



The Hon. Robyn Parker MP
Minister for the Environment
Minister for Heritage

MD11/3719

Budget Estimates Secretariat
Parliament House
Macquarie St
SYDNEY NSW 2000

To whom it may concern

In relation to the Budget Estimates 2011-2012 hearing held on 27 October 2011, I wish to submit the following documents for consideration by the General Purpose Standing Committee No. 5:

- suggested corrections to the uncorrected proof of the transcript (Attachment A);
- my responses to questions taken on notice during the hearing (Attachment B);
- my responses to questions on notice submitted by the Committee following the hearing (Attachment C).

Yours sincerely

Robyn Parker MP
Minister for the Environment
Minister for Heritage

Encl.

ESTIMATES 2011 – QUESTIONS TAKEN DURING HEARING
OFFICE OF ENVIRONMENT AND HERITAGE

ENVIRONMENT PORTFOLIO QUESTIONS

QUESTION 1 (starts page 6)

The Hon. LUKE FOLEY: Why have you not responded to two letters since August from the North Coast Environment Council raising its concerns about the impact on the koala population of the mid North Coast if this logging proceeds?

The Hon. SCOT MacDONALD: Point of order: Mr Foley has already asked a question and the Minister has deferred to one of her officers. Is that going to be answered?

The Hon. LUKE FOLEY: It is policy—

CHAIR: Order.

The Hon. AMANDA FAZIO: To the point of order: The question being asked by the Hon. Luke Foley is a policy question. The Minister should be aware that policy questions are to be answered by the Minister and not bureaucrats. It is not the job of bureaucrats to justify or explain Government policy.

CHAIR: To the point of order. That is not correct. The Minister can defer to her advisers where the adviser is not making a comment on the validity of policy but is simply providing data to the Minister so the Minister can complete her answer. I will remind all members that this hearing will be conducted in an orderly fashion. The Minister must be allowed to answer the questions. Interjections at all times are out of order and there is no point of order.

Ms ROBYN PARKER: An integrated forestry operations approval is not a policy. Policy is what you take to an election campaign; this is not a policy question at all. In terms—

The Hon. LUKE FOLEY: You do not feel obliged to deliver on the policy to protect the koalas.

Ms ROBYN PARKER: We will take that on notice the question about the letters. I could not possibly tell you at the moment about those particular letters and where they are in our system. We will come back to you on notice with that.

The Hon. LUKE FOLEY: Minister, I put it to you, given that your party's election policy on page one promised better protection for koalas—you even badged the cover with a photo of the koala—that to fail to respond to repeated pleas over the last two months from the North Coast community to use your powers to intervene to protect the endangered koala habitat of the North Coast and to fail to intervene is a gross breach of your election policy to protect our national icon.

Ms ROBYN PARKER: We stand by our election commitments absolutely. Those commitments are funded and we are working very hard to deliver on them. When it comes to forestry the Government is about getting balance and protecting our native species. There is no doubt we are working hard on that.

The Hon. LUKE FOLEY: By logging them?

Ms ROBYN PARKER: The logging agreement was signed off by your Government. Perhaps you should have a look at what was going on when your Government signed off on that logging. The Government is working on getting a balance—

The Hon. LUKE FOLEY: You know very well that the compartments being logged now are a decision of your Government.

Ms ROBYN PARKER: We have a very good koala plan of management. This Government stands by its election commitment.

The Hon. LUKE FOLEY: To watch them disappear?

Ms ROBYN PARKER: It is only your assertion that I have not replied to letters. I will take that on notice.

The Hon. LUKE FOLEY: It is not my assertion; it is the people who have written to you.

The Hon. SCOT MacDONALD: Point of order: I would like to hear the answer.

Ms ROBYN PARKER: I have taken it on notice. You could claim anything. I have taken it on notice, which is fair enough, surely.

ANSWER

Responses to these letters have now been sent.

QUESTION 2 (starts page 8)

CHAIR: Order. We now move to crossbench questions. I will take one question and then pass over to Ms Faehrmann. Minister, you might care to take pencil and paper. There are a couple of questions but they are all related to a particular aspect of the budget papers. The budget papers for Premier and Cabinet show a \$68 million amount to Environment and Heritage for management of pest animals, weeds and fire management in national parks. How does this figure compare to previous budgets and how much is new money? Is there a detailed analysis of how this will be broken down between the national parks?

Ms ROBYN PARKER: The answer to the first question is \$10 million more.

CHAIR: That is \$10 million new money?

Ms ROBYN PARKER: Yes.

CHAIR: Is there available a detailed breakdown between the parks that you could table or provide on notice?

Ms ROBYN PARKER: We might have to provide you with more information on that. We have an ongoing pest strategy at the moment.

CHAIR: Can you provide that within the 21 days? Can I get a broad breakdown?

Ms ROBYN PARKER: I will ask Ms Sally Barnes to answer that question.

Ms BARNES: In the budget papers you will find that there is \$7 million more for pests, weeds and fire management and \$3 million for visitor infrastructure. That was the \$10 million in the Government's commitment which was park management, visitor access and education. When it comes to the extra money—\$7 million—we are working through a process developing new pest and weed strategies. Draft strategies will be finalised by the end of the year following community consultation. Depending on what comes up as a priority through the community consultation process we will be able to give you further information on the breakdown of funds. We probably cannot respond within the 21 days, Mr Brown, but definitely by the end of the year.

CHAIR: Minister, what are the specific "improvements" in fire management referred to in the budget papers?

Ms ROBYN PARKER: We have an additional \$62.5 million to put into hazard reduction. What we have learnt from the Victorian fires and the Victorian royal commission is that we want to do our very best in hazard reduction. We have put in place additional teams. We are employing 90 front-line firefighters and we have two extra helicopters and six remote teams. I can give the Committee some details on hazard reduction. During the 2010-11 financial year 159 burns were completed over 56,060 hectares; as of 26 September over 400 hazard reduction burning activities had been scheduled to treat more than 165,000 hectares in parks; and this financial year 93 burns have been conducted over 18,500 hectares. We are maintaining our roads, trails and parks as best we can in fire suppression. The Government is proud of its overall fire management strategy. Last financial year hazard reduction was difficult because of the high rainfall experienced. We expect a lot of growth this year so we have a heightened alert. But the Government is very proud of its \$62.5 million election commitment, which is working well.

CHAIR: Minister, I seek clarification. That \$62.5 million does not come out of the \$68 million shown in the budget papers, does it? It must be extra money.

Ms ROBYN PARKER: That is over four years.

CHAIR: When you provide the information on the breakdown of that extra \$10 million, will you also provide the Committee with some information on the relative allocation between what I will call on-the-ground staff and programs, that is, wild dog officers, pest control officers and weed programs, and what I will call consultation, that is, planning and those sorts of issues?

Ms ROBYN PARKER: You want a breakdown of on-the-ground front-line staff?

CHAIR: Yes. I would be grateful if you could provide that information to the Committee. The budget papers for the Department of Premier and Cabinet, Environment and Heritage refer to a \$6.2 million allocation to purchase new parks across New South Wales. Will the Minister confirm whether specific properties have been earmarked for those purchases? I understand the Minister may not be able to do that for commercial reasons. Perhaps the Minister could also advise whether allocations have been made for active management of additional areas in the pest and weed management budget for the National Parks and Wildlife Service. In other words, if the Government intends to acquire further land to the value of \$6.2 million, has it also provided additional funding to manage those properties?

Ms ROBYN PARKER: One of the things that the Government is doing, in contrast to the former Government, is making sure that it has a maintenance commitment alongside the purchase of any land. The age-old criticism of locking up parks and not managing them well—

CHAIR: That is one of my favourite hobbyhorses, as you well understand.

Ms ROBYN PARKER: I know. You are not the only person to hold that view. For example, in recent days Cranebrook has been upgraded to Wianamatta nature reserve. Along with that comes \$1 million to upgrade the biodiversity within it to ensure that access trails and those sorts of things are provided. Dharawal National Park will be allocated \$1 million for maintenance. Under the land acquisition program the Government is allocating \$6.2 million for land purchase. That has commenced with seven properties under discussion, four of which are in the Southern Highlands south-west slopes. For example, the Government is endeavouring to identify areas in which to create green corridors that, as much as possible, are attached to other acquisitions so that they are neighbouring properties. The cost of management is included as part of the annual budget but one of the Government's high priorities is to maintain properties rather than just purchase them.

ANSWER

I am advised that this information will not be available until the Regional Pest Management Strategies have been finalised.

QUESTION 3 (page 13)

The Hon. LUKE FOLEY: Mr Sullivan, further to the Hon. Cate Faehrmann's questions about the discharge from the Hillgrove gold and antimony mine, did the Office of Environment and Heritage advise your Minister that dead fish had been tested by the Department of Primary Industries?

Mr SULLIVAN: The office advised that assessment had been undertaken and there had been no link established between the overflow and the dead fish.

The Hon. LUKE FOLEY: I repeat the question, Mr Sullivan. Did the Office of Environment and Heritage advise your Minister that dead fish had been tested by the Department of Primary Industries?

The Hon. SCOT MacDONALD: Point of order: In his previous question he said "live fish"; in the second question he said "dead fish".

CHAIR: Order! That is not a point of order. Please continue.

Mr SULLIVAN: The advice provided was general in nature and it was that there was no link established by analysis that had been undertaken by officers from both the Office of Environment and Heritage and the Department of Primary Industries in terms of trying to find a link between the dead fish that had been sighted and the overflow at the Hillgrove mine.

The Hon. LUKE FOLEY: Was that general advice to the Minister verbal or written?

Mr SULLIVAN: It was contained within a briefing document and it was reinforced verbally.

The Hon. LUKE FOLEY: Will you table that briefing document to the Committee?

Mr SULLIVAN: I will have to take it on notice but I am happy to provide it.

ANSWER

A copy of the document referred to by Mr Sullivan is attached.

QUESTION 4 (page 20)

CHAIR: Minister, I understand there is an allocation of \$10 million under the four-year river red gum program to help timber industry businesses and workers in regional communities affected by the previous Government's declarations of national parks. Could you tell us how this money will be allocated and spent over the forward estimates?

Ms ROBYN PARKER: This is the Community Development Fund?

CHAIR: The Community Development Fund.

Ms ROBYN PARKER: I just approved and signed off on some of those. We signed a deed of agreement in all but two of the 41 projects under round one. Those are already signed off. I will give you examples of some of the other projects that we have funded. We have provided \$50,000 for the Finley farmers market, which was a great success, initiating a farmers market on a monthly basis to try to create some economic sustainability and to give local farmers an outlet. We relocated Emflow Pty Limited from South Australia to that area which resulted in job creation and other things. Barham Hotel constructed an all-weather shelter so it can use its outdoor area with a funding allocation of \$35,000. Deniliquin Shire Council was given \$1 million to construct a purpose-built medical centre on a greenfield site. Chetwynd Pty Limited, which is expanding its orchard and citrus packing shed, received a funding allocation of \$600,000. This is about jobs creation and creating better amenities such as medical centres and those sorts of things for the community.

CHAIR: In my conversations with people in the area I became aware of what I will call at this stage a consistent and persistent rumour that National Parks and Wildlife purchased a mechanical harvester and some transportation equipment specifically for thinning operations. Is that true?

Ms ROBYN PARKER: I will take that question on notice and come back to you with that information.

CHAIR: The point of my question is that probably five or six mechanical harvesters are sitting in the backyards of contractors who no longer have any work in the area. If the department purchased equipment it was probably not a good idea, given the sensitivities in the area.

ANSWER

I am advised that the National Parks and Wildlife Service has not purchased mechanical harvesting machinery or transportation equipment specifically for the purpose of undertaking thinning in red gum forests.

QUESTION 5 (starts page 21)

The Hon. CATE FAEHRMANN: Minister, was the department given any extra resources to investigate the Orica Kooragang Island incident?

Ms ROBYN PARKER: We have reorganised resources.

The Hon. CATE FAEHRMANN: So no?

Ms ROBYN PARKER: Well, we have reorganised resources, to put more people—

The Hon. CATE FAEHRMANN: So no—the question was whether the department was given any extra resources outside its usual resources?

Ms ROBYN PARKER: We have reorganised our resources.

The Hon. SCOT MacDONALD: Point of order. Can we hear the answer from the Minister please?

Ms ROBYN PARKER: Well, we have reprioritised, so we have moved people who would have normally been on other tasks.

The Hon. CATE FAEHRMANN: Thank you, you have answered it. So, in other words no.

The Hon. SCOT MacDONALD: No, that is not correct.

The Hon. CATE FAEHRMANN: What extra resources?

Ms ROBYN PARKER: We have taken people from one section to another; we have not brought new people in.

The Hon. CATE FAEHRMANN: So that is not the department being given extra resources in my opinion; that is reprioritising and shifting resources around.

Mr SULLIVAN: The question was whether there were extra resources applied to that Orica case?

The Hon. CATE FAEHRMANN: No, the question was, was the department given any extra resources?

Mr SULLIVAN: I was able to use resources from across the entire agency and apply them. So, for example, I applied the entire Special Investigations Unit to the Orica investigation.

The Hon. CATE FAEHRMANN: So what investigations were put on hold then to investigate Orica at the time? Where were the Special Investigations Unit staff drawn from and how many are there?

Mr SULLIVAN: There are approximately eight investigators in the Special Investigations Unit and, yes, they have other investigations on the way at all times. Some of those investigations would have been paused whilst they applied themselves to the Orica investigation; but they were a substantial additional resource that was applied to that investigation.

The Hon. CATE FAEHRMANN: Are they still working on that investigation or have they gone back to their original tasks?

Mr SULLIVAN: A number of those investigators are in the final stages of completing the brief of evidence which will then be submitted to our lawyers. Others within that group have returned to their other duties that they were already on before Orica.

The Hon. CATE FAEHRMANN: What about, Minister, the 42 audits that are taking place now? Who is undertaking those then—these eight staff in the Special Investigations Unit, Minister?

Ms ROBYN PARKER: We have put extra—Mr Sullivan may tell you exactly how many—resources into that audit so, as Mr Sullivan says, we have moved people from audits. Obviously, it is not at my direction where staff go, but we have seen it as a significant priority. Mr Sullivan can tell you how many exactly or Ms Corbyn might be able to tell you how many exactly.

Ms CORBYN: We clearly went through from the overall office's perspective to see where we could shift resources, both money and people, because this is a very important investigation process for us. So it is something that agencies do regularly in incidents like this, which, hopefully, do not happen often, but—

The Hon. CATE FAEHRMANN: So did all the finances come from the Energy Policy Research Group unit, from Mr Sullivan's unit, from within that?

Ms CORBYN: We would have had additional resources from agency-wide resources that we would have in the office.

The Hon. CATE FAEHRMANN: Would you be able to table how much that audit is costing, rather than take up too much of the time now, and where the money is coming from within various parts of the office?

Ms ROBYN PARKER: We will take it on notice.

Mr SULLIVAN: I am happy to provide that detail and take it on notice but I can provide advice that there is a team of eight auditors. We have within the division a standing group of auditors that is maintained—a team of environmental auditors. We supplemented those with some additional auditors that we brought back on a temporary basis, who had either previously worked for us or were experienced auditors, in order to strengthen the team.

ANSWER

I am advised that the cost of the high risk facilities audits is estimated to be \$403,458. This funding has been reprioritised from within the existing budget allocation from the Office of Environment and Heritage.

QUESTION 6 (starts page 24)

The Hon. LUKE FOLEY: Minister, could I turn to the National Parks and Wildlife Amendment Bill that you put through the Parliament last week. Could I take you to your agreement in principle speech where you stated that not one extra log above what was agreed in the forest process will be taken. What was the total yield agreed to in the process that you referred to?

Ms ROBYN PARKER: I will have to take that on notice.

The Hon. LUKE FOLEY: Will you come back with the exact figure agreed to in the process that you told the Legislature about?

Ms ROBYN PARKER: I have already said I will take that on notice in terms of what the agreement was. It was an agreement made by your Government.

The Hon. LUKE FOLEY: Indeed. The part of the legislation I am referring to is the extension of time for logging in the Yathong State Forest for three more years and the Wilbertroy State Forest for two more years. Why did you provide absolutely zero information to the Parliament to back up your assertion that not one extra log will be taken?

Ms ROBYN PARKER: Because what we have provided is an extension of time; there is no change to the agreement. What we have provided is an extension of time.

The Hon. LUKE FOLEY: Up to three years more logging of those forests.

Ms ROBYN PARKER: That is what we are told is needed. It needs to be done strategically.

The Hon. LUKE FOLEY: By who?

Ms ROBYN PARKER: Forests NSW. It needs to be done strategically.

The Hon. LUKE FOLEY: Told by Forests NSW?

Ms ROBYN PARKER: You just cannot go in in one week and completely log the area.

The Hon. LUKE FOLEY: One week?

Ms ROBYN PARKER: They have told us they need an extension of time. It is due to the rainfall and it is due to their accessibility.

The Hon. LUKE FOLEY: So you are an environment Minister who just does what Forests NSW asks you to do. Is that right?

Ms ROBYN PARKER: Whatever the agreement was is what is continuing.

The Hon. LUKE FOLEY: What was the agreement?

Ms ROBYN PARKER: It is an extension of time and I have told you I will come back on notice with the number of logs.

The Hon. LUKE FOLEY: You do not know? Minister, you put a bill through Parliament in great haste to reverse the decision of the Parliament last year to reserve these two forests as national parks from 1 January 2012. You are earmarking them for logging for two more years and three more years respectively—Wilbertroy and Yathong—yet you think it is acceptable to provide not a scintilla of information on how many logs will be taken, do you?

Ms ROBYN PARKER: The agreement stands. I have told you I will come back—

The Hon. LUKE FOLEY: What is in the agreement, Minister?

Ms ROBYN PARKER: I have taken that on notice. We have not changed the agreement; we have changed the time. There is no difference in terms of what is going to be logged in that area; the difference is just the time it is taking. There is no difference.

ANSWER

I am advised that the total yield under the South West Integrated Forestry Operations Approval (IFOA) is capped at 328,895 cubic metres over the life of the agreement. The overall volume of logs to be harvested in the South West Cypress Forest Agreement will not be changing as a result of the *National Parks and Wildlife Legislation Amendment (Reservations) Act 2011*.

QUESTION 7 (starts page 25)

The Hon. LUKE FOLEY: Ms Corbyn, I have studied the Act that went through Parliament last year on the south-western cypress reservations and the parliamentary debate. I cannot find anywhere any reference to the yield, the amount of logging to be done in those forests. The legislation was expressed in terms of an exit date rather than a final quantity, if I can put it that way. That is correct, is it not?

Ms CORBYN: As I recall—I cannot remember all the detail of everything that is in the legislation—our people at a regional level did go through very thoroughly, as much as they can, all of the areas. Because the cypress Act has numerous particular areas and there are different sizes, they went through it very thoroughly. I saw some of the machinations they were going through to try to understand exactly where all the properties were, the sizes, what the types of logs might be, who might need to have access to them or not and whether they fit with the principles of the national parks and the conservation objectives that we had. So I know that our people on the ground did go through very thoroughly as many areas as they possibly could.

The Hon. LUKE FOLEY: Ms Corbyn, to assist the Committee where would we find, to quote the Minister's speech in Parliament, "what was agreed in the forest process"?

Ms ROBYN PARKER: We have already said we are taking that on notice. If we are taking it on notice you will have to assume that we do not have the absolute accurate details here. We have taken it on notice and we will give you the information.

The Hon. LUKE FOLEY: Minister, I am not asking for the absolute accurate detail now. I know you do not have anything like that. I am asking where would I find the process that you specified in your parliamentary speech justifying this delay?

Ms ROBYN PARKER: Usually integrated forestry operations approvals are public documents. I am taking it on notice to give you that public document but I am assuming you could look that up yourself if you wanted to.

The Hon. LUKE FOLEY: I have the integrated forestry operations approval, Minister.

Ms ROBYN PARKER: Then why were you asking for it?

The Hon. LUKE FOLEY: Because you might not know it commences from 1 July 2011, does it not, Ms Corbyn?

Ms CORBYN: But the integrated forestry operations approval was negotiated based on the forests that were actually coming in. So there was a substantial amount of analysis done. I cannot tell you off the top of my head where that is actually said but, as the Minister said, if we can take that on notice then we can determine the information and come back to you.

ANSWER

I am advised that the integrated forestry operations approval commenced on 1 July 2011. The approval is available at the following website
<http://www.environment.nsw.gov.au/forestagreements/SWCypressIFOA.htm>

QUESTION 8 (starts page 27)

The Hon. LUKE FOLEY: Could I take you to page 33 of the integrated forestry operations approval that bears your signature, "Division 2 — Planning forestry operations on an annual basis"? Do I take it from that there is an annual program of logging under the integrated forestry operations approval, Minister? Is that a yes for the *Hansard*?

Ms ROBYN PARKER: Yes.

The Hon. LUKE FOLEY: Have you studied the annual plan for this financial year, Minister?

Ms ROBYN PARKER: No, not the detail of it.

The Hon. LUKE FOLEY: No, but you put a bill to the Parliament to allow two years and three years more logging and asserted to the Legislature that is not one extra log will be taken, but you now tell us that you have not studied—

Ms ROBYN PARKER: Well, it is only that—

The Hon. LUKE FOLEY: —the annual program of forestry operations that this year.

Ms ROBYN PARKER: The circumstances have not changed in terms of the logging. What has changed is the time. It is only a—

The Hon. LUKE FOLEY: How much longer is there going to be?

Ms ROBYN PARKER: Well, it is only a timing difference. That is all we have changed.

The Hon. LUKE FOLEY: What does the annual plan say about the logging operations to be carried out in Yathong and Wilbertroy forests?

Ms ROBYN PARKER: We are not changing how much logging exists. We are changing the timing of that logging and the agreement states that—

The Hon. LUKE FOLEY: What does the annual plan say about when those logging operations are to be carried out?

Ms ROBYN PARKER: The agreement says the same. You have it in front of you, I guess, so why do you not read it out, chapter, line and verse.

The Hon. LUKE FOLEY: You obviously do not have a clue what is in there. I am referring to the preparation of the annual program of forestry operations on page 33—

Ms ROBYN PARKER: What you are confusing—

The Hon. LUKE FOLEY:—of the document you have signed, Minister. You have told us you have not looked at the annual program. Can you tell us: When are those operations in Yathong and Wilbertroy to be carried out under the annual program?

Ms ROBYN PARKER: What you are confusing is the Minister's role with the regulatory role. Certainly we can get some more information for you. We take it on notice—

The Hon. LUKE FOLEY: Take it on notice.

Ms ROBYN PARKER: The information is regulatory. You are confusing a regulatory role with a ministerial role.

The Hon. LUKE FOLEY: No, Minister. You put a bill to Parliament last week, and had it carried through both Houses, that changes the reservation status of these forests for two years and three years respectively. You asserted in your agreement in principle speech and in your speech in reply that the justification of this is that not one extra log will be taken, yet you cannot give us a skerrick of evidence to support that assertion, can you?

Ms ROBYN PARKER: Well, there is no change to the agreement, except for the timing.

The Hon. LUKE FOLEY: Tell us what is in the agreement.

Ms ROBYN PARKER: Well, there is no change to it. I have taken it on notice. I know you are opposed to forestry jobs, but that is what this is about.

The Hon. RICK COLLESS: Hear! Hear!

The Hon. SCOT MacDONALD: Hear! Hear!

The Hon. RICK COLLESS: He hates forestry workers.

CHAIR: Order!

Ms ROBYN PARKER: This is about maintaining forestry jobs and livelihoods of communities to make sure that children have food on the table and that people are employed. That is what this is about. Your line of questioning as opposed to—

The Hon. LUKE FOLEY: Do you not have a statutory role as Minister to protect the environment, Minister?

The Hon. RICK COLLESS: I thought the Labor Party was supposed to protect jobs. You do not care about jobs, Luke.

Ms ROBYN PARKER: Your line of questioning today in opposition to forestry jobs is really appalling. We are about supporting forestry jobs. There is no change in terms of this coming to the national park.

The Hon. LUKE FOLEY: No matter how many forests are cut down?

The Hon. RICK COLLESS: You do not care about forestry jobs.

Ms ROBYN PARKER: All the change is, is a timing change. There is no change to the agreement in terms of—

The Hon. LUKE FOLEY: I am trying to get to the bottom of that, Minister.

Ms ROBYN PARKER: We are taking that on notice.

ANSWER

I am advised that the Annual Program of Forestry Operations, referred to in the Integrated Forestry Operations Approval for South-Western Cypress, for 2011-12 indicates that logging will be carried out between 1 July 2011 and 30 June 2012 in the exit harvest areas of Wilbertroy and Yathong State Forests (although harvesting would have ceased on 31 December 2011 if the extensions had not been provided). Forests NSW advise the Annual Plan will be amended to reflect the extension of time for harvesting.

QUESTION 9 (starts page 28)

The Hon. LUKE FOLEY: Thank you, Mr Chairman. Minister, can I take you to page 34 of the Integrated Forestry Operations Approval [IFOA] that bears your signature. Have you seen the site-specific operational plans that are required under the integrated forestry operations approval for the Yathong and Wilbertroy forests?

Ms ROBYN PARKER: I will give you the direct –

The Hon. LUKE FOLEY: Have you seen them?

Mr SULLIVAN: Perhaps I could assist, Mr Foley?

The Hon. LUKE FOLEY: Please.

Ms ROBYN PARKER: Certainly, Mr Sullivan can make some comments because the document that I have signed I have reviewed, and that is on advice from the Office of Environment and Heritage who handle the regulations. So Mr Sullivan can give you some more detail as the regulator.

Mr SULLIVAN: Thank you, Minister. The way that the forestry regulation is set up is that we have a Crown forestry section and we are currently in the process of merging that with our private native forestry section to create an integrated forestry unit. We are also going to provide some additional resourcing to that unit around \$900,000 this financial year and further increases over the remaining three years in the forward estimates. The way that the Crown forestry section operates is that it has both a proactive and a reactive regime. For example, with the proactive, that involves two main components: One is a systematic regime of audits. For example, in 2010-11, the unit undertook 28 audits as a result of which Forests New South Wales were issued eight warning letters, 12 penalty notices and in fact a prosecution of them in relation to audits.

The Hon. LUKE FOLEY: Are you talking about Yathong and Wilbertroy, Mr Sullivan?

Mr SULLIVAN: The second part of the proactive approach is the planning side. This is where I just go directly to your question, Mr Foley. Those plans of management that you spoke about, my staff have involvement in the actual assessment of those

plans. There is a great deal of discussion back and forwards between my staff and Forests New South Wales as Forests New South Wales develop those plans.

The Hon. LUKE FOLEY: Have you seen the plans for Yathong and Wilbertroy, Mr Sullivan?

Mr SULLIVAN: No, I have not seen those plans.

The Hon. LUKE FOLEY: Thank you.

Mr SULLIVAN: That is not a matter that would come before me. That is a matter of why I have got a manager of the Crown forestry section and a number of staff. But they also have a reactive function, which is they receive complaints. For example—

The Hon. LUKE FOLEY: Thank you, Mr Sullivan. Minister, if I could turn back to you, what is the intended yield under the site-specific operational plans for Yathong and Wilbertroy?

Ms ROBYN PARKER: I will take that on notice.

The Hon. LUKE FOLEY: You will take that on notice. Thank you. Will you, when you come back to us, table the operational maps required under your Integrated Forestry Operations Approval [IFOA] for Yathong and Wilbertroy forests? That is a yes—for the benefit of Hansard?

Mr SULLIVAN: The operational maps are matters for Forests New South Wales.

ANSWER

Forests NSW have advised that in the case of Wilbertroy, the indicative estimated volume to be harvested according to the Operational Plan is 4,000-6,000 cubic metres. In the case of Yathong, the indicative estimated volume to be harvested according to the Operational Plan is 4,000-8,000 cubic metres. These figures represent the approximate total volume to be cut before the change of tenure.

QUESTION 10 (starts page 31)

The Hon. LUKE FOLEY: Okay, thank you, Mr Sullivan. Minister, we have certainly seen concerns because you have brought a bill to the Parliament and had it passed that involved such concerns from you that you sought to change the legislation to provide for two years and three years further logging of these forests. Why did you not provide the Legislature with any information on the yield and the detail of the logging operations to substantiate your claim, in your words, that not one extra log will be taken? Why can you not provide us with a skerrick of information to back up that assertion?

Ms ROBYN PARKER: We have gone over it again and again. The advice was that it was essential in order to undertake the Integrated Forestry Operations Approval to extend the time and all we have done in this Act is to extend the time. There are no changes in terms of the nature of the logging that is to be undertaken.

The Hon. LUKE FOLEY: Will you undertake to provide us with some evidence that would satisfy us that your assertions are on the money?

Ms ROBYN PARKER: We have undertaken to provide you with some more information. We did that about 20 minutes or half an hour ago, prior to your badgering.

The Hon. LUKE FOLEY: Mr Sullivan, have you reviewed the operations register in relation to the operations in Yathong and Wilbertroy provided for on page 41 of the Integrated Forestry Operations Approval?

Mr SULLIVAN: That is not something I would personally be turning my mind to. That is why I have a manager of the Crown forestry section who would be reviewing all of that type of material on a regular basis.

The Hon. LUKE FOLEY: Will you take it on notice to provide that information to us?

Mr SULLIVAN: I am very happy to do that.

ANSWER

I am advised that the Operations Register is held by Forests NSW.

QUESTION 11 (page 31)

CHAIR: I note an allocation of \$19 million to help local councils to conduct estuary, coastal and floodplain management planning and mitigation with a new focus on preparing for more coastal storms and sea level rises. On what basis is the department expecting "more coastal storms and sea level rises"?

Ms ROBYN PARKER: This is a huge concern. Today is the first day of a consultation we are undertaking with a number of communities—we are starting on the Central Coast—about coastal management, sea level rise and issues relating particularly to 15 hot spots around the State in coastal and estuarine areas. It is something we are very focused on. Recently we have seen some indications that are quite concerning, particularly around Kingscliff, which is not one of our 15 erosion hot spots. The Australian Government has estimated something like 40,000 residential buildings in New South Wales coastal areas are at risk if there were to be a 1.1-metre rise in sea levels. New South Wales has identified the highest risk exposure for commercial buildings. Our policy supports adapting to sea level rise impacts. We want to make sure that we get the best planning in place to deal with what is a huge concern for so many communities in terms of how local government and communities manage the issue. Our funding program assists councils to undertake planning for sea level rise for coastal erosion and estuarine management, such as how they might dredge or protect the coastal surrounds to make sure they are best prepared.

CHAIR: Would you be able to provide on notice a list of the scientific advice that you have received from either the Federal Government or other independent scientific experts to support the Government's move to provide this advanced planning?

Ms ROBYN PARKER: Certainly we can provide that advice if we can take that on notice. As I said, there are 15 hot spots where more than five properties are at risk. In a pictorial sense it is absolutely evident what is going on as sea levels change and environmental impacts occur. We need to be prepared for extreme events, whether it is a sea level rise or extreme weather.

ANSWER

I am advised as follows:

The Office of Environment and Heritage expects that under projected climate change conditions, there will be more coastal storms and increased sea levels. The basis for these projections is primarily the Intergovernmental Panel on Climate Change's Fourth Assessment Report, published in 2007.

The NSW Sea Level Rise Policy Statement sets out the risks from coastal processes and sea level rise and the assistance that the Government provides to councils to reduce these risks and support sea level rise adaptation. The Policy Statement includes sea level planning benchmarks, which have been developed to support consistent consideration of sea level rise in land-use planning and decision making.

The Sea Level Rise Policy Statement is accompanied by a Technical Note explaining how the sea level rise benchmarks were derived from the Intergovernmental Panel on Climate Change's (IPCC) assessment report and other scientific reports. The IPCC assessment reports are the most credible and pre-eminent international sources of climate change observations and projections.

The most recent IPCC assessment report stated that there are regional variations in observed and projected sea level rise from global averages, largely due to the influence of ocean currents. In 2007, Commonwealth Scientific and Industrial Research Organisation (CSIRO) modelled the regional sea level rise variation around Australia, with the highest projected increases above the global average occurring along the NSW coastline.

The Policy Statement and the Technical Note are available on the Office of Environment and Heritage website at www.environment.nsw.gov.au/climateChange/sealevel.htm. The Technical Note includes a list of references which support its analysis.

QUESTION 12 (page 32)

CHAIR: Ms Corbyn has just reminded me of another question I should ask. You mentioned the Environmental Trust. Could you provide the Committee, perhaps on notice because it would be an extensive document, with a breakdown of the allocations in this budget to the Environmental Trust?

Ms ROBYN PARKER: Yes.

ANSWER

I am advised that the Environmental Trust budget for 2011/12 is \$75.2 million and includes the following major programs:

Program	Budget in 2011/12 (\$million)
Community grants	4.4
Local Government and other Agency Grants	3.8
Research grants	1.3

Major projects (including Green Corridors)	7.6
Land acquisition program	5.0
Waste and sustainability programs	11.0
Riverbank	7.3
Riverina Red Gums	10.1
Urban Sustainability grants	1.7
Private Native Forestry Initiative	2.0
Flying Foxes Netting Program/Devil Ark	2.2
Growth Centres Biodiversity Offset	4.2
Local Government and Industry Waste Programs	12.3
Grant management and dissemination	2.1
Brigalow related programs	0.2

QUESTION 13 (starts page 32)

The Hon. CATE FAEHRMANN: Mr Sullivan, referring again to Nelson Parade, which study is the Government relying on when it says the soil on those properties is no longer hazardous?

Mr SULLIVAN: There has been a series of studies, including two reviews by the Australian Nuclear Science and Technology Organisation [ANSTO], undertakings or reviews conducted by Aegis Environmental and GHD, and reviews of the GHD work by Environment Protection Authority scientists as well.

The Hon. CATE FAEHRMANN: As I understand it they have all taken quite different samples and done different tests. Not all of them tested the soil as far as I am aware.

Mr SULLIVAN: I am not sure of the detail of the exact testing.

The Hon. CATE FAEHRMANN: Some of them tested gamma radiation in the atmosphere.

Mr SULLIVAN: Some of them have been very comprehensive inquiries and all of them conclude that the classification is correctly described as restricted solid waste. That is not to say there is not a level of radioactivity; there is a level of radioactivity in the material but it does not reach the level of 100 becquerels that would make it radioactive waste.

The Hon. CATE FAEHRMANN: Out of all the studies the department has before it, what is the highest level of radiation contained in the soil at some of the hot spots that exist on those blocks?

Mr SULLIVAN: My advice was that 44 becquerels was the highest they had been able to identify. I am happy to take on notice whether there has been a higher reading but I note that in every case they have come to the same conclusion: it is restricted solid waste and the Australian Nuclear Science and Technology Organisation report in particular says that remediation is not justified on radiological safety grounds, by which they mean it is not waste that would reach the radioactive waste threshold.

The Hon. CATE FAEHRMANN: I think the upper House inquiry into the issue was told that the Australian Nuclear Science and Technology Organisation report in 1987 had one sample that had a total activity of 787 becquerels per gram.

Mr SULLIVAN: That is not the advice I have.

The Hon. CATE FAEHRMANN: There were 37 samples from 25 sites where radiation exceeded the 100 becquerels per gram limit. That is in the submission by Sinclair, Knight and Partners, which was undertaken by the Australian Nuclear Science and Technology Organisation in 1987.

Mr SULLIVAN: It is not the advice I have been provided but I am happy to have that checked. There may be hot spots on the site but the general assessment has been—and it has been conducted by multiple different entities—that it is not above the radioactive threshold of 100 becquerels and it can be classified as restricted solid waste.

ANSWER

I am advised as follows:

The figure of 44 becquerels is the highest result identified on the blocks as an average with a 95 per cent upper confidence limit.

A review of results of some of the hotspots that exist on those blocks indicates that the highest concentration recorded was 269 becquerels per gram in sampling conducted by Australian Nuclear Science and Technology Organisation in 2010 and reported in September 2011.

Mr Greg Sullivan's advice that "it is not above the radioactive threshold of 100 becquerels and it can be classified as restricted solid waste" still applies because no individual reading can be used to classify material. Environment Protection Authority guidelines clearly indicate that "the average and the 95 per cent upper confidence limit of the mean are to be used" and for all of the testing for waste classification purposes, the 95 per cent upper confidence limit has been less than the criteria of 100 becquerels per gram.

QUESTION 14 (page 33)

The Hon. CATE FAEHRMANN: It is my understanding that in documents obtained under Government Information (Public Access) Act last year a contract with SITA, the waste company that may be accepting this waste from Kemps Creek, was included. That contract states that SITA agrees that it will hold and store non-approved waste material until the customer is able to locate another disposal facility for the delivery, storage and disposal of the non-approved waste material. Does that clause still stand in any current contract with SITA to dispose of the Hunters Hill waste? Is that contract still current?

Ms ROBYN PARKER: It was a contract with the previous Government. I will have to take your question on notice and ascertain whether it still stands with the current Government. Ultimately, this is a decision for another Minister. Mr Sullivan has explained our role, but ultimately the State Property Authority needs to make the decision in terms of what action it wishes to take.

ANSWER

I am advised that this matter concerns a contract between the State Property Authority and SITA. As such, it falls within the portfolio of my colleague, the Minister for Finance and Services, the Hon Gregory Pearce MLC.

QUESTION 15 (starts page 33)

The Hon. CATE FAEHRMANN: I refer the Minister to environment protection licences for power stations. The Protection of the Environment (Operations Clean Air) Regulation 2002, known in-house probably as CAR, indicates that, I believe, by January 2012 certain power stations are required to move from group two facilities for nitrogen oxide, or NOx, emissions, allowing currently I think it is 2,500 micrograms per cubic metre, to group five, which is much more stringent and has a NOx emissions limit of 800. I am aware of documents, again obtained through the Government Information (Public Access) Act that reveal that a number of power stations may not be able to achieve this. I believe those power stations are Wallerawang, Bayswater, Liddell and perhaps Vales Point may not be able to reduce their NOx emission limits according to their licence—I think that is within a couple of months. If not, what is the reason behind those power stations not meeting those new limits in terms of reducing NOx emissions in New South Wales?

Ms ROBYN PARKER: I think it is a detailed regulatory question and I will ask Mr Sullivan to answer it.

Mr SULLIVAN: There have been at least two applications that I am aware of in terms of seeking exemptions from the shift from group two to group five for a period of time. I am happy to supply the details of those and take that on notice. In each case the applications for the exemptions were very closely scrutinised by both Environment Protection Authority staff as well as air quality specialists in terms of looking at what the implications were, particularly at ground level. The modelling has found that in the vast majority of cases the group five emission standards can be met. However, to be certain of meeting group five at all times it would require significant upgrades to the power stations involved and because of the scale of those upgrades, the equipment involved and the need to take the plant off-line these are steps that are planned years in advance. They are generally scheduled many years in advance. You mentioned Wallerawang as an example. Currently there is consideration there of a plan to install significantly upgraded fabric builders. That is work that will be scheduled probably between the 2015 to 2017 type of period. They need to be planned a long way in advance.

ANSWER

I am advised as follows:

The *Protection of the Environment (Clean Air) Regulation 2010* (the Regulation) prescribes emission limits based on the age of equipment. The regulation establishes six groups for emission limits, with Group 1 being the least stringent and Group 6 the most stringent.

Clause 35 of the Regulation states that from 1 January 2012 any equipment that belonged to Group 2 is taken to belong to Group 5, unless the environment

protection licence states that it belongs to Group 2. The Wallerawang, Munmorah and Vales Point (Delta Electricity) and Liddell (Macquarie Generation) power stations are in Group 2.

A licensee may apply for an exemption from Group 5 emission limits, provided that a licence variation application is submitted before 1 January 2011. The licence variation application must include supporting documentation that demonstrates there will not be a significant increase in environmental impact from the proposed variation.

Delta Electricity and Macquarie Generation submitted applications for exemptions from the Group 5 limit of 800 milligrams per cubic metre (mg/m³) for Wallerawang, Munmorah, Vales Point and Liddell Stations. the companies proposed to reduce the emission levels from the Group 2 limit of 2500mg/m³ to 1500mg/m³ and are expected to meet Group 5 limits at least 80 per cent of the time.

OEH reviewed the applications and supporting documentation and determined that the proposed limits were reasonable in terms of both improved environmental outcome and cost benefit.

The Bayswater power station falls into the Group 4 category of plant, as it commenced operation between 1986 and 1997. Therefore, the transition to Group 5 does not apply to this station.

HERITAGE PORTFOLIO QUESTIONS

QUESTION 16 (page 37)

The Hon. AMANDA FAZIO: What is the specific budget for the Heritage Council?

Ms ROBYN PARKER: I do not have that information with me.

The Hon. AMANDA FAZIO: Will you take that question on notice?

Mr CARLON: The administration of the Heritage Council is within the operational budget of the Heritage Branch. We can provide the details of the operational costs.

The Hon. AMANDA FAZIO: And the increase for the current budget period?

Mr CARLON: We can provide the current budget period allocation for the operation of the Heritage Council.

ANSWER

I am advised as follows:

The Heritage Council is not a budget reporting entity. It is a not-for-profit entity constituted under the *Heritage Act 1977*.

QUESTION 17 (starts page 38)

The Hon. AMANDA FAZIO: What is happening with the grants program? Is it correct that, as indicated on your website, most of the grants applications closed in December 2010?

Ms ROBYN PARKER: That is a two-year program. The grants program is about improving the physical condition of heritage items.

The Hon. AMANDA FAZIO: I know the purpose of the grants program. Your website indicates that grants applications closed in December 2010. Is that correct?

Ms ROBYN PARKER: Yes, and it is a two-year program.

The Hon. AMANDA FAZIO: Have the successful grants been announced? If not, when will they be announced?

Ms ROBYN PARKER: Some have been announced and we are yet to announce others.

The Hon. AMANDA FAZIO: When will the next round of applications for grants funding open?

Mr CARLON: In the next financial year. The grants are allocated on a two-year basis.

The Hon. AMANDA FAZIO: If it is for the next financial year you will be asking for expressions of interest and applications prior to that. When will you be commencing that process?

Mr CARLON: We will provide the details of the timing.

ANSWER

I am advised that applications for the 2013 - 2015 NSW Heritage Grants will open in October 2012.

QUESTION 18 (page 39)

The Hon. AMANDA FAZIO: Has there been any increase this year in the funding for the Historic Houses Trust?

Ms ROBYN PARKER: The current year's allocation is \$562,000.

The Hon. AMANDA FAZIO: Is that an increase on the allocation last year?

Ms ROBYN PARKER: That is not correct. We will get the specific details because the advice here does not—

The Hon. AMANDA FAZIO: That does not make sense.

ANSWER

Total allocations, including other fund sources, are in Budget Paper No.3 (p.7–137) for recurrent and Budget Paper No. 4 (p.4–46) for capital.

QUESTION 19 (page 45)

Mr DAVID SHOEBRIDGE: I will move to a different tack. Minister, will you be supporting the continuation of the Redfern Waterloo Heritage Task Force given the Government's proposal to wind up the Redfern-Waterloo Authority—not before time I might add.

Ms ROBYN PARKER: I remember being involved in the Redfern-Waterloo issue in its early stages. In terms of the task force I would have to take some advice in relation to what its plans are, what future plans they have.

Mr DAVID SHOEBRIDGE: You will respond on notice?

Ms ROBYN PARKER: Yes, absolutely.

ANSWER

I am advised that the Redfern Waterloo Heritage Task Force is the responsibility for the Minister for Planning and Infrastructure, the Hon Brad Hazzard MP.