGHT:** My understanding is that, in terms of, for example, dealing with compulsory acquisition matters in the context of transport infrastructure investments, VG NSW, while dealing with a significant workload, is performing effectively.

**The Hon. ADAM SEARLE:** So the concern in the interim report that the efficiency and effectiveness of VG NSW will be impacted—that has not borne out in practice?

**MICHAEL WRIGHT:** The Valuer General might have his own view. My view and the view of my executive is that, while there is always room for improvement with any public sector organisation, in the circumstances, given the resources and the demand, VG NSW is performing effectively in that space and improving, actually.

**The Hon. ADAM SEARLE:** In relation to the matters that we have discussed, have there been work health and safety claims or workers compensation claims lodged as a result of interactions with the Valuer General?

**MICHAEL WRIGHT:** I will take that on notice but there may well have been. I will take that on notice, though.

**The Hon. ADAM SEARLE:** Have people taken stress leave as a result of interactions?

**MICHAEL WRIGHT:** I am aware people have taken leave for stress-related reasons.

**The Hon. ADAM SEARLE:** Are we talking five or six? Are we talking 10 or 20?

**MICHAEL WRIGHT:** I will take that on notice.

**The Hon. ADAM SEARLE:** How many people have left VG NSW since the Valuer General took up—

**MICHAEL WRIGHT:** I will take that on notice.

**The Hon. ADAM SEARLE:** It is quite a number, isn't it?

**MICHAEL WRIGHT:** I will take that on notice.

**The Hon. ROSE JACKSON:** In relation to the last question about how many people have left, you do accept, though, that people have left.

**MICHAEL WRIGHT:** I seriously want to take that on notice in terms of whether people have left. People leave organisations for all sorts of reasons. If the question is whether people have left the organisation because of the Valuer General—is that the question?

**The Hon. ROSE JACKSON:** Yes, that is right.

**MICHAEL WRIGHT:** I will take that on notice.

**The Hon. ADAM SEARLE:** Just on that, it is pretty clear, isn't it, that a number of people have left because of him? You are not really going to say that you have to take that on notice, are you, Mr Wright? It is notorious, isn't it?

**MICHAEL WRIGHT:** Given the number of concerns that have been raised by VG NSW staff about the VG, it is likely that, in some circumstances, that has been a contributing factor to staff leaving the organisation.

**The Hon. ADAM SEARLE:** The Teamgage surveys of staff sentiment, I think on the Valuer General's own evidence, reached such a level of toxicity and pointed comments about the personal behaviour of the Valuer General that the Teamgage surveys were discontinued. That is the case, isn't it?

**MICHAEL WRIGHT:** The Teamgage surveys were discontinued because I think there was a view that some of the written commentary being received was probably not particularly helpful in the context. But certainly those Teamgage results were not great, I would agree.

**The Hon. ADAM SEARLE:** That is putting it very mildly.

**MICHAEL WRIGHT:** They were not great.

**The CHAIR:** Before I pass to the crossbench, I will mention, Ms Hawyees, that I have a contact for you for the Yarrie Lake applicant who has concerns, but obviously I will not do it on record because I do not want to give the person's name. I will touch base with you afterwards.

**MELANIE HAWYES:** I have a bit of further advice too, if you want to come back to that matter.

**The CHAIR:** I might come back to it when it is my time.

**Mr DAVID SHOEBRIDGE:** It is nice to see all the additional faces this afternoon. Ms Hickey, when did you commence as CEO of Cemeteries & Crematoria NSW?

**JEN HICKEY:** In August 2020.

**Mr DAVID SHOEBRIDGE:** How much of the Catholic Metropolitan Cemeteries Trust—do you have a useful way of speaking about that?

**JEN HICKEY:** As the independent regulator, we have not overseen the amalgamation, if the questions are about the amalgamation. In terms of the trust, we regulate it under the Act and it is subject to the provisions of the Crown operator provisions in the Act.

**Mr DAVID SHOEBRIDGE:** Why won't the Catholic Metropolitan Cemeteries Trust provide its audited accounts and its finances to the New South Wales Auditor-General, as NSW Treasury believes it is obliged to do?

**JEN HICKEY:** I do not have an answer to that. I will take that on notice. But I do know that under the recent changes to the Government Sector Finance Act, it will be required to submit its financial statements this financial year.

**Mr DAVID SHOEBRIDGE:** In the most recent audit report from the end of last year for the cluster, the Auditor-General expressed concerns that those accounts have not been provided, and again reiterated Treasury's position that there is an ongoing obligation of the trust to provide its accounts to the Auditor-General. You are the independent regulator in this space; what are you doing to hold the trust to account so that the accounts can be put before the Auditor-General?

**JEN HICKEY:** As I said, that is now a moot point because they will have to do it under the Government Sector Finance Act from 1 July 2021. This financial year they will have to submit their finances.

**Mr DAVID SHOEBRIDGE:** It is hardly a moot point because it has had an obligation to disclose its finances to the Auditor-General last year and the year before and the year before that at least, on the advice of Treasury. Are you really treating it as a moot point, this thumbing the nose at the obligation to provide the accounts for audit?

**JEN HICKEY:** If you are asking about the history of it, I do not have it and I will take that on notice. But from now on—and apologies if I appeared cavalier about it—it will have to.

**Mr DAVID SHOEBRIDGE:** You have been CEO since August 2020.

**JEN HICKEY:** That is right.

**Mr DAVID SHOEBRIDGE:** This is an ongoing failure by the Catholic Metropolitan Cemeteries Trust on your watch. What have you done since August 2020 to make it comply with the law, like every other part of the New South Wales public service has to do, and at least give the accounts to be audited by the Auditor-General?

**JEN HICKEY:** The only thing I can say in response to that is that following some issues raised in Parliament last year by yourself and at estimates by yourself, CCNSW suggested to the Minister that she write to the Auditor-General to ask her to undertake a performance and financial review of CMCT.

**Mr DAVID SHOEBRIDGE:** Has that commenced?

**JEN HICKEY:** It is still with the Auditor-General.

**Mr DAVID SHOEBRIDGE:** Are you aware of how much the CMCT has spent of trust funds for the Varroville cemetery project?

**JEN HICKEY:** No.

**Mr DAVID SHOEBRIDGE:** Have you had any oversight of the CMCT's Varroville project?

**JEN HICKEY:** I think that project commenced before CCNSW was in existence. I had some dealings over the homestead on the Varroville property, but that is about it.

**Mr DAVID SHOEBRIDGE:** Are you aware of any concerns about whether or not the monies used by the CMCT for that project were in breach of trust?

**JEN HICKEY:** Am I aware of concerns?

**Mr DAVID SHOEBRIDGE:** Are you aware of concerns?

**JEN HICKEY:** Yes, I think you have raised those in Parliament.

**Mr DAVID SHOEBRIDGE:** Apart from concerns that I have raised—and it is good that they have found a home—have you had any concerns raised with you in your role as CEO from either the CMCT or from the department about the use of trust funds for the Varroville project?

**JEN HICKEY:** No, no formal notification or complaints, if that is what you are asking.

**Mr DAVID SHOEBRIDGE:** Mr Wright, have you had any concerns raised with you or your department about the use of trust funds by the CMCT for the Varroville cemetery?

**MICHAEL WRIGHT:** This is now a matter that is managed by Ms Hawyees' department, so perhaps you could direct the question to Ms Hawyees.

**Mr DAVID SHOEBRIDGE:** When did you commence, Ms Hawyees?

**MELANIE HAWYES:** In the changes recently within the department—I was previously the deputy secretary for Crown Lands, as you know. As of 31 January, that role expanded to include the cemeteries task force, the regulator and the Office of Local Government. I think it is five weeks.

**Mr DAVID SHOEBRIDGE:** Before that, Mr Wright, did you have the responsibilities?

**MICHAEL WRIGHT:** Correct.

**Mr DAVID SHOEBRIDGE:** Again, I put it to you, Mr Wright.

**MICHAEL WRIGHT:** Could I have that question again, Mr Shoebridge?

**Mr DAVID SHOEBRIDGE:** Have you had any concerns raised with you about the lawfulness or otherwise of the use of CMCT trust funds for the Varroville cemetery?

**MICHAEL WRIGHT:** I am aware that Crown cemeteries administrator Lee Shearer has been seeking legal advice on what might constitute the appropriate use of trust funds. I am not privy to that legal advice, though.

**Mr DAVID SHOEBRIDGE:** Has Lee Shearer provided that advice to the department?

**MICHAEL WRIGHT:** Not that I am aware of.

**Mr DAVID SHOEBRIDGE:** Has Lee Shearer provided that advice to the Minister's office?

**MICHAEL WRIGHT:** Not that I am aware of.

**Mr DAVID SHOEBRIDGE:** Has the Minister's office sought any—

**The CHAIR:** Mr Shoebridge, your time has elapsed. I will pass to Mr Field and then back to Ms Boyd, if she has questions.

**Mr JUSTIN FIELD:** My questions in this round will be primarily to Mr Crawford and they relate to gaming issues. Mr Crawford, have you commenced a probity assessment into Blackstone and its takeover proposal of Crown?

**PHILIP CRAWFORD:** Yes, we have. We commenced that almost 12 months ago—at least 11 months ago.

**Mr JUSTIN FIELD:** Who is conducting that probity assessment?

**PHILIP CRAWFORD:** The law firm is Corrs Chambers Westgarth and it is using external accountants McGrathNicol.

**Mr JUSTIN FIELD:** How much money has been allocated to that process?

**PHILIP CRAWFORD:** Their costs are all being paid by Blackstone. I would have to get back to you with the number, but it is not an amount that we are paying. It is being paid for by Blackstone. I cannot give you a number, but I will get back to you.

**Mr JUSTIN FIELD:** Thank you. When do you expect to receive that probity assessment?

**PHILIP CRAWFORD:** I spoke to the lead partner at Corrs this morning, and I expect to have a report within the next week.

**Mr JUSTIN FIELD:** What happens with it from that point?

**PHILIP CRAWFORD:** After I have read it and the Committee has read it, we will then engage with other arms of government who necessarily need to be involved in any process, but them taking over Crown constitutes a major change, which the authority needs to approve before it goes anywhere. There are other contractual arrangements between Crown and the Government and other parts of government which need to be tidied up. To that extent, we need other parts of government to come on board, and we will determine a process for that over the next few days.

**Mr JUSTIN FIELD:** The Bergin inquiry recommended that the Casino Control Act be amended to provide that a person may not acquire, hold or transfer an interest of 10 per cent or more in a licensee or casino. Would that not in and of itself prevent a private equity company, a single owner effectively, from holding a casino licence in New South Wales?

**PHILIP CRAWFORD:** No, not as such. It is a change, and I think you can assume that because the— if this takeover goes ahead, they just become the single shareholder but it is a different legal structure, so we will have discussions with Blackstone about a raft of additional conditions because the proposed owner is not listed on our stock exchange.

**Mr JUSTIN FIELD:** But you would accept there would be far less transparency under a private equity company owning it, compared to a publicly listed company?

**PHILIP CRAWFORD:** That may be the case, but we will have plenty of checks and balances in place to make sure that the people of New South Wales are not disadvantaged. We have spoken to regulators in America and other jurisdictions about the various legal structures that are put in place in very similar circumstances, so we think we are right across that issue and we will have discussions with other arms of government and with Blackstone in due course.

**Mr JUSTIN FIELD:** Would you expect that a probity assessment will look at Blackstone's operations in Mexico, Peru and Colombia, where I know there are well-founded money laundering risks associated with casino operations in those parts of the world due to the global drug trade?

**PHILIP CRAWFORD:** We have looked at every operation that Blackstone is currently involved in around the world, including those jurisdictions, and we have spoken to other regulators. When I say "we", our advisers have spoken to other regulators in those jurisdictions.

**Mr JUSTIN FIELD:** In the event Blackstone is deemed not suitable to hold a casino licence in New South Wales by ILGA, can you as the chair or ILGA as the independent authority make such a decision? Or is it ultimately up to government?

**PHILIP CRAWFORD:** No, it is up to ILGA. We either approve or do not approve, and that will be our decision. That is what the Act says.

**Mr JUSTIN FIELD:** On the basis of the probity assessment, if you do not approve it, then there will be nothing to take to government, I assume. That will just be the end of it?

**PHILIP CRAWFORD:** That is correct. That is what the Act says.

**Mr DAVID SHOEBRIDGE:** For now.

**Mr JUSTIN FIELD:** For now, yes. We will see some amendments soon, I am sure. Are you aware that that provision of the Act may well be changing?

**PHILIP CRAWFORD:** No.

**Mr JUSTIN FIELD:** No? Okay. What engagement have you had with the department or the Minister's office with regard to the proposed takeover and the probity assessment?

**PHILIP CRAWFORD:** I am not quite sure what you mean by that. It has been a confidential process conducted by our advisers, so a lot of the information is commercially sensitive and it is not something we have been publishing or discussing with third parties. I provide a regular update to the Minister's office as to how things are tracking, and I have made it publicly clear that to date we have not found anything that would preclude them from being successful. At the moment things look good. We have not found anything of real concern to us—or our advisers have not—up to this point.

**Mr JUSTIN FIELD:** It is interesting you say that because this morning the Minister seemed to know nothing about the process, whether it was even occurring. So you have had engagement with his office about the fact a probity process is underway?

**PHILIP CRAWFORD:** I have had one engagement with—one meeting with our new Minister. He took over I think at Christmas, so we have not had the opportunity of giving him a full briefing, but certainly his predecessor, Mr Dominello, was regularly briefed on the matter.

**Mr JUSTIN FIELD:** Is it your expectation that the conditions agreed with Crown for a \$200 million licence fee and a commitment to \$1 billion in royalties over 10 years would transfer to a new owner?

**PHILIP CRAWFORD:** The obligations of Crown to the Government—anybody stepping into the shoes of Crown and becoming 100 per cent shareholder will assume all of those obligations.

**Mr JUSTIN FIELD:** Is that by virtue of the transaction? That deed of agreement was between the operator of the proposed casino and the Government. I assume those contracts would be renegotiated—or do they automatically transfer to a new owner?

**PHILIP CRAWFORD:** The transaction that is contemplated means that Blackstone becomes the 100 per cent shareholder of the relevant companies in the Crown Group. Crown maintains those obligations, and we need to—part of our probity is to ensure that to the extent, for instance, there are financial obligations, that Blackstone has the capacity to meet those obligations. Whatever obligations exist now, they do not go away. It is just that the shareholder of the relevant companies in the Crown Group becomes Blackstone.

**Mr DAVID SHOEBRIDGE:** Mr Crawford, just one question flowing from that evidence. You said that you commenced your inquiries, or your investigation, 11 months ago?

**PHILIP CRAWFORD:** Whenever they first applied to, in effect, go on the share register of the company. They had already acquired from Melco. Melco is the deal originally Packer had with—

**Mr DAVID SHOEBRIDGE:** Yes.

**PHILIP CRAWFORD:** They acquired that 9.9 per cent share, but I cannot remember the day when they first put their hand up and wanted to go longer. But ever since that happened, we have had in place—the probity has taken many months.

**Mr DAVID SHOEBRIDGE:** On notice, could you give details about the circumstances that triggered that inquiry and what the nature of the investigation has been since then?

**PHILIP CRAWFORD:** Yes.

**Mr DAVID SHOEBRIDGE:** Mr Wright, you said that you are aware of some concerns, is that right, in relation to the allocation of trust funds by the Catholic Metropolitan Cemeteries Trust?

**MICHAEL WRIGHT:** I am aware that the cemeteries administrator, Ms Lee Shearer, was looking into how trust monies might have been spent in the past, just in terms of the complexities of some of those many decades-old trust arrangements. I think the Attorney General is also looking into the complexity of those cemeteries trust arrangements as well.

**Mr DAVID SHOEBRIDGE:** You say "decades old". Did that include the very recent purchase? I know the DA said it was some \$48 million worth of development but probably more including the purchase of the land—the Bowraville cemetery project.

**MICHAEL WRIGHT:** I am aware there are concerns raised about how the trust operate. Whether Bowraville in particular has been looked at, I could not tell you.

**Mr DAVID SHOEBRIDGE:** Has the Catholic Metropolitan Cemeteries Trust been operating lawfully with trust monies? It has to operate as trustee. Has it been operating lawfully with public trust monies?

**MICHAEL WRIGHT:** That is not a question I can answer, I am sorry, Mr Shoebidge. I am not privy to legal information.

**Mr DAVID SHOEBRIDGE:** Ms Hawyes?

**MELANIE HAWYES:** As Mr Wright alluded to, there are proceedings on foot that may have implications for other parties other than the State. I have advised that the question could be directed to the Attorney General, but I cannot answer it whilst those legal proceedings unfold. They go to what does or does not constitute a trust and we do just not have that information yet to answer the question.

**Mr DAVID SHOEBRIDGE:** What proceedings are on foot?

**MELANIE HAWYES:** The proceedings Mr Wright alluded to.

**Mr DAVID SHOEBRIDGE:** They are not proceedings; Mr Wright was referring to some advice that Ms Shearer had obtained.

**MELANIE HAWYES:** It is in process.

**Mr DAVID SHOEBRIDGE:** Are there legal proceedings? Is there a court case on in relation to the use of trust funds by the CMCT?

**MELANIE HAWYES:** No.

**MICHAEL WRIGHT:** No, there is not a court case.



**Mr DAVID SHOEBRIDGE:** So what proceedings—we know there are no proceedings.

**MICHAEL WRIGHT:** I think Ms Hawyes is referring to the fact that the Attorney General is inquiring into this matter, and we would suggest that questions of this nature should be directed to the Attorney General's office.

**Mr DAVID SHOEBRIDGE:** You may suggest that, Mr Wright. I appreciate it and no doubt I will take it on board next week. Ms Hawyes, you are the senior administrator responsible. Have concerns been raised as to whether or not the CMCT has unlawfully applied trust funds?

**MELANIE HAWYES:** You have raised concerns in estimates and are raising them now. There is legal work underway to get into the heart of what does or does not constitute a trust and I am not qualified to speak to that while that advice is still being developed. Yes, we are aware of the concerns and you have raised them.

**Mr DAVID SHOEBRIDGE:** Ms Hawyes, have you met with the Catholic Cemeteries Board to discuss any of these concerns?

**MELANIE HAWYES:** No, not as yet and that is simply a factor of having been in this portfolio for five weeks and for two of those weeks I had COVID, which put my normal scheduling of meetings with stakeholders back.

**Mr DAVID SHOEBRIDGE:** I have done it myself. It ruins the diary.

**MELANIE HAWYES:** It does.

**Mr DAVID SHOEBRIDGE:** I accept that.

**MELANIE HAWYES:** Otherwise those meetings will be scheduled. It is simply a matter of time.

**Mr DAVID SHOEBRIDGE:** Do you know if the Catholic Cemeteries Board has met with the new Minister in relation to this?

**MELANIE HAWYES:** I do not know specifically. My understanding is that the Minister has expressed to me that he intended to meet all faith groups and to, as you would expect, get across the issue and the portfolio. I will take that on notice.

**Mr DAVID SHOEBRIDGE:** I have no expectations when it comes to Ministers, to be clear, but you understand that he will meet with the Catholic Cemeteries Board?

**MELANIE HAWYES:** He has expressed directly to me that he will meet with all stakeholders. I can take that on notice and find out if that meeting has occurred.

**Mr DAVID SHOEBRIDGE:** Have you met with Lee Shearer to discuss any concerns she has about the lawfulness or otherwise of the use of CMCT funds?

**MELANIE HAWYES:** I have met with Lee Shearer. I had met with Lee Shearer in previous iterations in my previous role, but in my current role I have met with her to understand where she is tracking in her role as an administrator. She did not specifically raise this at that time, but we have met, yes.

**Mr DAVID SHOEBRIDGE:** In what capacity is the Attorney reviewing these concerns in relation to the CMCT's trust funds? Was it referred by your office? Was it referred by Mr Wright? Was it referred by Ms Shearer? How is it the Attorney is now again in this cemeteries mess?

**MELANIE HAWYES:** I think the question is about understanding what does or does not constitute a trust and how that works. I cannot really answer that. It is a matter for the Attorney General.

**Mr DAVID SHOEBRIDGE:** No, who referred the matter to the Attorney General?

**MELANIE HAWYES:** I will need to take that on notice.

**Mr DAVID SHOEBRIDGE:** Mr Wright, did your office provide any advice to the Attorney General before the Attorney General made the decision to roll over the interim arrangements under the regulations in relation to CMCT?

**MICHAEL WRIGHT:** I am not aware of my office providing advice to the Attorney General directly on that matter.

**Mr DAVID SHOEBRIDGE:** Did you provide advice to the Attorney General indirectly? When I say "you and your office" I mean you, your office or your department.

**MICHAEL WRIGHT:** No, not that I am aware of.

**The Hon. ROSE JACKSON:** My questions are primarily going to be to Mr Cheroux and probably Mr George, if I get time. Mr Cheroux, I want to ask about this issue of the delay in the provision of sewerage services in south-western Sydney around Austral and Leppington. We spoke about it at last estimates and you probably were aware that I asked the Minister about it this morning. He indicated that the reason for the delay was because the cost that had originally been estimated or predicted had increased. Is that your understanding as well?

**ROCH CHEROUX:** That is the latest situation that we have. We went out for procurement in September last year and the cost that came back for procurement was almost double what we had in the estimate. That was a combination of a number of things: the construction methodology, which was different because of the underground geotechnical situation that we have in western Sydney; and that was also due to the fact that the market is extremely stressed at the moment and a number of prices in terms of construction and materials have significantly increased. When we got the return from the procurement process, we looked into the detail and we wanted to have an independent assessment of the offers that we had on the table, which we did, and in partner to that we also went back to the design of the project to check what the other construction methodologies would give. This has triggered a delay of about three to four months. We were planning on delivering the infrastructure by the end of this year and we are going to deliver the infrastructure by the beginning of 2023.

**The Hon. ROSE JACKSON:** What was the initial cost or estimate of how much this project was going to cost Sydney Water? You said it doubled, so I am interested in what you had in mind and what came back.

**ROCH CHEROUX:** Yes, I can give you the number. The increase was significant, to a point where we really needed to do that because when we are constructing something our customers are paying, so we do not want to invest in something that is costing too much for our customers. The initial estimate of the project was \$194 million and the final cost of the project is \$356 million, so a significant increase.

**The Hon. ROSE JACKSON:** When it went out to market, how many tenders or how many options were before you when you were making a decision? How many people put up their hand?

**ROCH CHEROUX:** I would need to take that on notice.

**The Hon. ROSE JACKSON:** With that cost increase, was there ever any thought of going back to government and saying, "This is going to cost a lot more than we thought"—you have given the reasons why that is the case—"That is going to mean a delay when we deliver this infrastructure. Is there a way that we can seek additional funds to ensure that this happens in a timely way?" Is that something that Sydney Water considered or, in fact, did?

**ROCH CHEROUX:** The Government is not funding Sydney Water.

**The Hon. ROSE JACKSON:** I appreciate Sydney Water funds itself.

**ROCH CHEROUX:** Yes. Our customers are funding our investments, so for us it was very much about making sure that this cost was appropriate. We did not want to get into a situation where we were spending our customers' money in the wrong way and that is why we did exactly this process. We understand that it is creating downstream issues for the people who have invested in western Sydney in terms of developments or who are buying land and houses. We have actually changed our process. For a developer to be able to construct, they need to get a section 73 certificate from Sydney Water, saying that they have constructed the appropriate water and wastewater infrastructure and that they can connect to our infrastructure. What we have done is we have changed this process. Instead of waiting for the infrastructure to be built, we have actually bonded the section 73 certificate and we have given six months for the developers to start work or sell the land or do what they have to do six months before it is done. Instead of waiting for an additional three or four months because of the construction, we have given six months back to the developers.

**The Hon. ROSE JACKSON:** In terms of the people specifically around the Austral-Leppington region in the Torana Estate, a number of them are facing imminent sunset clauses on purchase contracts for land. They have not been able to register the land because the sewerage is not there. If, indeed, the developer seeks to activate the sunset clause because, as I am sure you know, land values in that part of Sydney have gone up quite considerably so there may well be a financial incentive for them to do that, would Sydney Water be willing to work with purchasers in those proceedings to try to explain to the court why the land has not been registered and, in fact, that that is not a consequence of their action; it is a consequence of decisions that Sydney Water has made?

**ROCH CHEROUX:** Registration of the land is not a consequence of what Sydney Water is doing. There is a number of things that need to be done before land is registered and Sydney Water is only a part of it. We have been talking to the people in this part of western Sydney and we are in continuous discussion with the development industry and the developers for this very specific case. As I explained, we have flexed the policy of the certificate so that they can actually register the lands before the infrastructure is actually constructed within a

six-months period, which is significant. So we have done a lot in this aspect. We are always happy to talk to the developers and their customers. There is also a commercial relationship between the developers and their customers that we do not have any control of.

**The Hon. ROSE JACKSON:** I appreciate that you do not control that, but as a consequence of your investment decisions about how to prioritise expenditure and your projects, there is a real-world consequence of that for, not so much developers—they will continue to sort of own the land, even if the purchaser has their contract rescinded; the developers are going to be able to monetarise the property, the land, at some point. I think we all know that; that is what property is like in south-western Sydney, in Sydney as a whole. But for the purchaser who is there right now, desperately trying to build their family home, they cannot do that because there have been considerable delays in the delivery of the sewerage infrastructure. Are you willing to at least try and help them to hold onto the land that they have purchased to try and build the home that they have been trying to build for some time now?

**ROCH CHEROUX:** This is exactly why we have done what we have done, giving this section 73 certificate ahead of the construction. So it gives the possibility to the developers to register the land six months before it is done and that gives them the possibility actually to do what they have to do with their customers.

**The Hon. ROSE JACKSON:** There is this particular instance and it has been very difficult for the purchasers—I would say "residents" except of course they are not actually living there, they just own the land—it has been very difficult for those people. Do you expect this to be a widespread problem? Because those issues that you have identified—the cost of labour, the cost of materials, all those things—they are not specific to this particular instance. How many estates or individuals, people, do you expect to be impacted by this?

**ROCH CHEROUX:** We are not expecting any other part of western Sydney to be impacted. The impact of this procurement process was three to four months' delay in terms of delivery time. We have put in place a measure that gives a six months' possibility to catch up with the time. So actually we have given developers a possibility to deliver the infrastructure and to transfer the land two months ahead of what they could have done in a normal situation. We are not expecting any other similar situation in western Sydney. We are adjusting to the current market every day and the market is changing every day. This one was a very, very specific one.

**The Hon. ROSE JACKSON:** Yes, okay. I just wanted to ask a quick question in relation to the dividend. My understanding is that the 2019-20 dividend was \$963 million. I think the figure in the 2021 Statement of Corporate Intent was \$655 million. Do you have an update on that figure, what the actual was?

**ROCH CHEROUX:** I will take that on notice to give you the exact number, but that was in that order. We paid a dividend last year which was aligned to what we had in the statement of corporate intent.

**The Hon. ROSE JACKSON:** It would be useful if you could take the exact figure on notice. Mr George, I wanted to ask a couple of questions about the Warragamba Dam wall raising—obviously, we asked some this morning. I am aware that the project to deliver the dam wall raising is not being managed by WaterNSW, is that correct?

**ANDREW GEORGE:** As it stands at the moment, WaterNSW is engaged by Infrastructure NSW to deliver the detailed concept design and environmental impact statement.

**The Hon. ROSE JACKSON:** Excellent. So that engagement is with Infrastructure NSW.

**ANDREW GEORGE:** Correct.

**The Hon. ROSE JACKSON:** Minister Ayres is not the Minister for infrastructure. So for the purpose of that project in Infrastructure NSW, he is responsible for it?

**ANDREW GEORGE:** I believe Mr Simon Draper gave some evidence at the recent hearings into Warragamba about those arrangements between Infrastructure NSW and Ministers. So I would rely on his advice.

**The Hon. ROSE JACKSON:** Fair enough. So for the part of the project that you are delivering for Infrastructure NSW, are you aware of the issues that were raised in relation to the development of those documents, those reports that you referred to?

**ANDREW GEORGE:** They are those issues that were raised at the parliamentary inquiry?

**The Hon. ROSE JACKSON:** Yes. For example, the issue that DPIE environmental services suggested that incorrect assumptions were used in the development of that documentation. Are you aware of that?

**ANDREW GEORGE:** Yes, I am aware of their submission to the EIS.

**The Hon. ROSE JACKSON:** How would you respond to that accusation that WaterNSW used incorrect assumptions in the development of that document?

**ANDREW GEORGE:** We will obviously reply to all submissions made to the EIS and we are currently going through that process. We have had quite a number of meetings and engagement, workshops, with various agencies in the development of the EIS over a number of years; so those issues have been discussed in the past between our team and agencies and, in particular, EES. So as part of the formal, I guess, consultation process and then making submissions for the EIS, it is not unusual for those issues to be tabled in a formal capacity so that we formally reply and respond to those matters. I am comfortable though that, based on the conversations my team are having with government agencies, those issues that have been raised are being dealt with.

**The Hon. ROSE JACKSON:** How do you respond to evidence that was provided to the parliamentary inquiry from some experts working on the EIS that their expert evidence was downplayed or they were given directions to change or minimise findings such that one of those scientific experts, in fact, resigned from the project? How do you respond to that?

**ANDREW GEORGE:** Again, there was quite a bit of evidence given at the most recent inquiry into the dam raising. Again I would refer to the evidence given at that hearing. We obviously take those matters seriously and I have asked for advice on that, which was disclosed at the hearing, and we will consider that advice.

**The Hon. ROSE JACKSON:** Who is providing that advice to you?

**ANDREW GEORGE:** We have retained legal advice to provide that. I can get that for you shortly; I do have that here. But that process, as the evidence was given in the inquiry earlier this year, I think that really does point to the experts involved in the project—and there are numerous experts across a range of subject matters—often have disagreements on a range of topics. I think it has been a good process to have those experts air out those differences in expert opinion, and we have had to have a process to navigate through that.

**The Hon. ROSE JACKSON:** Just to be clear, despite the evidence that was received from those individuals and despite the DPIE EES suggesting that incorrect assumptions were used, you continue to have full confidence in the environmental impact statement that was developed?

**ANDREW GEORGE:** Yes. Prior to putting that document on public exhibition, I, and my board, rely on a number of independent assurances and processes to give us confidence that the document is ready for public exhibition. We obtained those multiple assurance processes, which included engagement and endorsement from government agencies for that document being ready for public exhibition. That was the basis for us putting it on public exhibition.

**The Hon. ROSE JACKSON:** I wanted to ask about the recent Parramatta River fish kill to the extent that the EPA found that the cause of the fish kill was natural to the extent that organic matter had entered the river system. What work is being done to improve overall stormwater management during heavy weather events? I presume that is not you, Mr George.

**ANDREW GEORGE:** No, it is not a matter for WaterNSW.

**The Hon. ROSE JACKSON:** Perhaps you, Dr Bentley?

**JIM BENTLEY:** I might ask Mr Cheroux to comment on the work that you are doing in the Parramatta River with the councils in that area about a swimmable river. That is one initiative that we have got going. You can imagine, between EES—who we have been talking about—the water group, colleagues in fisheries and so on, it is work that spans numerous departments.

**The Hon. ROSE JACKSON:** I am familiar with that. It is part of the problem, in a way, that sometimes it is hard to know who is responsible and so things fall through the cracks. Mr Cheroux, if you have anything that you would like to add in terms of what Sydney Water is doing, that would be great.

**ROCH CHEROUX:** We have been working with a number of councils along the river in a group that is called the Parramatta River Catchment Group. We are working on different ways to make the river swimmable. As you say, stormwater is really one of the big issues that we have, and the responsibility for stormwater is split between many different organisations. The work that we have been doing with these councils has been very much about advising on how stormwater could be managed differently and improve its quality before it reaches the river. The Parramatta River Catchment Group has been existing for some time. It has had some success. We have managed to open a number of swimming sites. The intention of this group is to continue to make the river more swimmable and, therefore, improve the quality of the water but also create new swimming sites along the river.

**The CHAIR:** I will take over. I might start with you, Ms Hawyes. You were going to volunteer some information on Yarrie Lake, if you would like to do that.

**MELANIE HAWYES:** I think there may have been miscommunication but, equally, I am quite happy to speak to someone if there is someone that you know with a specific concern. I spoke to the fact that the reconfiguration of Yarrie Lake's board is pending a review of governance and financial reporting. The department wrote to all previous board members in mid-December to advise them that the board would not be reconstituted until we had this review completed. That may have been misinterpreted. That is the only thing I can attribute it to, but I am happy to speak to your constituent, if that is helpful.

**The CHAIR:** No problems at all. I might go to you, Dr Bentley, and see whether you were able to get any of that information I asked you about just before we broke for lunch about the sustainable diversion limit projects.

**JIM BENTLEY:** Yes, I was. Sorry, Chair. I was able to get some numbers. I am just trying to locate them. You were asking about the spend on the SDLAM projects.

**The CHAIR:** Yes, the total amount that has come from the Commonwealth.

**JIM BENTLEY:** The total amount spent to date, which is Commonwealth money, is \$67.7 million.

**The CHAIR:** But how much are we actually due to get is sort of what I am at. I also note that on your website you say that you brought forward \$330 million worth of these projects for acceleration. It is clear that 67 is not going to cut it.

**JIM BENTLEY:** Indeed. Sixty-seven is what has been spent to date.

**The CHAIR:** How much have we received in total?

**JIM BENTLEY:** The 330 has been allocated by the Commonwealth. There are funding agreements signed between the State and the Commonwealth for \$330 million for five projects, which we call the accelerated projects, which will deliver another 45 gigalitres of water savings.

**The CHAIR:** Can I go to some of those projects and ask some questions in detail. The Koondrook-Perricoota Flow Enabling Works Project—according to the fact sheet, you are still at the strategic assessment phase, which is essentially the beginning. If I look to the presentation you gave the community on this, that means you have only paid out \$2.456 million in terms of money expended. Would that be correct, roughly?

**JIM BENTLEY:** If it is okay, I will pass to Ms Jones, who is the CEO.

**AMANDA JONES:** I would have to check that number to confirm that is the number spent to date. As Dr Bentley just mentioned, the total spend to date is \$67 million, but I can get that broken down by project.

**The CHAIR:** Sure. This Committee went out there, probably a month or so back, as part of the timber inquiry. We spoke to the western lands improvement group there. One issue that they raised is that there seems to be a conflict in regulations or legislation around the removal of material like logs and timber from dried riverbeds in this forest and that one part of the legislation prevents you from doing it but, if you do not do it, those river flows cannot happen properly because there are essentially logjams. Have you heard similar concerns from this group or from the community? What is happening to navigate what seems to be a catch 22 in the legislation?

**AMANDA JONES:** I can confirm the expenditure to date is \$1.5 million on the KP project.

**The CHAIR:** Sorry, what was it? Can you just bring your microphone a bit closer for Hansard?

**AMANDA JONES:** Yes, \$1.5 million on the KP project to date. There are concerns about the management of the flow, the operation of the river and issues for the forest. There is a group that is part of the BOC framework—so the Ministerial Council framework—and the Murray-Darling Basin group, who are managing this issue. I can take on notice any more detail that you would like to have about what is being done in regards specifically to log removal for the forest.

**The CHAIR:** How much expenditure is envisioned that will actually go back to the community in terms of work in the community and jobs in the community? One of the other concerns I have also heard is that a lot of this money is just going to agency staff and not going on to the ground in terms of giving contractors work locally and creating a bit of an economy boost.

**AMANDA JONES:** My understanding is that there is a preference for local businesses to be employed on these projects.

**JIM BENTLEY:** If I could add, Chair, on the thing about agency staff, we do not do that work. We procure that work and we oversee that work. Water Infrastructure NSW is not physically doing that work. It is all procured from contractors, designers and consultants. We have not insourced that work into the department.

**The CHAIR:** Would it be more financially advantageous to do so? Just looking at these performance milestones and potential costs, you have got a projected cost of \$2.456 million to essentially manage a suite of documents, and then another \$6.14 million to do a progress report on community stakeholder engagement and a planning pathways document. It seems a bit excessive, in terms of expenditure, for a couple of reports.

**JIM BENTLEY:** You would have to be more specific about what those reports are. Maybe if there is something—

**The CHAIR:** One is a concept design phase, basis of design report; one is a planning approvals pathway document, initial issue; and one is a progress report on community and stakeholder engagement. For three reports you were being charged \$6.141 million, according to this PowerPoint that was presented to the community. It seems a fairly excessive cost for three reports.

**JIM BENTLEY:** I would have to look at the particular details to comment specifically, but I think it would be unwise for government to say, "We will insource all of the work we're doing in water infrastructure". The cost of that would be enormous. Also, we just do not have that expertise available in a way that the market does. That is part of the problem.

**The CHAIR:** I might pick up some more of this later. Mr Field, are you there?

**Mr JUSTIN FIELD:** I am, Chair, thank you. I turn to floodplain harvesting. I am not sure who is most appropriate to answer these questions. On 18 February there was a proclamation—a Water Management (Application of Act to Certain Water Sources) Proclamation 2022—that appears to turn on provisions of the Act that now clearly require a floodplain harvesting access licence in order to harvest overland flows in the Northern Basin water sources. Given that the floodplain harvesting licences are not in place, can someone—whoever is the most appropriate—confirm that it is currently an offence in New South Wales to harvest overland flows?

**JIM BENTLEY:** I will take that if I can, Mr Field. I have sought advice from the general counsel for DPE on this and on other matters relating to the implications of the disallowance of the regulation. Specifically, I have asked the question: Does this change any consideration that was given before about the legality of floodplain harvesting? The advice that I have received confirms, as we said before, that it was uncertain. The regulations were trying to make it certain. It goes back to being uncertain. The advice I have received from the general counsel is, "No, I cannot say it is illegal. It is uncertain again".

Mr Field, I know you and I have had some exchanges over this sort of topic in estimates before so, if it is helpful to you, I have also asked the general counsel to compile a consolidated set of advices, if you like, that take us through the various things that have happened with the various regulations and disallowances so that we can clear up any uncertainty. I know before it was, "Was I getting written legal advice or was I just having conversations?" Of course I have had written legal advice, but I also talk very often to the general counsel, as you would expect. So I have written to the general counsel asking for that advice. If it would help the Committee, we would be very happy to make that advice available so that we can step through those various arguments.

**Mr JUSTIN FIELD:** I appreciate that, Dr Bentley. I was not talking about the disallowance. I am talking explicitly now about the proclamation that was made. It was made on 18 February. It was turning on provisions of the Act that now seem to require an access licence to engage in floodplain harvesting from certain water sources. What was the purpose of that proclamation?

**JIM BENTLEY:** Mr Field, I specifically asked that question of the general counsel, to say: Does that proclamation and does the disallowance now make it illegal?

**Mr JUSTIN FIELD:** The disallowance came after, Dr Bentley. What was the purpose of the proclamation?

**JIM BENTLEY:** Mr Field, I did say "the proclamation" and "the disallowance". I asked him specifically about the two, and the advice I have got is that it remains uncertain. I am not a lawyer. I cannot speak to that advice, other than to say that is the advice that I have received. I will be very happy to ensure that the advice that we get steps through the issues that you have raised now, Mr Field. I think that is important.

**Mr JUSTIN FIELD:** Let us clear it up then. What was the purpose of the proclamation?

**JIM BENTLEY:** Mr Field, I simply asked the general counsel, given that the proclamation had been made, "Has that changed the legality of the situation?" I was told no, and I have been told that in writing.

**Mr JUSTIN FIELD:** Is there not anyone here today who can inform the Committee of the purpose of the proclamation of the Act? Given the public interest in this issue, this must have been something that was discussed and understood at a relatively high level within the department. The disallowance came later. The letters

to the Gwydir and Border Rivers licence officers came later. I am asking what the purpose of this proclamation was.

**JIM BENTLEY:** The purpose was to allow the regulation to apply to the water sources in question. That is the purpose of the proclamation.

**Mr JUSTIN FIELD:** The proclamation makes no mention of the regulations. They had not been created at that stage.

**JIM BENTLEY:** Mr Field, I can only act on the advice that I am given. That is the advice that I have been given. If you disagree with that, let me clear that up by getting that written up in what I have offered to put together for you.

**The Hon. ADAM SEARLE:** Could you provide the advice that you have received to the Committee?

**JIM BENTLEY:** I have just said that I have asked Mr Hebron, who is our general counsel, to compile advice—because this is quite a complex issue—from start to finish so that we can make it available to the Committee to clear up any of these misunderstandings. I will ask Mr Hebron to address this matter of purpose as well so that it is there in black and white, and clear.

**Mr JUSTIN FIELD:** Thank you. Chair, I cannot see who is in the room. Is Mr Barnes from NRAR in the room?

**The CHAIR:** He is.

**Mr JUSTIN FIELD:** Mr Barnes, I think I can see you over the other side. Could you confirm, given you are the regulator, who is no doubt watching what people are doing in and around the rivers—from your perspective, can floodplain harvesting currently occur under the law in New South Wales in the five northern rivers in the northern Basin region?

**GRANT BARNES:** We are certainly watching the matter very closely. As I have testified before, the taking of water in New South Wales must be done in accordance with the relevant legal instruments unless otherwise made exempt. I have also testified that the circumstances relating to floodplain harvesting are complex, they are not clear and, as Dr Bentley has just said, they remain quite uncertain. So it would be improper for me, Mr Field, to make a declaration as to the legality of the activity without a detailed consideration of the individual circumstances that play out on farm. As I think I have said to you before, we investigate the conduct on its merits and against the provisions of the Act as they exist at the time, and we take enforcement action where we have reasonable grounds to conclude that the law has been breached beyond reasonable doubt. This is something that we do day by day, as we have since commencement in April 2018.

**The CHAIR:** Thank you. That is your time, Mr Field. I pass to Ms Boyd.

**Ms ABIGAIL BOYD:** We will stick with water. I will try to ask some more greyhound questions soon. Perhaps this is for you, Dr Bentley, but please direct me if it is not. I understand that South32 has been taking surface water without a licence from Sydney's drinking water catchment via the Dendrobium coal mine since at least 2016, because the Government was made aware of it in the 2016 catchment audit. Why has no action been taken to penalise that mining company for taking water without a licence?

**JIM BENTLEY:** Mr Barnes, is that an NRAR issue? I pass to Mr Barnes.

**GRANT BARNES:** That matter is subject to an active investigation by NRAR and we are progressing our investigation with a view to making a determination as to its legality in the course of time. I am not, because it is an investigation, able to go into the details at this point.

**Ms ABIGAIL BOYD:** Can you tell me when the investigation was commenced?

**GRANT BARNES:** The month, I will come back to you on, but broadly it was back in 2019, from memory.

**Ms ABIGAIL BOYD:** I am not at all across what is involved in one of these investigations. Is it normal for an investigation like this to take three years?

**GRANT BARNES:** It is certainly normal in the context of the Water Management Act, given its complexity. As I have just described to Mr Field, we have got to substantiate reasonable grounds that there was a breach of law to the criminal standard. That means we have got to do a thorough investigation. That is underway at the moment, and it will conclude in due course. When that is the case, we will make a public statement as to what our findings are and what enforcement action, if any, will be taken.

**Ms ABIGAIL BOYD:** The fact that the 2016 catchment audit had occurred and identified this was, presumably, not sufficient evidence. So there is needing to be another sort of investigation on top of that audit?

**GRANT BARNES:** The evidentiary burden is considerable, and that rests with us.

**Ms ABIGAIL BOYD:** Do you know when that investigation might conclude? Do you have an approximate time?

**GRANT BARNES:** The board has an expectation that the matter will be brought to them in the coming months.

**Ms ABIGAIL BOYD:** Coming months. Thank you. Dr Bentley, back to you. Are surface water sharing plans across the State going to be updated to account for the impact of increased losses from evaporation as a result of increased temperatures and climate change?

**JIM BENTLEY:** They are regularly reviewed and audited. Typically they are put in place for 10 years, and there is typically a review after five years and an audit after the 10 years. The Minister can call for a review at any time during the life of that plan, so amendments can be made at any time. When the reviews, when the audits, are done—those are, by the way, carried out by the NRC, independent of the department—we take their advice in terms of the changes that need to be made.

**Ms ABIGAIL BOYD:** So you do not have the unilateral power, without the Minister deciding, to do any kind of review earlier than five years.

**JIM BENTLEY:** I have not had need to say to the Minister, "I think you should bring this review forward on a particular plan" and that been a problem. The Barwon-Darling plan was brought forward for review before my time. I have discussed it at this Committee on a number of occasions. The Minister can do that at any time. Of course, I am free to advise the Minister that that should be the case. That is the best answer I can give.

**Ms ABIGAIL BOYD:** Given how quickly things are changing from year to year and we are seeing droughts quickly followed by floods et cetera, is it your expectation that you will need to review those plans a bit more quickly to stay up to date with what are the latest happenings on the ground?

**JIM BENTLEY:** The work we have been doing that is allied to this is the regional water strategy development. There are 12 of those. Ultimately there will be 12 in place across the State. There is one in place at the moment, which is Greater Hunter. There are some that are in final draft that we are consulting communities on. Some are about to go out as an initial draft for that consultation. Those regional water strategies, they take the latest up-to-date climate modelling. That is the vehicle to tell us, "There's something over here you need to go and look at, and that might require a change to the water-sharing plan."

**Ms ABIGAIL BOYD:** I want to ask a few questions about coal ash dams, which sit under Dams Safety NSW—which is, I understand, Minister Anderson's responsibility, but I also know it is a technical area so if it is not something that you can answer, let me know. I am interested in how the recent weather conditions, particularly the flooding, has impacted on the State's coal ash dams, particularly those sitting right on water bodies where we know that floods have caused the toxic sludge to float into nearby water bodies.

**JIM BENTLEY:** Just bear with me. As you can see, I have got a few notes here. Dams Safety NSW is a little bit like NRAR: It is an independent regulator that sits broadly within my group. So the employees who work for Dams Safety or who work for NRAR are employed through the department and, if you like, pay and rations and how people are managed is my responsibility. The technical decision-making, Mr Barnes is entirely independent of me or the Minister in his judgements and similarly with Dams Safety. But, yes, Dams Safety, broadly within that definition, sits within my remit. The technical matters about dam safety I would need to take on notice.

**Ms ABIGAIL BOYD:** I understand. There are two aspects: There is the structural integrity of the dam, which is a Dams Safety NSW issue, but then there is also the impact of any breach or spill of those ash dams into nearby bodies of water. I am thinking particularly—we know that at Lake Macquarie the Eraring and Vales Point coal ash dams have spilt many times into the water and that has caused contamination and restrictions on fishing. Have you had any oversight of what is happening at the moment with the flooding and the risk caused by coal ash dams?

**JIM BENTLEY:** I personally have not had oversight of that issue, but I will take that on notice and determine what our department has done in that regard.

**The CHAIR:** That concludes the crossbench time. I am hesitant to go to the Opposition for four minutes before we break. So I might invite any of the witnesses—if they have anything that has been taken on notice that



they might be able to come back to us with—we could do a quick download. That means you have less homework. Mr Cheroux, do you want to come forward?

**ROCH CHEROUX:** Thank you, Chair. I just wanted to respond to the question about dividends. As you have said, Ms Jackson, the SCI—the statement of corporate intent—was \$655 million last year. We paid dividend of \$687 million exactly. All this information is publicly available on our website, in our annual report.

**The CHAIR:** Thank you. Ms Hawyes?

**MELANIE HAWYES:** Thank you, Chair. Mr Shoebridge previously asked about a document and why it was not captured in a standing order. It was simply to do with the scope of the request. The document predated the time frame of the request by some time, so it was not captured in that request.

**The CHAIR:** Thank you. Mr George.

**ANDREW GEORGE:** Thank you, Chair. In response to Ms Jackson's inquiry about who I was receiving advice from in relation to Warragamba, that is MinterEllison.

**The CHAIR:** Thank you. Yes, Ms Jones.

**AMANDA JONES:** Chair, in regard to the questions you asked about the logjam issue, that is a matter for Forestry. I can confirm that all the contractors working on the KP Forest project are local. I have the names of three here, but I do not know whether you want me to read them into the record.

**The CHAIR:** If it is individual, personal names, no; but if it is company names, it is fine.

**AMANDA JONES:** It is companies.

**The CHAIR:** I think that will be okay.

**AMANDA JONES:** It is The Wedge Group, it is Fifteen50 and it is Rich River Irrigation.

**The CHAIR:** Thank you. Any others? No? We will break for another 15 minutes and return at 3.43 p.m.

**(Short adjournment)**

**The CHAIR:** We return back from our brief break and we will go to the Opposition for questions. Mr Primrose?

**The Hon. PETER PRIMROSE:** I have a number of areas to cover quite quickly, so I will ask the questions and then, please, I will leave you to work out who the appropriate person is to answer. The first lot concerns cemeteries and crematoria. My understanding is that the Cemeteries and Crematoria Act specifies that one position on the board of Cemeteries & Crematoria NSW is reserved for someone with knowledge and expertise relevant to local government matters. Can you tell me who that person is at the moment, please?

**MELANIE HAWYES:** I might invite Jen Hickey to return. The name has gone out of my head; I am really sorry. Jen might be able to answer.

**JEN HICKEY:** It is actually a vacant position at the moment.

**The Hon. PETER PRIMROSE:** When did it become vacant?

**JEN HICKEY:** I will have to take that on notice, but it is a while.

**The Hon. PETER PRIMROSE:** Around three years?

**JEN HICKEY:** Yes. Since before my time anyway.

**The Hon. PETER PRIMROSE:** When do you expect it to be filled?

**JEN HICKEY:** There are some discussions happening, I think. Actually, the department is looking into the board appointments, so I think we will have to take that on notice.

**The Hon. PETER PRIMROSE:** I will not ask you, but is it normal for something where the Act specifies that a position should come from an area like local government for it to be left vacant for three years?

**JEN HICKEY:** I cannot speak to normal, but it has not happened with CCNSW in my time.

**The Hon. PETER PRIMROSE:** Okay, I will not put you on the spot. My reason for raising that is the fact that we currently have local government being concerned about the draft interment industry regulation scheme from November 2021, specifically that section that relates to asking rural and regional councils to establish a fund to provide for all future cemetery maintenance liabilities up-front. Is my understanding of what would be required in that regulation correct?

**JEN HICKEY:** Yes. It is a proposed scheme at the moment, and there was a discussion paper distributed last year just to operators to seek their feedback. We have had quite a lot of interactions with local councils about the proposed scheme. There are some local government members on our industry consultation group, which we have relied on very heavily for feedback, and we also invited Local Government NSW as the peak body to attend those meetings so that they can contribute. We are aware of those concerns, particularly for smaller operators, in terms of how they could cope with the pricing issues that might arise and also the effort that that might take them. Just to explain a little bit about the scheme, it is proposed at the moment—this is based on what is in the statutory review and the IPART report into costs and pricing in the interment industry. It is proposed that it be a graded categorisation based on risk and activity level. Category three is the very small operators, and they are exempt from the perpetual maintenance requirements, so the smaller operators will not actually have to comply with anything in the proposed scheme.

**The Hon. PETER PRIMROSE:** May I ask in relation particularly to rural and regional councils, given we have rate peaking in New South Wales, how would the Government see having to establish this fund up-front work? Wouldn't that automatically lead to councils having to reduce other services?

**JEN HICKEY:** This is what is under discussion at the moment in the consultation. There are options. Councils come back to us in their submissions about how they might meet those perpetual maintenance liabilities differently. I should just say that all the operators agree that they have those liabilities. It is just a matter of how—

**The Hon. PETER PRIMROSE:** It is amortised over time.

**JEN HICKEY:** That is right, and how they meet them. There is a proposal from council that they meet them with their operational budgets on a year-by-year basis. I guess the point of the reports and the recommendations in the reports was that perpetual maintenance is about the future care of loved ones and making sure that there is enough money to look after the site in perpetuity. Whether or not that is sufficient is still under consideration, and we need to do more consultation on that.

**The Hon. PETER PRIMROSE:** When do you expect that will be finalised?

**JEN HICKEY:** I think the review had a three-year time frame, but we are hoping we will meet that earlier than that with the interment industry scheme.

**The Hon. PETER PRIMROSE:** Thank you. Given my time allotment, I have lots of questions but I will put those on notice if I can. My other question relates to Aboriginal land claims. I have been part of a number of inquiries here when we have heard things like there were many tens of thousands of outstanding Aboriginal land claims in New South Wales. I think the Audit Office found that there were about 38,000. What is the figure at the moment?

**MELANIE HAWYES:** That is correct. The Audit Office has found that that is accurate. There are more than 38,000 claims lodged at present. I would say that Crown Lands has made concerted efforts to really enhance momentum on land claims, and this year has seen the highest number of land claims granted in a single year, with three months still to go, which is something that we are very proud of. I would also say that the claims process is open. You can lodge as many claims as you like but each claim must be determined with a great deal of due diligence as to what the lawful use and occupation of that parcel of land was on the date of the claim. They can be the same parcel claimed on multiple times.

**The Hon. PETER PRIMROSE:** Could you, rather than run through them all, give us some figures, say, over the last five years of the number of claims, particularly the number of claims, the number of claims granted, outstanding claims and the number granted. Also I would be interested in what budget allocation has been made to try to reduce this backlog over the same period of time.

**MELANIE HAWYES:** Yes. I can tell you that since 1 July we have granted or part granted 317 claims. It is probably more appropriate for me to take it on notice for five years. I do not have five years' data here.

**The Hon. PETER PRIMROSE:** Please take it on notice, and also the funding that has been allocated to ensure that these claims are processed over those five years.

**MELANIE HAWYES:** Yes.

**The Hon. PETER PRIMROSE:** Thank you for that. Can I then ask what work, if any, is underway to recognise and provide for Aboriginal people's rights in travelling stock routes at the moment?

**MELANIE HAWYES:** Land claims is within the remit of Crown Lands. Travelling stock routes are administered by our colleagues in Regional NSW, the Deputy Premier's patch. So I cannot comment specifically on travelling stock routes, but we do administer land claims. I would probably take that on notice and/or redirect that question, depending on the specific question.

**The Hon. PETER PRIMROSE:** Thank you. The NSW Water Strategy commits the New South Wales Government to the development of a New South Wales Aboriginal water policy. Can you tell us what budget has been allocated to support the development of this water policy at the moment?

**JIM BENTLEY:** Thank you for the question. Six million dollars has been allocated in the budget to that activity.

**The Hon. PETER PRIMROSE:** Six million dollars this financial year?

**JIM BENTLEY:** It is over more than one year. We have hired a team of people, including a director to head up that team, to ensure that we are working as well as we can. It is \$6 million over two years.

**The Hon. ROSE JACKSON:** Do you have a time frame on when the strategy might be developed?

**JIM BENTLEY:** I fortunately have the former strategy lead next to me.

**AMANDA JONES:** Thank you. Yes, the principles of the strategy are set out in the NSW Water Strategy so that the key parameters of ownership access are there. The work also now includes looking toward the 3 per cent target for Closing the Gap, so we are working towards that as well, but it will work at both a statewide level with representative groups but also in place, so on-country specific agreements with local Aboriginal groups to actually do place-based work. It could be care for country—whatever that local community is trying to achieve for access to water for cultural or economic purposes. It is a multifaceted program. As Dr Bentley mentioned, it is being headed by a director who was specifically appointed, and there is a team of five people working on the strategy at the moment.

**The Hon. ROSE JACKSON:** It is just that, as my colleague said, the Water Strategy commits to the development of a specific Aboriginal water strategy. When will that document or that plan be available?

**AMANDA JONES:** Hopefully by the end of this year. What I would say is that we will go as fast as the communities want us to go. Consultation with Aboriginal groups, with Aboriginal communities, is part of the process so we will do it in time with people's own timing.

**The Hon. PETER PRIMROSE:** My last one on this point is, I remember back in 2019 during estimates with then Minister Pavey and she made a point of saying that she was focused on ensuring Indigenous communities are included in water management and that their needs are better represented. What has happened over the past three years to ensure that they are better represented in water management?

**JIM BENTLEY:** Thank you, Mr Primrose. Quite a lot has happened. For one thing, the Aboriginal Communities Water and Sewerage Program has continued, and that works very closely obviously with the communities we are serving, and even though there have been some funding issues with our funding partners there, we have ensured that we are continuing to put enough funding in to keep that work moving forward—that is absolutely essential—and there is the establishment of this group that we have just been talking about under the NSW Water Strategy to be working with First Nations groups on what they want to see in that strategy. As Amanda Jones said, we are going at the pace they want to go. Also, across the water resource plans that we were discussing earlier, we have had more than 50 workshops with different First Nations groups—I believe 26 nations and 250 individuals. That is very much a big increase in the past two or three years on the time and resource that has been put into working with First Nations around their needs in terms of water management.

**The Hon. ROSE JACKSON:** Sorry, can I ask one quick follow-up question?

**The Hon. PETER PRIMROSE:** Please.

**The Hon. ROSE JACKSON:** It was also, as you know, a provision of the Water Strategy to increase Indigenous allocation of ownership and access to water. I accept that is actually difficult because in a lot of the valleys there is not a lot of unallocated water. Why was the unallocated groundwater put up for sale under a controlled allocation order last year as opposed to being provided to First Nation groups as is consistent with the Water Strategy? That seems like a massive missed opportunity when there is not a lot of unallocated water in the system.

**JIM BENTLEY:** I do not think that the strategy says that all water that is available will be given to First Nations people.

**The Hon. ROSE JACKSON:** It does not say that, but it does aim to increase ownership and access to water.

**JIM BENTLEY:** Yes.

**The Hon. ROSE JACKSON:** I am accepting that that is hard to do, but this does not happen very regularly, Dr Bentley. There was a specific unallocated groundwater and it was put up for sale on the market at prices that are completely out of the reach of Indigenous groups. Why did you miss that opportunity to take a step towards meeting that goal?

**JIM BENTLEY:** We have to satisfy multiple matters of course. What Ms Jones has outlined is that with the 3 per cent target from the Closing the Gap work, we are trying to understand what the 3 per cent target means. How should it be allocated? How do we get there? That work is being developed as part of that strategy, but it does not mean, as I say, that each individual transaction that comes along will be earmarked for that purpose.

**The Hon. ROSE JACKSON:** Who made the decision not to consider giving that specific allocation that occurred late last year to First Nation groups? Who makes those decisions? It is still 0. 2 per cent. Is that the actual current ownership rate?

**AMANDA JONES:** It is about 2 per cent, I think, of cultural licences.

**The Hon. ROSE JACKSON:** Yes, there is a way to go. An opportunity comes up which does not occur regularly. Who makes the decision about what to do with that?

**JIM BENTLEY:** That is a decision for the Minister.

**The Hon. ROSE JACKSON:** That is the Minister's decision.

**JIM BENTLEY:** It was not Minister Anderson at that point.

**The Hon. ROSE JACKSON:** I appreciate that, yes, this was in October and November last year. Thank you. Apologies.

**The Hon. PETER PRIMROSE:** No, they were good questions. I have about 300 more, but I will put them on notice. Can I move on now back to our favourite topic of digital wallets? What other options exist to pursue harm minimisation and can you outline what those other options are please?

**NATASHA MANN:** I just want to be clear that we are not conflating the two. There is the digital card and then there is the cashless gaming trial. I just wanted to provide some clarification on the digital wallet or the cashless gaming trial. At the moment, cashless payments for gaming machines are not permitted under legislation. In order to create a cashless gaming system or a digital wallet, we need to do what we call a regulatory sandbox. That is where we have confined conditions in a particular location where we can monitor as the regulator the impacts on people that are using this particular methodology.

**The Hon. PETER PRIMROSE:** This is where we are talking about Wests Newcastle and Aristocrat?

**NATASHA MANN:** That is correct.

**The Hon. PETER PRIMROSE:** Are there any other providers interested in this at the moment?

**NATASHA MANN:** There are, Mr Primrose. I think as the Minister mentioned this morning, we have had five applications to date. The first one was received on 19 May 2021 from Aristocrat and Wests, but there are four others as well. Before we agree to put them into that regulatory sandbox to test the harm minimisation and impacts on community, we go through a process with them to make sure that it is appropriate for that to occur.

**The Hon. PETER PRIMROSE:** Can you say what those other providers and those other venues might be, if they were to proceed?

**NATASHA MANN:** I can tell you who the other applications have been made from—UTOPIA Gaming, IGT, Konami and Scientific Games. They have been received from us as regulator between June and October 2021.

**The Hon. PETER PRIMROSE:** Have you any proposals yet for the venues?

**NATASHA MANN:** I am not sure that we have worked through venues yet. I think we are just looking at the technology at the moment.

**The Hon. PETER PRIMROSE:** Has the trial at Wests Newcastle commenced?

**NATASHA MANN:** It has not commenced as yet. We are still working through to ensure that it is appropriate for that trial to commence.

**The Hon. PETER PRIMROSE:** Do you have any idea when it may commence?

**NATASHA MANN:** It is forthcoming so we are towards the end of getting to the point where they are able to commence.

**The Hon. PETER PRIMROSE:** For how long do you expect the trial to continue?

**NATASHA MANN:** I will take on notice how long it is. I have in my mind six months, but I would like to take that on notice if I could.

**The Hon. PETER PRIMROSE:** Going back to the Star casino proposal to acquire 1,000 additional poker machines, the Minister mentioned that there had been consultation with Star. Have you engaged in consultation with ClubsNSW or the Australian Hotels Association?

**NATASHA MANN:** Yes. I think as I mentioned in my evidence this morning, we have made a commitment to engage with both of those groups.

**The Hon. PETER PRIMROSE:** So you have not engaged so far?

**NATASHA MANN:** There have been preliminary conversations with both of those groups but certainly further, more detailed conversation will occur.

**The Hon. PETER PRIMROSE:** Would you expect that it would be from their venues that the machines would be sourced?

**NATASHA MANN:** That is the intention but, as I mentioned this morning, it would not be enforced. It would be a voluntary thing from hotels and clubs. The reason for that is that we do not want additional machines entering the State. It would be existing machines.

**The Hon. PETER PRIMROSE:** So this would probably involve the machines of regional and rural clubs and pubs being transferred to Sydney if this proceeded?

**NATASHA MANN:** That is one potential option if those pubs and clubs were wanting to get involved in that process.

**The Hon. PETER PRIMROSE:** Where else would you get them other than rural and regional pubs and clubs?

**NATASHA MANN:** There are pubs and clubs in Sydney that want to go pokie free, for example, so that might be another source of the machines.

**The CHAIR:** I might pick up from where we left but turn to the Mid-Murray Anabranes suite of projects. Looking at the projected costs for the first couple of milestones, to project manage a suite of documents you are willing to pay up to \$4.9 million, and for three similar reports that I mentioned for the Koondrook-Perricoota Flow Enabling Works you are willing to pay up to \$12.285 million, so almost double what you are prepared to pay for Koondrook-Perricoota. Can you account for why there would be such a difference between those two sets of reports in terms of the two projects? Obviously there might be some differences but it is almost double.

**AMANDA JONES:** It would be the scope of the projects.

**The CHAIR:** Where are we up to with the Mid-Murray Anabranes projects in terms of milestones?

**AMANDA JONES:** Basically, we have done procurement for the early works and detailed design is underway for the remaining works.

**The CHAIR:** I might turn to the other one I am interested in—the Murrumbidgee and Murray National Park projects. It seems like, according to the fact sheet, we are stuck between the problem definition and options development phase. Is that still the case?

**AMANDA JONES:** Strategic assessment and concept design is still underway. I could provide you with a summary of all of those projects if you like.

**The CHAIR:** Perhaps on notice if you could. More specifically with this one, the fact sheet lists some options that you are looking at. Would you be able to, on notice, provide the full list of options that you are looking at?

**AMANDA JONES:** Okay.

**The CHAIR:** I am assuming that, with all of these options, you are doing some sort of cost-benefit analysis to decide which ones—

**AMANDA JONES:** There will be. That will form part of the business case for the works.

**The CHAIR:** More broadly, on these accelerated projects, from what I can see from the documents that outline a projected cost, it does not indicate whether the operational and maintenance costs are part of this budget. Have the maintenance costs of these projects been budgeted for?

**AMANDA JONES:** I think it would depend on the ownership of the asset, ultimately.

**The CHAIR:** In short, we have not got there yet?

**AMANDA JONES:** That would be right, and the scope of the projects range from bridge replacements through to fishways in weirs, so it is quite a broad scope for these projects in terms of the actual activities or initiatives. Some things will not have operating costs; some things will.

**JIM BENTLEY:** Could I just add, it is a source of contention between the States like ourselves and our partner in the Commonwealth, that funds the capital works, that we believe funding hundreds and billions of dollars of capital works should come with some operating costs associated. That is a point that we take up through that Basin Officials Committee that I talked about before, but it is not one we have resolved to any satisfactory outcome. It is not like we are ignoring it; it is just we do not have a funding agreement with the Commonwealth to cover those O&M costs.

**The CHAIR:** I do not want to mischaracterise your view but would it be right to say that your view is that, for the capital works that do require a maintenance or operational cost, it should not be the end water user that bears that cost? Would that be a fair characterisation of your department's view or the Government's view in terms of where that cost should be borne from?

**JIM BENTLEY:** If I can answer it slightly differently, the fact is that I have asked, and other States are asking, the Commonwealth, "Why aren't you contributing to the O&M cost?" It is a very large sum of money being spent on the SDLAM projects. That is great. It is not only the outcomes but it is also the jobs in the regions while the projects are being delivered. But it does leave an O&M burden and we are discussing that with the Commonwealth.

**The CHAIR:** But at this moment we cannot rule out where those costs, if any, will come from?

**JIM BENTLEY:** I would say it is not yet resolved but there are many projects and many different scenarios.

**The CHAIR:** Can I turn to the Off-farm Efficiency Program. Information on your website talks about a \$1.48 billion initiative and the program having two streams, one being \$1.33 billion for State-led projects. How much of that \$1.33 billion has been expended so far and could you, on notice, provide some sort of dissection in terms of how much has been allocated to each project?

**JIM BENTLEY:** That one point whatever it was billion is a Commonwealth fund but we can certainly tell you what has been allocated through New South Wales. We can provide that on notice.

**The CHAIR:** It also says there is another \$150 million for grants. I am assuming that is spread across all the States, is it, from your explanation just then?

**JIM BENTLEY:** I believe so but I have not got the document in front of me. But I know that larger \$1.1 billion that was—

**The CHAIR:** On notice as well, could you provide how that has been expended?

**JIM BENTLEY:** Yes.

**The CHAIR:** It also says \$60 million available for on-farm projects that have strong community support. Once again, how much of that \$60 million has the State got and how much has been expended?

**JIM BENTLEY:** Yes.

**The CHAIR:** The Minister mentioned a couple of programs—the Better Baaka and Better Bidgee programs. Each has significant elements to them so I do not want to tackle them all individually, but can I ask, perhaps on notice, for each one of those elements, where we are up to? I think this came about in 2021?

**JIM BENTLEY:** Correct.

**The CHAIR:** For each of those elements, where are we up to in terms of progressing them?

**JIM BENTLEY:** Yes, we will provide that on notice in detail. If I could just say, it was the April 2021 ministerial council for the Murray-Darling Basin where New South Wales gained the agreement of other States and the Commonwealth to go and re-scope what had been planned for Menindee Lakes and the Yanco offtake.

That led to us saying that we cannot make those big savings at Menindee Lakes and therefore we need to take a more holistic view of the whole system, and that spawned the Better Baaka, which is—

**The CHAIR:** Better Baaka or Better Bidgee?

**JIM BENTLEY:** That spawned Better Baaka and the other one spawned Better Bidgee. Western Weirs, 2,000 kilometres of fish passage et cetera, is not all water savings at Menindee Lakes, but that is what spawned the project, as it were.

**The CHAIR:** I appreciate that there are some extensive initiatives there, so I wanted to get a sense of where we are up to with each one. That would be fantastic.

**Ms ABIGAIL BOYD:** I will go back to the whip breaches discussion that I was having with the Minister earlier today. I have the stats in front of me now, so perhaps we can have a more informed conversation. I was talking about the whip rule where, as I understand it, you can whip up to five times in the first 100 metres of a race and then you can go hell for leather at the end, apparently. I understand—and I have the documents here—that although a huge number of whip breaches in that first 100 metres were observed, action was not taken because the totality of the whipping over the race was not seen as being excessive. Are you aware of that and do you see that as a problem in the way that the rules are working?

**STEVE GRIFFIN:** The whip rules are part of the Australian racing rules, which are decided by Racing Australia and enforced by the controlling bodies in each jurisdiction. So in New South Wales it is Racing NSW. My understanding of the whip rules was that in 2015 there was a change to the rules to remove the distinction between forehand and backhand use of the whip, with the total use of the whip limited to no more than five strikes during the race, excluding the last 100 metres of the race. In 2017 there were changes made that allowed stewards to take discretion on the totality of the use of the whip across the whole race.

**Ms ABIGAIL BOYD:** For example, between Everest Day and Melbourne Cup day, which was between 16 October and 2 November last year, 49 race meetings took place across those 18 days. There were 201 incidents of rule AR137A (5) (a) (ii) being breached, in that more than five strikes were observed in that first 100 metres. Is that correct?

**STEVE GRIFFIN:** No.

**Ms ABIGAIL BOYD:** The other way around?

**STEVE GRIFFIN:** The other way around.

**Ms ABIGAIL BOYD:** Fine. There were 201 incidents where that breach was observed, but in only 10 instances was any action taken for the whip breach. Do you think that is an example of this rule working effectively to stop the whip breaching?

**STEVE GRIFFIN:** The stewards have a range of disciplinary action that they can take in relation to whip use, which might range from reprimands to fines. Generally the fines increase depending on the value of the race, so group one races or the Everest, or races of that nature, will have significantly higher monetary penalties, and they can also suspend jockeys for use of the whip.

**Ms ABIGAIL BOYD:** On all these steward's reports for these whip breaches, the statement is:

Stewards noted the following riders exceeded the permitted strikes of the whip prior to the 100m under AR132(7)(a)(ii). Bearing in mind the totality of whip use, no action was taken.

Does that mean no action, not even a fine; nothing at all? Are you saying that even though they have said no action here, potentially there is another consequence for this whip breach?

**STEVE GRIFFIN:** No, that is not what I am saying, if they have determined that there is no action. That is the role of the stewards: to look at the particular circumstances of each case and determine what the appropriate penalty is.

**Ms ABIGAIL BOYD:** Given that these rules were put in place because of the horrific injuries that occur to horses when they are whipped too much—that is why we have a whip limit—are you not concerned that in 191 of 201 instances over an 18-day period, nothing was done for a breach of that whip rule—just in 10 cases?

**STEVE GRIFFIN:** Racing NSW is the controlling body for the sport in this State. It is not subject to government control or direction. Its stewards are experienced stewards. They control and regulate races on a daily basis and they will make judgements and issue appropriate penalties to jockeys depending on the circumstances of the race.

**Ms ABIGAIL BOYD:** This Government, though, has the power to introduce new legislation that would require those whip rules to be tightened up, or to at least result in a penalty. You could override it with State legislation. Do these sorts of statistics not give the department, or give your office, some cause for concern that maybe you need to change that? Or are you just saying, "No, it's fine, we're just going to trust the industry"?

**STEVE GRIFFIN:** The whip rules are being looked at on a national basis by Racing Australia. I understand it has a committee that is looking into this issue and will make recommendations back to Racing Australia about whip rules broadly, and I would imagine in relation to penalties too.

**Ms ABIGAIL BOYD:** What is really interesting as well is that there is a difference in the locations where whip breaches appear to be acted on versus those that are not. Perhaps not every steward is applying the discretion in the same way. Again, in your view, is this entirely a matter for Racing Australia and not something that the Government should take an interest in?

**STEVE GRIFFIN:** As I have said before, Racing NSW is the controlling body for the sport in this State. It has a legislative mandate to enforce the rules, and it works with other jurisdictions through Racing Australia to have uniform rules of racing and to identify uniform penalties.

**Ms ABIGAIL BOYD:** There is clearly something broken with this whipping regime if these are the results that we get over an 18-day period. Can I go to greyhounds? Can we clarify those numbers from earlier; I think the Minister was arguing with the numbers that I raised. I mentioned that 92 dogs were killed in 2021 because of racing injuries. To clarify, that includes 64 on-track deaths and 28 post-race euthanasias that GWIC attributed to a racing injury. That gives us 92 dogs killed because of racing injuries last year. Does that accord with your understanding?

**STEVE GRIFFIN:** If they are sourced from the commission's quarterly reports, then—

**Ms ABIGAIL BOYD:** Yes. So we are not disagreeing about the number of dogs that are being killed and injured. That is good to know. This is an issue that I have raised before: How can we continue to justify building curved tracks when we have the evidence that indicates that they are a less safe form of racetrack for dogs to race on and they create more injuries? **In relation to the straight track at Richmond, is it a flat straight track or is there a camber?**

**STEVE GRIFFIN:** I would need to take that on notice and seek advice from Greyhound Racing NSW.

**Ms ABIGAIL BOYD:** Are there any rules requiring these straight tracks not to be on a camber?

**STEVE GRIFFIN:** Do you mean in relation to the minimum standards?

**Ms ABIGAIL BOYD:** Yes. When a new straight track is being approved, clearly if we work from first principles—again, I am not an engineer of greyhound racing tracks, but we have had a lot of discussions about this in estimates. I understand the idea that with a curved track, when the dogs are going around they tend to bunch up in one spot as they go around and that is where the injuries occur. My understanding is that if you build a straight track on a camber then you end up with the same problem, that as the dogs are running they bunch up down the bottom of the hill, or the bottom of the slight incline, which causes many of the same problems and then you get injuries again. What is the oversight to ensure that when these straight tracks are being built, they are not being built on a camber? It seems quite obvious.

**TERRY O'BRIEN:** GRNSW has developed minimum track safety standards, and these were developed based on research by University of Technology Sydney. That looked at building or putting in place minimum standards for both straight and curved tracks. The use of cambering on curved tracks is a way of mitigating the injuries or the pressures on dogs as they corner.

**Ms ABIGAIL BOYD:** Yes, but on a straight track?

**TERRY O'BRIEN:** On a curved track, sorry.

**Ms ABIGAIL BOYD:** Sorry, on a curved track. But on a straight track?

**TERRY O'BRIEN:** On a straight track, I would need to seek advice from Greyhound Racing NSW about what the minimum standards say. There might be reasons why you would have a slight fall across the track, but I would need to seek advice from Greyhound Racing NSW.

**Ms ABIGAIL BOYD:** Mr Griffin, is that something you have any knowledge of from a GWIC perspective?

**STEVE GRIFFIN:** Yes, thank you, Ms Boyd. I have been to the Richmond straight track and it does not appear to have a camber.



**Ms ABIGAIL BOYD:** Okay.

**STEVE GRIFFIN:** But, as Mr O'Brien stated, there could be a slight camber in terms of waterfall to make sure water falls away from the track, but from the eye it looks flat. It does not look like there is a camber.

**Ms ABIGAIL BOYD:** Is there anything in the minimum standards or in the UTS research that sheds any light on that issue about increased risk—if there is a camber more than a certain degree, for example, on a straight track?

**STEVE GRIFFIN:** I would have to take that on notice, but certainly there is a great degree of evidence and research done by UTS, you would probably be aware, in terms of camber that does assist with tracks that have bends. That certainly is the case.

**Ms ABIGAIL BOYD:** Okay.

**STEVE GRIFFIN:** There is a lot of recent track design that is based upon that, and the Traralgon track in Victoria, for example, is a prime example of the redesign based upon that research.

**Ms ABIGAIL BOYD:** In the latest GWIC quarterly report, as I mentioned earlier, it was reported that the major two injuries are the highest they have ever been. Can you shed light on why that is?

**STEVE GRIFFIN:** The Race Injury Review Panel, Ms Boyd, is looking into that. It is the highest, as you said, since we have been gathering data in relation to the major two since 2018. So there are some hypotheses that it could be weather-related, certainly because there was a greater increase in weather events towards the end of last year, which involves that quarter of data. It is very similar to the fourth quarter of the previous year. Both quarters—fourth quarter of 2020-21—seem to have produced higher levels of—again, we need to look at the causations, and so that is something we are very much focused on in discussions with GRNSW in relation to why we are getting those causations and those high levels.

**The Hon. ROSE JACKSON:** I just wanted to ask a couple of quick questions about the festivals roundtable. I think perhaps to Ms Mann.

**NATASHA MANN:** I might, Ms Jackson, refer to Mr Tansey, who is actually the Chair of the Music Festival Roundtable.

**The Hon. ROSE JACKSON:** Excellent. I just have a couple of questions. I understand that from April this year the festival roundtable is moving from DCS into Enterprise and Industry. Is that correct?

**JOHN TANSEY:** That is right, because it will follow the allocation of Acts with the Minister and into that new agency.

**The Hon. ROSE JACKSON:** What arrangements have been made—presumably yourself, Mr Tansey, and the staff at DCS who have been doing that work will not move over; the roundtable will but the staff will not?

**JOHN TANSEY:** It is probably a little bit more diverse than that. My role and I will not, but some of the staff that have been doing some of the secretariat work supporting the roundtable will transfer with the liquor, gaming and racing functions to the new agency.

**The Hon. ROSE JACKSON:** How many staff?

**NATASHA MANN:** I have those details. Ms Jackson, you can appreciate that for the last few years we have been integrating the regulators into the Better Regulation division. So we have been integrating Liquor & Gaming, SafeWork and Fair Trading. With the move, we have had to unscramble the egg, so to speak. The latest numbers that I have of the staff moving over is around 280 staff moving across to the new agency.

**The Hon. ROSE JACKSON:** In addition to some staff moving across, as you have mentioned, it is unscrambling an egg. What assurances can you give or arrangements have been made to ensure that that is a smooth transition and that the festival roundtable, which, to be fair, has gotten good support and positive feedback in relation to the work that DCS has been doing with it, continues in the new arrangements?

**JOHN TANSEY:** We have said in the most recent roundtable meetings—and I have certainly indicated to my industry co-chair that personally I am perfectly happy to continue to work with the new receiving agency to make sure that it is smooth. The roundtable's next scheduled meeting is in May, so I have offered, if it is useful, to attend that meeting and literally do a hand-to-hand handover. At this stage it is obviously just something we need to work out between ourselves and the receiving agency about how they would like to manage it.

**The Hon. ROSE JACKSON:** Are those meetings to discuss that transition occurring regularly? Is that the case currently for the April transition?

**NATASHA MANN:** They absolutely are. We are meeting with DEIT on a weekly basis, and all of the issues are being discussed in terms of setting the new agency up for success and making sure that the transition is smooth.

**The Hon. ROSE JACKSON:** Thank you. That is good. Hopefully that works. Obviously, as you said, it is quite a logical fit where it is now, so we are hopeful that it will continue to receive the proper support. I just wanted to ask a little bit more on some of those questions that I was asking before in relation to stormwater management. We are seeing a lot of pressure on the stormwater system at the moment. So, Mr Cheroux, I do not know whether you need to come back to the table or something, sorry. I can go through you, Dr Bentley, but I imagine that—

**JIM BENTLEY:** We will start with Mr Cheroux. I am sure he will throw it back if it is not—

**The Hon. ROSE JACKSON:** Yes. Thank you for those answers in relation to Parramatta River. I wanted to ask just quickly on that. Is there an estimate available—you may have it, Mr Cheroux, or perhaps Dr Bentley—how many fish were killed in the recent fish kill there? Is that something that you have? Perhaps you might need to take it on notice.

**JIM BENTLEY:** I would have to take that on notice.

**The Hon. ROSE JACKSON:** That would be useful. Thank you for those answers in relation to the Parramatta River. Obviously more generally across Sydney, with the significant rainfall that we have seen, there has been a lot of pressure on the stormwater system and we are already seeing waterways—beaches and estuaries—displaying a lot of pollution and lot of impact from the heavy rainfall. What is the kind of Sydney Water response to that? What are you doing to try to make sure that that system is working as well as it can?

**ROCH CHEROUX:** We are responsible for part of the network, which always makes the situation complex. We also have a number of concrete channels in the city that are going into rivers. So the activity—our responsibility is to make sure that all of the pipes and the channels are open and operating well. We also have a lot of activity which is coordination with councils, because most of the stormwater is obviously coming from the streets and areas that are controlled by the councils. So we are always talking to them to make sure that—how can we do better. We also have a number of activities that are around actually naturalising some of the stormwater channels or canals that we have got, which is a way to not only create amenities for the public and our customers but actually also to treat the stormwater.

**The Hon. ROSE JACKSON:** When you say "naturalising" them, are you referring to trying to make them more porous—as opposed to hard concrete, use other materials?

**ROCH CHEROUX:** Yes, absolutely. You have got a good example at Johnstons Creek that we have just finished not very long ago, which is basically transforming a length of concrete canal into a natural river so there is no concrete anymore. You have got natural banks. You have got water that is being able to be infiltrated back into the ground or treated with reed beds and all sorts of designs.

**The Hon. ROSE JACKSON:** That program, I agree, is very important. What is the sort of budget for that transformative program within Sydney Water? I know the councils have their role too, but what is your budget for that program?

**ROCH CHEROUX:** I would need to take that and come back to you on this. We are progressing. This is a significant investment, so usually this is something that we are doing when we have a concrete canal that needs investment. Instead of refurbishing or working on it, we move to naturalisation.

**The Hon. ROSE JACKSON:** You do not currently have a program of works to take each channel or pipe as it is and transfer it? It is currently a response to maintenance?

**ROCH CHEROUX:** No, we have a program, but it is a long-term program.

**The Hon. ROSE JACKSON:** You do have a program, okay. You will have to take this on notice, but would you be able to provide information on that program?

**ROCH CHEROUX:** Yes, absolutely.

**The Hon. ROSE JACKSON:** Is there a goal here, Mr Cheroux? I appreciate there is a lot, but by 2030, 2040 or 2050, is there a goal that you are working towards, even if it is a longer term goal, to transition all of those assets over to be naturalised and porous and better able to manage stormwater?

**ROCH CHEROUX:** It is always a fine balance because obviously the money that we are investing into this asset is the money that we collect from our customers when they are paying their water bills. For us, it is very much about the right balance between what our customers can afford and what we need to invest, and that is why

most of the time these sorts of projects will happen when we need to refurbish or replace a concrete canal rather than having an objective that in the next 10 years we will do everything, which would not be affordable for our customers.

**The Hon. ROSE JACKSON:** In terms of the work that the councils have to do—other than, as you say, that you liaise with them—is there any role that you are able to play to provide them with financial support or partner with them to upgrade their assets? I am sure that they tell you in their dialogue with you that they do not have a lot of money for that kind of work either. This is evidently becoming a more urgent priority. We are seeing more severe storms; impact on the stormwater system is massive. Is there any sense of additional resources to try and speed up this process?

**ROCH CHEROUX:** We cannot provide subsidies to councils. That is not something that we can do. But we provide assistance. We have a team at Sydney Water that are working on this sort of naturalisation or simply on stormwater engineering. This team is available for advice to different councils, and this is working well. We very often have councils coming to us and discussing the projects that they have in plan, so the cooperation is quite good. But that is the sort of support and assistance that we are providing to councils.

**The Hon. ROSE JACKSON:** Is there any available through DPIE directly? I appreciate Sydney Water is not able to provide that support, but can councils access any other subsidies or sources of funds to try and speed up their stormwater improvement programs?

**JIM BENTLEY:** There is no water-controlled fund. My colleague Ms Hawyes looks after OLG. Is there any local government OLG funding?

**MELANIE HAWYES:** Not through OLG. I actually think the Environment portfolio do—

**The Hon. ROSE JACKSON:** EES, yes.

**MELANIE HAWYES:** —just because of knowing that around the traps, but I cannot speak to the current state of play. They would be able to tell you what funds are available.

**JIM BENTLEY:** We did start discussing with EES, before this rain event happened, what does our planning need to be in the future. Water is working with EES and OLG on a number of these things. Can I also say, in case it is of interest to you, Mr Cleary from Hunter Water has been doing a lot of work with us on this with Newcastle, so if you wanted any details from him you could speak to them.

**The Hon. ROSE JACKSON:** That would be useful in a tick. Dr Bentley, in the Water Strategy there is a specific reference to drought resilience. That is a specific section or part of the Water Strategy, but I could not see anything in there in relation to flood resilience. This issue of stormwater is one of many. It falls into different categories, so not having a specific pull together in the Water Strategy makes it a bit more difficult for some of this work to happen in a timely way, in an effective way. Is that something that you have thought about?

**JIM BENTLEY:** It is something we have thought about. In fact, a few months ago when I was up on the North Coast we were discussing with community members from Lismore and other places how the regional water strategy there speaks about water security but does not speak about flood management to the extent that it should. So we engaged CSIRO to do a piece of work to help us understand, in that region, is there any lens we should be putting on the regional water strategy that could take a more holistic systems view and, from there, to see how we might spread that elsewhere.

**The Hon. ROSE JACKSON:** Has the CSIRO completed that work in relation to that regional strategy?

**JIM BENTLEY:** I am waiting to receive it but it is imminent. I hope within days.

**The Hon. ROSE JACKSON:** Just to be clear, the commitment is for you to attempt to use that as a template to more broadly look at flood resilience in a document like the statewide Water Strategy, or that is something that you are going to look at to take that next step?

**JIM BENTLEY:** What we are looking to do is to say, "If we also consider the water security matters from a flood management and river health and land use point of view, does that change the strategy?" But flood management per se is actually the responsibility of EES. They come up a lot in these conversations because we are obviously so closely linked. It is not a full "Let's bring flood management into this as the cool thing." It is more saying, "If I was thinking about flood management at the same time as water security, would that change the options that I am considering?"

**The Hon. ROSE JACKSON:** Yes, I appreciate that.

**JIM BENTLEY:** And, yes, we are committed—if there is something that we should roll out in future iterations of other strategies—to doing so.

**The Hon. ROSE JACKSON:** I appreciate that. I will throw to my colleague Mr Searle in a second. We need to try and avoid being reactive. We have the drought, and that impacts agriculture and a whole range of different things too and it comes together, and then we have lot of flooding and we find, "Oh, there are a lot of different agencies doing a lot of different work. Is it really coming together in a way that it should?" But you are committed to trying to work through that?

**JIM BENTLEY:** Indeed.

**The Hon. ADAM SEARLE:** My question I think might be directed to Ms Hawyes or possibly Ms Hickey. It is about cemeteries. What is the remuneration of each of the CEOs of the cemetery trusts? Is that something you have visibility of and is it publicly reported?

**MELANIE HAWYES:** I think I would have to take that on notice unless Jen—I will take it on notice.

**The Hon. ADAM SEARLE:** I am obviously keen to know. Obviously these cemetery trusts operate under legislation. They control billions of dollars of public assets. I assume the costs of running the trusts, including the CEO remuneration, is something that is or should be reported?

**JEN HICKEY:** The Crown operators are required to submit an annual report to us every year, and it does have financial information in it. I do not think it breaks it down the same way as, say, public service agencies do.

**The Hon. ADAM SEARLE:** Provide such details as you have and we might return to that.

**MELANIE HAWYES:** Yes.

**The Hon. ADAM SEARLE:** When will the existing cemeteries in Sydney run out of burial space? Have you got a foreshadowed time line?

**MELANIE HAWYES:** I think that was documented in the 11th Hour report and obviously there is work underway to look at the feasibility of different sites for future burial supply.

**The Hon. ADAM SEARLE:** Apart from Varroville, what other possible new cemeteries might be in the pipeline?

**MELANIE HAWYES:** There are a number of sites. I cannot say which sites because there are feasibility studies underway and, as you would know, it could impact all kinds of—

**The Hon. ADAM SEARLE:** Can you give us some indication of how many sites are under evaluation?

**MELANIE HAWYES:** I will take that on notice.

**The Hon. ADAM SEARLE:** The Catholic Metropolitan Cemeteries Trust is a Crown Lands manager under the Act. Who appoints the different land managers? What is the process for doing that?

**MELANIE HAWYES:** What is the specific question, sorry?

**The Hon. ADAM SEARLE:** Who appoints the land manager?

**MELANIE HAWYES:** For which?

**The Hon. ADAM SEARLE:** For any trust. How do they get appointed to control the lands that they do?

**MELANIE HAWYES:** There are different arrangements in place. If you have a specific question about a specific trust?

**The Hon. ADAM SEARLE:** Take the Catholic Metropolitan Cemeteries Trust. How did they get appointed to do that?

**MELANIE HAWYES:** There is a lot of history there and I will take that on notice.

**The Hon. ADAM SEARLE:** How are the members of the various trusts appointed? Does the Minister play a role in that, or how does it work?

**MELANIE HAWYES:** Again, it depends on the trust, but if you are speaking about the CMCT I will take that on notice.

**The Hon. ADAM SEARLE:** When you take that on notice can you give an answer for each of the trusts?

**MELANIE HAWYES:** Yes.

**The Hon. ADAM SEARLE:** Do the cemetery land managers provide reports to the Minister or to CCNSW?

**MELANIE HAWYES:** The cemeteries land managers or all land managers?

**The Hon. ADAM SEARLE:** The cemeteries land managers.

**MELANIE HAWYES:** Again, I will take it on notice with specifics because there are different arrangements for different land managers.

**JEN HICKEY:** They do provide reports to us, like the annual report, the strategic plan, the code of conduct, that sort of thing.

**The Hon. ADAM SEARLE:** And are those reports publicly available?

**JEN HICKEY:** The annual reports certainly are, yes.

**The Hon. ADAM SEARLE:** I will come back to that. Do you have an estimation of future demand according to faith groups in terms of what is the emerging need over the next five years, 10 years?

**MELANIE HAWYES:** Again the 11th Hour report canvassed it broadly. I do not have those specific stats and trends to hand. We can collect some information for you and provide that to you on notice.

**The Hon. ADAM SEARLE:** Okay. I know that you have got a number of sites under evaluation, but do you have any kind of estimated time horizon for any new cemeteries to come into operation?

**MELANIE HAWYES:** As you would appreciate, there is a lot of feasibility work that needs to be done to make sure that a site is suitable and then a planning process to go through, so I cannot put a time line to the Committee today.

**The Hon. ADAM SEARLE:** Is there a hope that you might have one new one operating in the next five years, or two in the next 10 or—

**MELANIE HAWYES:** I think everyone would agree that there is an aspiration to do that, definitely, and certainly a need, but I cannot give a concrete time frame today.

**The Hon. ADAM SEARLE:** Again not wishing to press you too hard, but there is simply no hard time frame for any new cemetery supply to be activated?

**MELANIE HAWYES:** I cannot provide a concrete date today.

**The Hon. ADAM SEARLE:** That is fair enough. Is the expectation that any new cemetery would be managed by OneCrown?

**MELANIE HAWYES:** I cannot provide a comment on that today because—I cannot comment.

**The Hon. ADAM SEARLE:** I think the Minister earlier today said that the OneCrown proposal was still under consideration.

**MELANIE HAWYES:** That is correct.

**The Hon. ADAM SEARLE:** Is there a time frame for finalising any such consideration?

**MELANIE HAWYES:** I do not have that time frame. It is under Government consideration, as you know.

**The Hon. ADAM SEARLE:** That is fair enough. In terms of future burial space allocation according to faith groups, how will that work? Will that be a matter for whichever trust is operating the cemetery to allocate space according to faith groups? How would faith groups go about ensuring that their needs are going to be met? Who will make that decision?

**MELANIE HAWYES:** Again, I will need to take that on notice because it depends where we go in terms of the Government's consideration of the future operating model. But there would always be provisions, and I think the previous Minister has put on record there has always been provisions for faith-based groups to ensure their needs are met.

**The Hon. ADAM SEARLE:** Sure, but you might have competing needs and obviously someone has to make an ultimate decision. I am just interested, will that decision rest with the cemeteries trust? Will it rest with the Government? Who will actually make those difficult decisions?

**JEN HICKEY:** I will just mention that the Minister must approve the purchase of land for cemeteries and as a condition of that purchase the Minister can specify how much should be allocated to the faiths.

**The Hon. ADAM SEARLE:** So if there is any dispute that cannot be resolved, the Minister can be the ultimate arbiter?

**JEN HICKEY:** It is certainly open to the Minister to put conditions on the purchase.

**The Hon. ADAM SEARLE:** I did have a last question but I will wait and see if there is any time left at the end.

**The CHAIR:** I will just do two quick follow-ups and then I will throw to my colleague Ms Boyd. In the last budget estimates I asked around the Toorale Station and the water sharing plan and you said that DPIE Water was conducting a review of the intersecting streams water sharing plan and that would include options for management of the infrastructure. Can you give us an update on where we are with that review?

**JIM BENTLEY:** I am sorry, Chair, can I just take some advice from Ms Jones?

**The CHAIR:** Yes.

**JIM BENTLEY:** What was the review you referred to?

**The CHAIR:** It was a review of the water sharing plan for the intersecting streams where Toorale is located.

**JIM BENTLEY:** I do not have an update on that to hand, but I will get you one on notice.

**The CHAIR:** Sure. This morning I asked you a question around the WaterNSW administrative building in Lake Cargelligo. You said you were the only one here and you may have someone else who may be able to answer that. Is that possible now?

**JIM BENTLEY:** We can certainly ask Mr George if he has any awareness.

**The CHAIR:** While you are coming up, Mr George, I asked specifically about the current tenant of that building down the track; they want to purchase that building and were prepared to pay fair market price. Where are we up to in terms of progressing that sale? I think they have been pursuing it for a couple of years now.

**ANDREW GEORGE:** Yes, that is right, thank you. Obviously we are waiting on a transfer of that title from WAMC, the Water Administration Ministerial Corporation, to transfer that title to WaterNSW. We are now the legal owner of that building. We are now looking to put that property on the market as soon as April or May this year.

**The CHAIR:** Thank you. I will pass to Ms Boyd.

**Ms ABIGAIL BOYD:** Thank you very much. Turning back to greyhounds and the minimum standards for tracks, what is the process in place within the Office of Racing for monitoring and reporting on the compliance with minimum track standards? Is that something that you do or is it something that GWIC does?

**TERRY O'BRIEN:** Minimum track standards are a responsibility of Greyhound Racing NSW. So they work with their clubs to, obviously, access funding to get them up to the minimum standards and once that work has been done, they will have the ability to put conditions on greyhound racing clubs in terms of the minimum track standards.

**Ms ABIGAIL BOYD:** In March 2021 the responses to questions taken on notice during a Better Regulation estimates hearing advised that "Greyhound Racing NSW will prepare a matrix comparing the tracks against the standards and that information will be used to determine where Greyhound Racing NSW directs the track and welfare grant funds to assist greyhound racing clubs in complying with the minimum standards." Have you seen a copy of that matrix?

**TERRY O'BRIEN:** Greyhound Racing NSW is required to access funding from the capital grants program. They are required to put together a matrix to show the deficiencies at that venue against the track standards and how the proposed project will address those deficiencies. So on a case-by-case basis, once we receive applications, that matrix is there—

**Ms ABIGAIL BOYD:** So you see that when you get an application for funding?

**TERRY O'BRIEN:** Correct.

**Ms ABIGAIL BOYD:** Are you able to table the information that you have been given in relation to track compliance?

**TERRY O'BRIEN:** I would need to seek advice. It is a Greyhound Racing NSW document, so I am not sure whether that is something we would be able to table or not.

**Ms ABIGAIL BOYD:** Why is it not a term of Greyhound Racing NSW's operating licence that they provide you with data on things as simple as compliance with minimum standards?

**TERRY O'BRIEN:** There is a process to get to a stage where all the tracks meet the minimum standards and that is what the capital grants program is about. It is not as simple as putting standards in place. You need to invest in the infrastructure of those venues to get them up to the minimum standards.

**Ms ABIGAIL BOYD:** What is bothering me is we have Greyhound Racing NSW, which clearly is not an entity that is reportable to Parliament or to Government—

**TERRY O'BRIEN:** It does provide an annual report.

**Ms ABIGAIL BOYD:** It provides an annual report. Does it include the minimum track standards matrix and some sort of understanding of which ones comply with minimum standards?

**TERRY O'BRIEN:** No.

**Ms ABIGAIL BOYD:** So we, as a Parliament, and you, as a Government, have no oversight over which of these tracks are currently complying with minimum standards, is that correct?

**TERRY O'BRIEN:** They have obligations under their operating licence.

**Ms ABIGAIL BOYD:** But not that one?

**TERRY O'BRIEN:** Not to report on which tracks meet the minimum standards at a given point in time. The purpose of the capital grants program is to allow Greyhound Racing NSW to work with its clubs to identify the issues at tracks, to access funding to lift those tracks to meet the minimum standards.

**Ms ABIGAIL BOYD:** So when that grants program was devised by the Government, are you saying it had no idea how much would actually be required to bring those tracks up to standard because you did not know how noncompliant they were to begin with?

**TERRY O'BRIEN:** My understanding is that before the capital grants program was put in place there were not minimum standards. So one of the first requirements was that GRNSW needed to do the work to develop the minimum standards. They engaged UTS to do the research to underpin that work. So it is a staged process.

**Ms ABIGAIL BOYD:** Yes, but we do not know where we are in the process because we do not know where we are starting from. Where is the evidence that shows us this is how much work there is to do to make these tracks compliant and now here is where we are up to, this is the stage? That must be somewhere?

**TERRY O'BRIEN:** Greyhound Racing NSW has reporting obligations under the operating licence in relation to its track strategy.

**Ms ABIGAIL BOYD:** But not in relation to how much work is required to bring tracks up to minimum standard?

**TERRY O'BRIEN:** I think that is right. As I said, we have information from Greyhound Racing NSW that, when they need to access funding, they are required to provide that matrix to demonstrate the deficiencies against the standard and how the project will address those deficiencies. That is part of their obligation under the operating licence.

**Ms ABIGAIL BOYD:** I do not need to tell you that there was a significant trust deficit with the greyhound racing industry a few years ago. The compromise or the second-chance arrangement that was given to the industry was that it would reform. Then we saw the establishment of GWIC and we saw initiatives like the minimum track standards being complied with. Do you not think it is a significant issue if we have no actual oversight of what has happened on the ground so that we can keep that trust with the public?

**TERRY O'BRIEN:** We do have oversight of the projects themselves because each of those projects has reporting obligations back to the department.

**Ms ABIGAIL BOYD:** But that is only for funding. You cannot tell me at this moment how many tracks are compliant with the minimum standards.

**TERRY O'BRIEN:** I am certainly happy to take advice from Greyhound Racing NSW. It is something that is not static. It will change over time and it changes as we move through the Capital Grants Program and they complete the projects that have been funded through—

**Ms ABIGAIL BOYD:** Have you ever requested that information of Greyhound Racing NSW at any time?

**TERRY O'BRIEN:** Not to my knowledge.

**Ms ABIGAIL BOYD:** No. Is it a problem—I think it is a problem—that we do not have oversight, because it appears we do not, of how much work there is to be done to make these racetracks compliant? Do you not think that we need to have that reporting mechanism put in place with Greyhound Racing NSW?

**TERRY O'BRIEN:** Greyhound Racing NSW has put together a track strategy that has been developed in consultation with its clubs that is used to look at the minimum standards and what program of works will be put in place to lift its tracks to the standard.

**Ms ABIGAIL BOYD:** Does the Office of Racing have any power under any contractual arrangement or legislative arrangement to request that information from Greyhound Racing NSW?

**TERRY O'BRIEN:** The Minister has—

**Ms ABIGAIL BOYD:** Not related to the funding.

**TERRY O'BRIEN:** There are conditions within the operating licence that the Minister can request or the Office of Racing can request information from Greyhound Racing NSW.

**Ms ABIGAIL BOYD:** You just have not done that previously, though, by the sounds of it. Perhaps you could take that on notice, and please make your best endeavours to try to get that information from Greyhound Racing NSW. I think the public deserves to know where we are up to with compliance, if that is what we are relying on to make us all feel happy, that perhaps there has been some reform in the industry. I ask about the greyhound so-called centre of excellence in Tweed. Is there an update you can give me on the progress of the planning application that has been lodged and whether any of that is thrown into doubt by the recent flooding of the site?

**TERRY O'BRIEN:** The planning application or the development application is not something that our office has any visibility over.

**Ms ABIGAIL BOYD:** Are you aware of whether any flooding has put that site in jeopardy?

**TERRY O'BRIEN:** I think there were some photos in one of the newspapers last week from that area that highlighted some of the racetracks there that seemed to be flooded, but I am not sure about that specific site.

**Ms ABIGAIL BOYD:** I will put those ones on supplementary because they are a bit detailed. I ask about the greyhound industry future fund announced in June 2021. I understand that, with the new funding arrangements with GWIC, the money that Greyhound Racing NSW was to save would be invested into this new greyhound industry future fund. That will receive a minimum of \$25 million over the next five years, and it would invest in capital items like grandstands and patron facilities, as well as rehoming facilities. Is Greyhound Racing NSW allowed to spend the entirety of the fund on spectator improvements and prize money or is there a requirement for a minimum expenditure on, for example, rehoming facilities?

**TERRY O'BRIEN:** The Greyhound Racing NSW operating licence now has conditions in there in relation to the greyhound industry future fund. I do not have the details of that in front of me, but I know that there is some ministerial oversight in terms of how that money is expended and the reporting back that Greyhound Racing NSW does.

**Ms ABIGAIL BOYD:** Is there a requirement that any percentage of that money be spent on animal welfare or rehoming?

**TERRY O'BRIEN:** I do not think there is a percentage requirement for any of the uses of that money.

**Ms ABIGAIL BOYD:** Are tracks able to receive funds out of that for spectator improvements and prize money if the track minimum standards have not been met for that track?

**TERRY O'BRIEN:** I do not think prize money is included in what the future fund can provide.

**Ms ABIGAIL BOYD:** So it is spectator improvements and things. If you have got a track that is not currently meeting its minimum standards of safety for greyhound racing, can it take from the fund, or be given money from the fund, for spectator improvements instead of, for example, upgrading its track?

**TERRY O'BRIEN:** I do not think there is a linkage between what other infrastructure might be able to be built at tracks and the work that is going on through the Greyhound Racing NSW track strategy.

**Ms ABIGAIL BOYD:** So the answer is no? You do not have to be a fully compliant track in order to access the funding?

**TERRY O'BRIEN:** They are two different things—



**Ms ABIGAIL BOYD:** For this funding. For the future fund.

**TERRY O'BRIEN:** The track strategy is about getting the tracks up to the minimum standards.

**Ms ABIGAIL BOYD:** That is the one that they are coming to the Government for a grant to fix or to get them up to speed, so they are getting money from the Government there. In relation to the greyhound industry future fund, that is not related to the track upgrades but, if you are a non-compliant facility, are you able to spend that money on other things?

**TERRY O'BRIEN:** The point of the track strategy is to get all the venues to be compliant.

**Ms ABIGAIL BOYD:** Yes, but we do not know which ones are not compliant to begin with and where we are at in that process. In the meantime, we are giving money for spectator improvements. How do you or how does the Government know whether or not money that is being paid for spectator improvements could have actually been paid to improve tracks?

**TERRY O'BRIEN:** To my knowledge, there are no conditions in the licence that link the use of the future fund to the minimum track standards.

**Ms ABIGAIL BOYD:** Is there a yearly minimum contribution or just a five-yearly minimum of that \$25 million?

**TERRY O'BRIEN:** I think it is \$5 million a year over five years.

**Ms ABIGAIL BOYD:** I will ask the rest of those on supp. I ask about the GAP program. Do we have statistics on how many dogs were euthanised within the GAP program in the last financial year?

**TERRY O'BRIEN:** I do not think I have those figures. I know that the Greyhound Welfare Integrity Commission, in addition to its quarterly injury reports, also has quarterly retirement and life reporting, which I think also lists euthanasia and a number of euthanasia categories.

**Ms ABIGAIL BOYD:** Perhaps I could just ask about that, Mr Griffin, while we have you here. I understand that in the last financial year 19 greyhounds were killed because they could not be rehomed and a further 20 were deemed behaviourally unsuitable to be rehomed and also euthanised. Is that consistent with previous years? How does that track?

**STEVE GRIFFIN:** It is much lower. Thank you for the question, Ms Boyd. The commission changed the rehoming policy in December 2020, which made stricter requirements for euthanising greyhounds for behavioural issues. That has seen a significant reduction in the euthanasia of greyhounds for those issues. The commission is currently looking at the rehoming policy again in terms of how aggressive greyhounds, in particular, are managed by rehoming organisations and by the industry more generally within that context.

**Ms ABIGAIL BOYD:** Does GAP track what happens to the dogs that are rejected by the program?

**TERRY O'BRIEN:** GAP is, obviously, a Greyhound Racing NSW program, so we would need to seek advice from it.

**Ms ABIGAIL BOYD:** So it would be Greyhound Racing NSW that would need to tell us.

**TERRY O'BRIEN:** Yes.

**Ms ABIGAIL BOYD:** Is that something it provides in its annual report?

**TERRY O'BRIEN:** I do not have the annual report in front of me, but I am certainly happy to see whether that is reported.

**Ms ABIGAIL BOYD:** Yes, that would be useful—or whether there is any other regular reporting of that kind of information back to the Government and whether the GAP rehoming figures include dogs rehomed by other organisations. That would be useful to know as well.

**TERRY O'BRIEN:** I think they actually in their annual reports report what has been rehomed through GAP—they report what has been rehomed through independent rehoming programs that have been assisted or have been provided with funding assistance by GAP—and then the total.

**Ms ABIGAIL BOYD:** Mr Griffin, I come back to the pin firing discussion that you were having with Mr Pearson. You mentioned that it is clear that there were those three incidents of pin firing with the same veterinarian and to take that further there has to be a joint investigation with the RSPCA because it falls within POCTAA.

**STEVE GRIFFIN:** Again, in relation to the veterinarian, just to be clear, yes. We are still continuing our investigations in relation to the participants concerned. We have actually detected two further cases since then, so there are five in total.

**Ms ABIGAIL BOYD:** The same vet or a different vet?

**STEVE GRIFFIN:** Same vet. That is why we are in discussions with RSPCA about a joint investigation in relation to potential breach of POCTAA by the veterinarian involved. These matters are currently before the Racing Appeals Tribunal. In some regards, this argument about whether the actual procedures were classified as pin firing—we have a view that they are pin firing but other veterinarians suggest that it is not pin firing. We have our experts who are conclusive in their views that it is pin firing, so we are proceeding on that basis.

**Ms ABIGAIL BOYD:** That is that thermal capture shrinkage point?

**STEVE GRIFFIN:** That is correct, yes.

**Ms ABIGAIL BOYD:** So you have had expert advice that that is the same as pin firing for the purposes of the rules?

**STEVE GRIFFIN:** That is correct.

**Ms ABIGAIL BOYD:** You say you are investigating the participants involved. If they are found guilty of having been involved in getting their dogs pin fired, what is the consequence for them?

**STEVE GRIFFIN:** Certainly they can be disciplined by the commission. At the end of the day, I guess, we need to conclude the investigation before we can make a decision on whether there needs to be disciplinary action undertaken. But certainly there is significant disciplinary action that can be taken by the commission. I draw your attention to the commission's disciplinary penalty guide that is now on our website, which sets out the likely penalties to be applied in these situations.

**Ms ABIGAIL BOYD:** I have one final question about the dogs. Presumably they cannot race now. Are you keeping an eye on what has happened to them? Will they be rehomed?

**STEVE GRIFFIN:** Yes. We are keeping an eye on them to make sure that they obviously do not leave the industry or if they do leave the industry they leave the industry appropriately, yes.

**The Hon. ADAM SEARLE:** I have a final question, Ms Hawyes. In relation to issues like cemetery pricing or other conditions like tenure, whether it is renewable or permanent, who will make the final decision on those sorts of things going forward with any new cemeteries? Would that depend on whether OneCrown proceeds and on what the institutional arrangements are, or do you have a clear line of sight on that?

**MELANIE HAWYES:** I might invite Jen Hickey. If you bear with me, I am just getting up to speed with the portfolio. Jen is probably best placed to answer that for the Committee today.

**JEN HICKEY:** Thanks. On pricing—for Crown operators, I assume you mean?

**The Hon. ADAM SEARLE:** Yes.

**JEN HICKEY:** In the Interment Industry Scheme there is a proposal that pricing becomes more transparent. In the IPART report there are also recommendations that prices be referred to it to be set. That is a future issue that needs further consideration. At the moment Crown operators have to inform CCNSW if they are going to increase their prices, and CCNSW has a veto role over that, but that is as far as that goes. The other question?

**The Hon. ADAM SEARLE:** Tenure.

**JEN HICKEY:** Renewable tenure. That is also a subject of all the recommendations in the statutory review. While it exists at the moment—part 4 allows renewable tenure—there are quite a few recommendations in the report that expand that to family renewal and cemetery renewal. So they are things that can happen, and they need to be explored further, which the Cemeteries Review Taskforce is doing.

**The Hon. ROSE JACKSON:** I will ask a few quick questions before we run out of time. Dr Bentley, I want to get clarification in relation to the controlled allocation order for the unallocated groundwater that we were talking about earlier in relation to the Aboriginal water strategy. I understand that was the Minister's decision. Did the department make a recommendation to the Minister?

**JIM BENTLEY:** No. I asked the Minister what she wished to do in that matter.

**The Hon. ROSE JACKSON:** So it is not as though you said, "This is what we recommend—A or B", and then she agreed or disagreed. You said, "Here's the situation. What would you like to do?" Okay, that is useful. Is the Safe and Secure Water Program yours as well?

**JIM BENTLEY:** Yes.

**The Hon. ROSE JACKSON:** How much is remaining of that \$1 billion?

**JIM BENTLEY:** There is only \$50 million currently unallocated, but there are 114 projects currently in play and 92 being negotiated. But after all of that, there is another \$50 million unallocated.

**The Hon. ROSE JACKSON:** I do not want to ask about all those projects, but I do want to ask about Bermagui because obviously you would be familiar with the fact that they had to go on a boil water alert in January. I understand that there is an allocation in relation to a facility in Bermagui to improve its water treatment options. Are you familiar with that project?

**JIM BENTLEY:** I am not. Are you, Ms Jones?

**AMANDA JONES:** I am just looking for it. We might have to take that on notice.

**JIM BENTLEY:** We may have to take that on notice. As I say, there are hundreds of projects.

**The Hon. ROSE JACKSON:** That would be useful if you could take on notice the status of the Bermagui project.

**JIM BENTLEY:** Of course, indeed. It is in detailed design at the moment.

**The Hon. ROSE JACKSON:** Does that have any time frames associated with it on the documentation that you have at hand?

**JIM BENTLEY:** Not on what we have here, but we will take that on notice and come back.

**The Hon. ROSE JACKSON:** Thank you, that would be useful. I understand that announcements were made recently in relation to Bombala and Delegate as well. Are they ones that you could provide any—

**AMANDA JONES:** Apologies, there are 229 projects here.

**The Hon. ROSE JACKSON:** That is okay; I do not want to ask about all of them. I want just a few, but perhaps take that on notice as well.

**JIM BENTLEY:** We will take that on notice.

**The Hon. ROSE JACKSON:** That would be useful.

**AMANDA JONES:** Will do.

**The Hon. ROSE JACKSON:** I want to ask about a couple more items on the implementation plan for the water strategy. One is the statewide Water Efficiency Program, which I think is line item 6.6. Can you give us a brief update on where that is up to?

**JIM BENTLEY:** Yes, we have teams working with council, utilities, and we have work going on with Sydney Water and Hunter Water and others. So it is a very statewide thing. It is really hard to give a very succinct thing, given that the bell has just gone, but we can take that on notice and provide an update.

**The Hon. ROSE JACKSON:** Yes, I will put subsequent questions on that on notice.

**JIM BENTLEY:** There is a lot of work currently underway. We have hired a team.

**The CHAIR:** I have one quick question, and then I will pass to Ms Boyd. Mr Griffin, the euthanasia figures that Ms Boyd was talking about, how do they compare with other breeds that have been euthanised across New South Wales in, obviously, other venues and, I guess, other industries? How do those euthanasia rates compare with other breeds? Do you have that perspective to hand?

**STEVE GRIFFIN:** Yes, certainly. Obviously there is a select committee that has been looking into this very issue about euthanasias, particularly in council pounds and so forth. There is, I would submit, a very low euthanasia rate within the greyhound racing industry generally in comparison to outside because there is a very heavy focus on, once the greyhounds have finished their racing careers, them moving outside and being rehomed.

I guess the focus from our perspective is not only making sure greyhounds are not unnecessarily euthanised but also euthanised as a result of racing. As Ms Boyd alluded to today, we strongly focused all our efforts on what risk mitigation strategies can be put in place to reduce collisions, which account for 80 per cent of the racing industry. So we are heavily focused on that and pleased to say that, over the past three years, since the

commission has been established, the euthanasia rate or catastrophic injury rate has declined by half. It has gone from 1.4 per 1,000 race meetings to 0.7. That is a great effort, but we are not going to sit there. We are working strongly with Greyhound Racing NSW, Greyhound Clubs NSW and other stakeholders to reduce that level even further.

**Ms ABIGAIL BOYD:** There was talk last year about imminent legislation that would seek to implement the recommendations of the Greyhound Racing Act 2017 review. I am not sure who I am directing this at. Sorry. Is that still on track? Are we going to see some legislation this year? Are you able to tell us?

**TERRY O'BRIEN:** Yes. It will be introduced shortly.

**Ms ABIGAIL BOYD:** Are you able to tell us if any of those recommendations will not be included in that? Or is that going too far?

**TERRY O'BRIEN:** A number of the recommendations from the greyhound stat review do not require legislative change. Probably half of them were through changes to the operating licence. They have been done. Some of the others were around reviewing the commission's funding arrangements. That has already been done. So the changes to the greyhound legislation will be only minimal to implement the remaining recommendations.

**Ms ABIGAIL BOYD:** Is the idea still to amend some other racing legislation at the same time?

**TERRY O'BRIEN:** That is right.

**Ms ABIGAIL BOYD:** So we will get something as a package at some point.

**TERRY O'BRIEN:** There will be changes to the Harness Racing Act, which is predominantly where the changes are, to implement recommendations from the statutory review of that legislation.

**Ms ABIGAIL BOYD:** Will it come this half of the year or next half? Do you know?

**TERRY O'BRIEN:** This half of the year.

**Ms ABIGAIL BOYD:** Excellent. Mr Griffin, just in relation to the floods, obviously we are all very focused on getting people to safety and helping them to rebuild, but in the middle of all that is a whole bunch of quite devastating stories coming out about animals as well. Has GWIC been doing anything specific in relation to checking up on greyhounds that are being housed in areas that have been impacted by the floods?

**STEVE GRIFFIN:** Yes, we have been. We actually have officers located at Lismore. So they have been actually very proactive in going out together with stewards and making checks of kennels and our vets as well up in that area. We have got a participant support program in conjunction with GBOTA. That has been a fantastic arrangement. We are being able to work together with Greyhound Racing NSW, GBOTA and our staff to make sure that every possible support can be given to greyhound racing participants to make sure that greyhounds are moved away quickly from flood-prone areas, taken to kennels where we can find kennelling space so that they have got temporary accommodation. That is something we are quite proud of. We have done quite well. Again, unfortunately, this repeats itself, so we are getting quite good at it over time.

**Ms ABIGAIL BOYD:** That is good to hear because, obviously, if somebody is out of their house and they are trying to look for temporary accommodation but they also have their dogs to look after, it becomes problematic, not just for greyhound owners but for any pet owner. So that is good to hear.

**The Hon. TAYLOR MARTIN:** There are no questions from the Government, unless any of the witnesses want to clear up anything.

**JIM BENTLEY:** I think we will be fine.

**The Hon. TAYLOR MARTIN:** We have well and truly covered it today. Thank you all for making the time to appear. Thank you.

**The CHAIR:** Excellent. That concludes questioning. Thank you very much for your time. The Committee secretariat will be in touch in terms of questions taken on notice. Once again, thank you for coming and spending—we have got a wave. Mr Crawford with the buzzer beater.

**PHILIP CRAWFORD:** Just in time. I just want to take up your earlier invitation. I was asked to come back on two issues, just to save a bit of homework. I was asked by Mr Shoebridge or Mr Field when we started our investigation into Blackstone. That was, in fact, March 2021. They asked what the trigger was. The trigger was the first bid made by Blackstone of 11-85 in March.

**The CHAIR:** That concludes today. Thank you very much for your time. Safe travels home.

**(The witnesses withdrew.)**

**The Committee proceeded to deliberate.**