

PORTFOLIO COMMITTEE NO. 7 - PLANNING AND ENVIRONMENT

Thursday 2 November 2023

Examination of proposed expenditure for the portfolio areas

CLIMATE CHANGE, ENERGY, THE ENVIRONMENT, HERITAGE

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The Committee met at 9:15.

MEMBERS

Ms Sue Higginson (Chair)

Ms Abigail Boyd
The Hon. Mark Buttigieg
Dr Amanda Cohn
The Hon. Anthony D'Adam
Ms Cate Faehrmann
The Hon. Wes Fang
The Hon. Emma Hurst
The Hon. Tania Mihailuk
The Hon. Peter Primrose
The Hon. John Ruddick (Deputy Chair)
The Hon. Natalie Ward

PRESENT

***The Hon. Penny Sharpe**, Minister for Climate Change, Minister for Energy, Minister for the Environment, and Minister for Heritage*

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**

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The CHAIR: Welcome to the first hearing of the inquiry of Portfolio Committee No. 7 – Planning and Environment into budget estimates 2023-2024. I acknowledge the Gadigal people of the Eora nation, the traditional custodians of the lands on which we are meeting today. I pay my respects to Elders past and present and celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the land and waters of New South Wales. I also acknowledge and pay my respects to any Aboriginal and Torres Strait Islander people joining us today. My name is Sue Higginson and I am Chair of the Committee. I welcome Minister Sharpe and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolios of Climate Change, Energy, the Environment and Heritage. I ask everyone in the room to please turn their mobile phones to silent.

Parliamentary privilege applies to witnesses in relation to the evidence they give today, however, it does not apply to what witnesses say outside of the hearing. I urge witnesses to be careful about making comments to the media or to others after completing their evidence. In addition, the Legislative Council has adopted rules to provide procedural fairness for inquiry participants. I encourage Committee members and witnesses to be mindful of these procedures. Welcome and thank you for making the time to give evidence. All witnesses will be sworn in prior to giving evidence. Minister Sharpe, 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.

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Ms KIERSTEN FISHBURN, Secretary, Department of Planning and Environment, affirmed and examined

Mr JAMES HAY, Chief Executive Officer, Energy Corporation of NSW, Office of Energy and Climate Change, NSW Treasury, affirmed and examined

Mr ANDREW LEWIS, Acting Deputy Secretary, Energy, Climate Change and Sustainability, Office of Energy and Climate Change, NSW Treasury, affirmed and examined

Mr ATTICUS FLEMING, Acting Coordinator General, Environment and Heritage Group, Department of Planning and Environment, affirmed and examined

Mr TONY CHAPPEL, Chief Executive Officer, NSW Environment Protection Authority, sworn and examined

Mr SAM KIDMAN, Executive Director, Heritage NSW, Department of Planning and Environment, affirmed and examined

Mr BRENDAN BRUCE, Deputy Secretary, Biodiversity, Conservation and Science, Department of Planning and Environment, affirmed and examined

Dr ERIN GIULIANI, Chief Executive Officer, Biodiversity Conservation Trust, Department of Planning and Environment, affirmed and examined

Ms NAOMI STEPHENS, Acting Deputy Secretary, National Parks and Wildlife Service, Department of Planning and Environment, affirmed and examined

The CHAIR: Today's hearing will be conducted from 9.15 a.m. to 5.30 p.m. We are joined by the Minister for the morning session from 9.15 a.m. to 1.00 p.m., with a 15-minute break at 11.00 a.m. In the afternoon we will hear from departmental witnesses from 2.00 p.m. to 5.30 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, and then 15 minutes is allocated for Government questions at 10.45 a.m., 12.45 p.m. and 5.15 p.m. We'll begin with questions from the Opposition.

The Hon. NATALIE WARD: Welcome, Minister. Congratulations. Thank you to you and all your officials for coming along today. Minister, I want to ask about renewable energy zones.

The Hon. PENNY SHARPE: Yes.

The Hon. NATALIE WARD: Minister, you would accept, wouldn't you, that if there are delays in building renewable generation, then consumers will pay higher bills? You would agree with that, wouldn't you?

The Hon. PENNY SHARPE: I'd agree that, as we manage the exit of coal out of our energy generation mix in New South Wales, we need to get renewables in as quickly as possible, and that any delays do have cost and emissions implications.

The Hon. NATALIE WARD: And that would translate, presumably, to higher cost—to higher consumer bills, essentially?

The Hon. PENNY SHARPE: Quite possibly. It depends on what else is going on. Obviously, the pricing of electricity in the market is a result of a variety of different things. But there's no doubt that the sooner we get renewable energy into the ground, the lower prices will be over the long term.

The Hon. NATALIE WARD: Thank you. You would accept that if you don't build new generation before the existing generation closes, there is a risk to reliability in the State? That's a fair thing to say, isn't it?

The Hon. PENNY SHARPE: I think that's pretty clear. We've been working through that since being elected. We obviously inherited the road map. Pleasingly, in New South Wales we have a bipartisan approach to the need to exit coal from the system and put renewable energy into the ground. The work that we've been doing since being elected really is about how we ensure that we stick to the time frames that we have. How do we minimise the risks in that space, whether it's supply chain, workforce, planning and just generally getting those projects done? The point is that, yes, we need to make sure, to keep prices low over time, that we manage that as quickly as possible. That is challenging. We did inherit the road map. I think it is a really important piece of architecture for how we deliver this, but it was over time and over budget. A lot of the work that I have been doing, and my agencies have been doing, since being elected is to get that on track.

The Hon. NATALIE WARD: Thank you. I think you said, in your words, "to build renewables as quickly as possible".

The Hon. PENNY SHARPE: Yes.

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The Hon. NATALIE WARD: Thank you for that. Minister, it's correct, isn't it, that Central-West Orana—the access tender was delayed from quarter two this year? Is that correct?

The Hon. PENNY SHARPE: Yes.

The Hon. NATALIE WARD: What conversations did you have with the CEO of the Consumer Trustee or the chair, Consumer Trustee regarding the delays to the CWO access rights?

The Hon. PENNY SHARPE: I talk to both the Consumer Trustee and EnergyCo on a very regular basis around how all of these issues are rolling out. Yes, there has been a delay. I'm more interested in making sure that we get this right. The access rights are—I mean, I would say that they're complicated as a result of the way in which the road map is established and I think those issues are working through that. I know that EnergyCo and the Consumer Trustee continue to talk about that. We would hope that we'd have a landing on that sooner rather than later.

The Hon. NATALIE WARD: You said, I think, that the CEO and you are working through it. Are you working through it directly, or is the CEO working through it?

The Hon. PENNY SHARPE: Sorry, the CEO of—?

The Hon. NATALIE WARD: Sorry, I think you said that they were working through it. I'm interested in what representations you've had.

The Hon. PENNY SHARPE: The Consumer Trustee and EnergyCo meet regularly and are working through these issues. I also meet with them separately, where they provide me with information.

The Hon. NATALIE WARD: What conversations did you have with the CEO of the Consumer Trustee, or the chair, about the delays to the CWO access rights?

The Hon. PENNY SHARPE: Look, I have been updated in relation to these matters and I'm assured that we're working through them. It's taking longer than I would like, there's no doubt about that. But that's the nature of the conversations. I'm not going to go into the details of all of that. But the point that I would make is that I, every day, get up and ask the question about how we can make this go faster. How do we remove the barriers to delivery? What are the changes we need to make across government to make that happen? I keep myself pretty closely abreast of what is going on and any delays—but, more importantly, focusing on what we need to do to actually land these issues.

The Hon. NATALIE WARD: Have they raised any issues with you about what's causing the delays?

The Hon. PENNY SHARPE: There's obviously discussions about—look, access rights are not included in the tender in the time frame that they should be, but there is a process being undertaken to resolve those. I hope that they will be done sooner rather than later.

The Hon. NATALIE WARD: Have they raised that as an issue?

The Hon. PENNY SHARPE: Given that they actually have not—

The Hon. NATALIE WARD: Among other things.

The Hon. PENNY SHARPE: Yes. There's a range of different issues that we're talking about—

The Hon. NATALIE WARD: It's delayed.

The Hon. PENNY SHARPE: —and that it is delayed. So of course they've raised that as an issue, yes.

The Hon. NATALIE WARD: Among other things or is that the main one?

The Hon. PENNY SHARPE: Well, as I said, I am not going to go into chapter and verse in relation to the discussions that I have with these key agencies, but suffice to say that myself and my office keep a very close eye on how these things are travelling. We're concerned by any delays and we continue to talk to all of the relevant agencies about how they're going to be resolved.

The Hon. NATALIE WARD: What steps did you take to between the quarter two and quarter four auctions to ensure that the CWO access rights could be put out to tender as quickly as possible?

The Hon. PENNY SHARPE: Well, ongoing updates in relation to how it's travelling; asking the questions—as you would imagine, as a Minister, that you do—about how that is being resolved; understanding the issues around data requirements and the modelling that needs to go in there. Those are conversations that we have. There are briefings that I receive and we work through those.

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The Hon. NATALIE WARD: They're updates and conversations and getting the data. That leads to the obvious question: What are you doing to resolve those issues that are causing the delays?

The Hon. PENNY SHARPE: I'm working with the agencies that are responsible to work through those issues to understand why they're not being sorted out, but also to have conversations around what other things do we need in relation to resourcing and staffing, which we have provided additional resources for EnergyCo in the budget to help with all of those issues.

The Hon. NATALIE WARD: Thank you. Did you meet on a regular basis with the chairperson of ASL?

The Hon. PENNY SHARPE: I have met with him on a couple of occasions, yes.

The Hon. NATALIE WARD: Do you ask for regular briefings on the progress from him?

The Hon. PENNY SHARPE: My office receives regular briefings. I have discussions with both the chair and the CEO on a regular basis, yes.

The Hon. NATALIE WARD: So we've got ongoing updates, data, modelling and working with the agencies, but what concrete steps or concrete action have you taken to try and get around these delays?

The Hon. PENNY SHARPE: They're exactly as I have just stated: understanding what they are, working out whether there's additional resourcing that's needed and bringing people together around to have conversations about that. That's what the role of the Minister is, to ensure that we're trying to keep it on track, and that's what I'm doing.

The Hon. NATALIE WARD: So there's a lot of conversations—and I'm not meaning this in a pejorative way, but there's conversations and briefings.

The Hon. PENNY SHARPE: Briefings and conversations, yes.

The Hon. NATALIE WARD: Just in fairness, are there any other concrete steps that you have taken other than updates and briefings?

The Hon. PENNY SHARPE: I believe these are concrete steps. The other point that I would make is that the energy check-up that we had Cameron O'Reilly do was about kicking the tyres on all of our energy policy that we'd inherited. As I said before, I think that the architecture of that design is quite good, but I would say that I think it is complicated. I do think that the translation from 2020, when it went through to the Parliament, to now, 2023, as we're really getting into implementation, is where the challenges are and where those issues need to be resolved. Some of those, I think, were never contemplated and that's what we're dealing with as we work through these issues. I'm not sure whether you want me to be personally doing the modelling in relation to this, which I'm not. I rely on my agencies to provide that information. But I take very seriously asking the questions and getting the answers and also what else we can do from government in supporting the rollout of this.

The Hon. NATALIE WARD: You mentioned Cameron O'Reilly. I will say he's a Labor-aligned person, for the record.

The Hon. PENNY SHARPE: Can I just be clear? Can we just address this issue?

The Hon. NATALIE WARD: I just don't have a lot of time.

The Hon. PENNY SHARPE: No, we need to address this. I really am very concerned about the way in which people have traduced his reputation. Cameron O'Reilly worked for Laurie Brereton almost 30 years ago. Since then he has been a CEO of the Energy Users Association. He was also a lead adviser under Minister Matt Kean when the road map was being designed. I think it is incredibly unfair to just talk about something that happened 30 years ago. He is someone who is very professional, who does this work all the time and who has worked very assiduously to assist the Government—and the previous Government—in relation to energy policy.

The Hon. NATALIE WARD: I'm sure he has. I'm not being pejorative; I'm just saying there is a Labor alignment. I'll move on.

The Hon. PENNY SHARPE: Sure, 30 years ago.

The Hon. NATALIE WARD: He said that the CWO REZ needed to be the focus of your Government and EnergyCo. That's correct, isn't it?

The Hon. PENNY SHARPE: Yes.

The Hon. NATALIE WARD: You would accept, wouldn't you, that CWO access rights were due to be tendered as part of the quarter four auction?

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The Hon. PENNY SHARPE: Yes.

The Hon. NATALIE WARD: You'd accept that the deadline has been missed and the commitment deed for CWO has not been signed?

The Hon. PENNY SHARPE: My understanding is that the commitment deed is close to signing. I'm sure you can ask more questions about that. The point around the access rights is, yes, it has been delayed.

The Hon. NATALIE WARD: So it hasn't been signed. You would accept these delays had happened because, essentially, it could be taken to be seen that you're more focused on extending coal, the coal issue and extending the need for coal and delaying this transition?

The Hon. PENNY SHARPE: I think that's a pretty cheap shot, actually. I inherited a road map that was two years late and billions of dollars over budget. That's what we've been focused on doing. We're also now dealing with the challenges of previous delays in relation to reliability risks that have been identified both by AEMO and Cameron O'Reilly. No-one thinks that this is a good thing, but we have to deal with the reality. I've got one job in New South Wales that's one of the most important things I'll do, and that is to make sure that households, businesses and industry have the energy that they need as we accelerate a transition that we must make as a result of the need to reduce greenhouse gases. It's a very serious task and it's a very complicated task. But to suggest that there's some split in relation to focus would be utterly wrong. The singular focus that I have is delivering the road map that the previous Government put in place as quickly as possible and getting renewables into the ground as quickly as possible while we manage the risks that are emerging as a result of a whole range of things, whether it be supply chain, workforce or challenges in the planning system, which myself and Minister Scully are working very closely on as well.

The Hon. NATALIE WARD: If it is billions over budget, then, it's a fair question to ask and they are issues at the moment. I'm not trying to take a cheap shot but I am trying to get to the crux of this dilemma that we're facing as a State and you are dealing with, understandably. We're on the same page about the need for it. But if it is billions over budget, why is so much money being put into these coal stations and not into the road map?

The Hon. PENNY SHARPE: There's not money going into coal stations. There's obviously a discussion in relation to Eraring and its future. As has been canvassed with both the Treasurer and perhaps the Premier, there's not money going into these coal stations to extend their life at the moment at all.

The Hon. NATALIE WARD: Not at all?

The Hon. PENNY SHARPE: No. There is money that's being provided to stations in relation to the coal cap arrangements, which was something that was done as an emergency in December last year under, again, the previous Government and that we have been dealing with. I'm not quite sure of the question. If the question is how much money are we providing to Eraring to extend its life—at the moment, zero.

The Hon. NATALIE WARD: And that's not going to change?

The Hon. PENNY SHARPE: Well, you'd be well aware—

The Hon. NATALIE WARD: I'll get to Eraring.

The Hon. PENNY SHARPE: —that we're having a conversation in relation to Eraring. I'm not going to be canvassing it here in relation to how much or how long, but the point that I have continually made is not a day longer and not a cent more than is required. We're having preliminary discussions with Eraring in terms of what their intentions are. They have, as you would be aware, foreshadowed they may close in 2025.

The Hon. NATALIE WARD: Yes, I'll get to that. There's obviously limited funding available and the question is about how much is going into renewables and how much is going into coal over the lifespan, given the priority.

The Hon. PENNY SHARPE: Can I tell you, in the last budget an extra \$1.8 million is going into renewables to accelerate the delivery. Through the Energy Security Corporation there's \$1 billion, and there's \$800 million extra going into the Transmission Acceleration Fund. We've also got a lot of—

The Hon. NATALIE WARD: I can see that from the budget, but my question is—

The Hon. PENNY SHARPE: There's a lot of money on things like EVs as well. We're expending a lot of money.

The Hon. NATALIE WARD: Thank you. I'll get to those. There is, it seems, the opportunity and the challenge to divert that money from, potentially, coal, given those pending discussions with Eraring.

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The Hon. PENNY SHARPE: No money is being diverted to coal at all. That's a false—I completely reject that.

The Hon. NATALIE WARD: Okay. We're here to ask; you're here to answer.

The Hon. PENNY SHARPE: Sure.

The Hon. NATALIE WARD: So is it correct that you don't really know at this stage how much money is going to go to Eraring?

The Hon. PENNY SHARPE: I'm hoping that it's zero. As we've said before, people would be aware that these are complicated arrangements. The point that I would make up-front is that all of this has been made harder because of the privatisation that the previous Government undertook in relation to the energy sector. Queensland does not have to deal with this. They own their coal-fired power stations. They can actually manage their exit in a much more orderly way.

The Hon. NATALIE WARD: Sure. We don't want to follow Queensland.

The Hon. PENNY SHARPE: The choices that the previous Government made in relation to privatisation have made all of this harder and have exposed the public and taxpayers to, literally, a lot more money that may have to go into them as we manage the exit. The point that I would say is, again, I don't want a cent to go to them to be extended. There's also obviously the transaction that's occurring in relation to Origin and, potentially, Brookfield. That is again something this Government has zero impact over and that will play out over the next six months as well.

The Hon. NATALIE WARD: So it's your expectation that there'll be no funding for Eraring? There's no funding in the budget at the moment for Eraring?

The Hon. PENNY SHARPE: My expectation is that we will have a conversation to ensure reliability and price spikes don't occur for consumers in New South Wales or for businesses, and that we will work through the challenge of the transition as quickly as possible, and that, if we have to have an extension, then perhaps we will do that. But the cost of that to taxpayers, I would hope, would be zero, made very much harder because we're working in a privatised situation that your Government delivered.

The Hon. NATALIE WARD: The road map is not there. There's no money put aside for Eraring. There's—

The Hon. PENNY SHARPE: Sorry, the road map for what?

The Hon. NATALIE WARD: Well, we'll get to how that's not been—or I'll get to that.

The Hon. PENNY SHARPE: Okay.

The Hon. NATALIE WARD: You'd accept—it's correct, isn't it?—that the reason you are walking away from the 70 per cent emissions reduction target is because you've repealed financial incentives for EVs. You mentioned EVs, but there's actually been a repeal of incentives.

The Hon. PENNY SHARPE: Look, can I just say I'm pretty disappointed about this question because I've spoken to some of your members and former Ministers in relation to our intentions on the interim target. This Government is really taking the aspiration of the previous Government, for which I congratulate Matt Kean and the rest of the team for actually stepping up and deciding that we need to take action on climate change—

The Hon. NATALIE WARD: But it's delayed, isn't it?

The Hon. PENNY SHARPE: —that New South Wales—just wait—that New South Wales needs to actually have those emissions targets. Those emission targets are there. We're moving, through our net zero bill and through the Net Zero Commission, to make those real—

The Hon. NATALIE WARD: But, Minister, as it stands today—

The Hon. PENNY SHARPE: No, let me finish—and tangible—

The Hon. NATALIE WARD: Well, I'm running out of time.

The Hon. PENNY SHARPE: No, well, the point that I'd say, if you want to get to the interim targets, we are not repealing the interim targets. We are not legislating them through this bill, but they stay in place as we seek the advice of the Net Zero Commission. Any suggestion that we are winding back targets is just false.

The Hon. NATALIE WARD: Well, that's not the case. The funds aren't there.

The Hon. PENNY SHARPE: Sorry, the funds—

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The Hon. NATALIE WARD: It's been driven down. But let's get back to—

The Hon. PENNY SHARPE: The funds for what? You're talking about—legislating targets isn't dependent on the amount of money that's going in. I would again point out \$1.8 million extra, \$263 million for EVs, and a lot of work going in. I mean, you don't draw the amount of money that has been put in as an equivalent to somehow lack of action. That's just not actually, factually right.

The Hon. NATALIE WARD: Well, I'm not sure we will agree on that, but that's okay. We can leave that there.

The Hon. PENNY SHARPE: We can agree to disagree. That's okay.

The Hon. NATALIE WARD: We're going to have to. Just back on Eraring, do you expect to have ongoing opex requirements for Eraring? Will the Government need to spend—you'll need to spend money on the station, right?

The Hon. PENNY SHARPE: Well, it's a private business.

The Hon. NATALIE WARD: Yes.

The Hon. PENNY SHARPE: They'll have to spend money on it.

The Hon. NATALIE WARD: Yes, but that translates to the Government to do so if you're to keep prices down.

The Hon. PENNY SHARPE: Not necessarily. As I said, I'm not going—

The Hon. NATALIE WARD: No opex?

The Hon. PENNY SHARPE: We're having a discussion that we are forced to have as a result of privatisation and the challenges that we have with the delayed rollout of the road map. We're working through those really carefully. My responsibility is very straightforward. We need to tackle climate change. We need to ensure that we decarbonise our energy system, which is what we're doing as quickly as possible, and we have to keep the lights on for businesses and households—

The Hon. NATALIE WARD: We agree on that.

The Hon. PENNY SHARPE: —and we're doing all of that at the same time.

The Hon. NATALIE WARD: Will you disclose any cost to the taxpayer for Eraring? Will you commit to doing that and being open and transparent about the cost?

The Hon. PENNY SHARPE: I'll commit to being open and transparent and providing the information that we're able to provide. As no decisions have been made, we'll have to report back.

The Hon. NATALIE WARD: But isn't, essentially, keeping coal stations open in contrast to our net zero requirements? They're fundamentally—

The Hon. PENNY SHARPE: It's totally undesirable. I would prefer that that wasn't the case—

The Hon. NATALIE WARD: Okay.

The Hon. PENNY SHARPE: —but when we have a range—I'm a bit confused, actually, about what the Coalition's position is on this because—

The Hon. NATALIE WARD: That's not what we're here for, Minister, and respectfully I'll redirect—

The Hon. PENNY SHARPE: Well, I think I'm a bit confused.

The Hon. NATALIE WARD: No, no. I'll redirect.

The Hon. PENNY SHARPE: If you could tell me whether you think we should be keeping it open or whether you think we shouldn't be doing anything—

The Hon. NATALIE WARD: When do you expect to make an announcement?

The Hon. PENNY SHARPE: Matt Kean said one thing. The Nats say another.

The Hon. NATALIE WARD: Minister, I have one minute.

The Hon. PENNY SHARPE: It's a bit unclear.

The Hon. NATALIE WARD: I'd just like to redirect, if I may.

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The Hon. PENNY SHARPE: Well, you can do that. Sure.

The Hon. NATALIE WARD: When do you expect to make an announcement about Eraring?

The Hon. PENNY SHARPE: As soon as we can.

The Hon. NATALIE WARD: Do you accept that it will likely require a capital expenditure and an ongoing operating expenditure allocation? Do you accept that?

The Hon. PENNY SHARPE: We'll report what we can when those discussions are finalised.

The Hon. NATALIE WARD: It's just fundamentally obvious, isn't it?

The Hon. PENNY SHARPE: Not necessarily.

The Hon. NATALIE WARD: Okay. So we don't know if you'll disclose it. We don't know if you'll commit to one way or the other.

The Hon. PENNY SHARPE: No, just to be clear—

The Hon. NATALIE WARD: You're just having a conversation.

The Hon. PENNY SHARPE: I'll disclose the things that I can. I think that you would know that I have a preference—

The Hon. NATALIE WARD: And that's why you—

The Hon. PENNY SHARPE: —for as much information in the public domain as we can. I would contrast that to the previous Minister, who hid a lot of negotiations that were previously undertaken and subsequently has gone out into the public and thrown around a whole lot of numbers that are unverified and unhelpful, if you're actually talking about the public interest and protecting that.

The Hon. NATALIE WARD: Can you guarantee that any extension of Eraring won't create market uncertainty and serious impediments to private sector investment in renewable energy in New South Wales?

The Hon. PENNY SHARPE: The key to ensuring that we don't have market impediments—we actually have a managed process—is that there is clarity around closure times and the way that that operates. I'd point to the exit of Liddell. There was a seven-year process in relation to that that allowed the market to deal with that.

The Hon. NATALIE WARD: There's going to be an impediment.

The Hon. PENNY SHARPE: Yes, of course there's an impact. But the point here is certainty, and that's what we're going for, because there's a great deal of uncertainty—

The Hon. NATALIE WARD: That there is uncertainty—

The Hon. PENNY SHARPE: —caused as a result of privatisation.

The Hon. NATALIE WARD: But you're cutting EV subsidies, you're extending coal, you're delaying the road map. You just can't meet the target, can you?

The Hon. PENNY SHARPE: We'll be meeting the target and we hope that the Coalition helps us to do that.

The Hon. NATALIE WARD: But it's not feasible.

The CHAIR: Just on Eraring, I've just got a couple of extra points there. In terms of the transparency, you're committing here and now that, if you do negotiate an agreement with Origin, you will make as public as possible all parts of that agreement that you possibly can.

The Hon. PENNY SHARPE: Yes. Look, some of that is obviously subject to Cabinet and I will take on notice exactly the parameters of that, but my—from where I sit in relation to these issues is that I want as much transparency as we can provide. There are reasons why some material is not in the public domain, and I am subject to Cabinet conventions as well. So, as far as I can, yes; but in terms of what that ends up being, depending on where we land, is not something that I can commit to today.

The CHAIR: But can you commit to, before signing any agreement with Origin, that you will commit to testing the market for alternative proposals to supply the needed capacity?

The Hon. PENNY SHARPE: We're already doing that. I mean, this is the whole point around the reliability challenge—is that we are looking at all of the other options. We're working really closely with the Commonwealth on the Capacity Investment Scheme, which has meant that we've been able to almost double the

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last tender in relation to firming. We are working through. You know, the Waratah Super Battery—again, congratulations to the previous Government in relation to taking the action which was off the back of the announcement of Eraring. I mean, that is nine months through the planning stage. I've actually visited it. It's going into the ground up at Lake Munmorah. It will be one of the—I think it will be the biggest battery in the world.

The CHAIR: Yes, Minister. I think so.

The Hon. PENNY SHARPE: And it's more than a battery. It's actually a whole stabilising system for the grid. It's going to be incredibly important.

The CHAIR: And we're super excited.

The Hon. PENNY SHARPE: Yes, we are.

The CHAIR: Yes. No, I hear you.

The Hon. PENNY SHARPE: But just to go to your point, we are looking at all of that. We're working really hard on—again, the people power of renewable energy through the uptake of solar energy and the work that we're doing on community batteries—

The CHAIR: So can I ask, Minister—

The Hon. PENNY SHARPE: All of that. I mean, I suppose I say this all of the time. We're doing all of the things at the same time because we have not a moment to waste.

The CHAIR: Absolutely. So on the 2030 climate target, have you been briefed at this point of what keeping Eraring open—the possibility, because we're looking at that possibility—what that would mean to the 2030 target? Have you had that brief?

The Hon. PENNY SHARPE: There will be an impact, of course, but the target itself is many different moving parts and part of the idea—and, again, why I keep saying I don't want them open a minute longer—the original target that was put in place actually had Eraring out to 2032, so we need to understand where we've come from in terms of the modelling that didn't at that time impact on Eraring being out in 2025. Yes, there'll be an impact, but the whole point of the work that we're doing in establishing the Net Zero Commission is to have an independent oversight, transparent process that will be tracking how our emissions reductions are going over time. That, to me, is absolutely essential. We can say that we've got these targets and we're committed. That's great. Legislating them gives them certainty, but, importantly, the Net Zero Commission is the fierce monitor and advocate for how we're going, and it will put up advice to the Parliament and to government about what are the choices that we have to make. If we're extending Eraring, there's an impact: Where are we going to find the other emissions reductions that we have to do? It is not easy, but that's why it's so important.

The CHAIR: Can I just pull you up on one point in relation to the 2035 target—and I accept that this is currently under discussion and the subject of advice.

The Hon. PENNY SHARPE: Yes.

The CHAIR: But can I just put, for the purpose of this hearing and this record, it is not clear and it is not a certain position that the 2035 target lives, in the event the Government's new bill comes into effect. That is currently subject to advice and question, and I just want to make that clear, if that's okay.

The Hon. PENNY SHARPE: I accept that. I think it's a reasonable question, but I do think there's been—and I'm not saying from you, but perhaps from others—some mischief-making in relation to this. Let's just be clear: The 2035 target to reduce to at least 70 per cent was put in place as a regulation through the energy and utilities administration regulation Act. That is not in the climate change bill, but I want to make it very clear that we are not repealing that regulation; it stays in place.

The CHAIR: But the point that is at large at this moment is that the moment the board is decommissioned, there is no work for that interim party.

The Hon. PENNY SHARPE: I think that's misinformation. I'm really happy to provide more information to the Committee on that.

The CHAIR: We're getting advice on that.

The Hon. PENNY SHARPE: I'm really pleased that we are having the inquiry. This is the point of the inquiry. It's actually parliamentary upper House committees at their best, which means we get all of those issues on the table. The point that I would make is that, through regulation in relation to the board, we can keep them in place. I just want to put on record too that that board, again, are really top, outstanding people who have been

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great sources of advice to me and will continue to do so as we roll out the changes in relation to the Net Zero Commission.

The CHAIR: Have you received an update from the net zero emissions board about how we are tracking on the emissions reduction pathway?

The Hon. PENNY SHARPE: Yes. To be very up-front, I have gone to a couple of their meetings. They provide a summary of their meetings to my office, that we work through, but I also have longer discussions with them, and they are extremely valuable.

The CHAIR: And are we on track for 2030?

The Hon. PENNY SHARPE: Well, I think we are, but, again, I think we need more work. At the moment, if you look at it, I think we've only reduced by about 18 per cent from 2005, as we sit here today, in relation to the modelling that we have. This is a big task and we need to make sure that we keep on with it. But the board has provided really good information, and the other thing that they have really given me advice about—and I think this is important—is that we can't deal with climate change just through me, as the Minister. This is a whole-of-government requirement, and that is one of the focuses that I've got about how we drive, across government, all of the emissions reductions that both we are responsible for and also through the various sectors that we interact with. That is the only way we are going to get there.

The CHAIR: That is absolutely my next question. Did you talk with Treasury, Primary Industries, Planning and the Premier about the climate bill, and are all of those other Ministers and the Premier open to further amendments that may be required for that bill in the coming weeks?

The Hon. PENNY SHARPE: I have two points. Obviously, there has been a Cabinet process in relation to the development of the bill. All of the agencies have input in relation to that. Obviously, I can't go into the detail of all of those things, but it's very clear that this is a priority. The Premier made it a priority from opposition into government as well. So the short answer is yes. They have all had input and have ongoing input. I obviously speak to my colleagues a lot about these issues. The second point is that there is a parliamentary inquiry we'll be working through. We are in a minority status. We will work through amendments in the usual way. What I'm really hoping, though, is that we have as much support as we had for the road map and the infrastructure plan for renewables as we do for actually setting up this architecture for not just me, as the Minister, or the current Government, but for the governments heading into 2050 that will be held to account for their emissions reductions.

The CHAIR: Are you and the Government considering the carbon and health costs of keeping Eraring open as part of the assessment?

The Hon. PENNY SHARPE: Those are taken into account through the normal course of events—through the regulations that the EPA undertakes and through the planning and development consents in relation to operations and licences. So the short answer is yes, in the way that we ordinarily do. I wouldn't say that there is a special focus on it. Again, I would revert back to the point—not a day longer than it needs to be there.

The CHAIR: Can I quickly flip to the Biodiversity Offsets Scheme? The New South Wales Government has committed to contributing to the Federal Government's plan of being nature positive by 2030. What are you doing to achieve this?

The Hon. PENNY SHARPE: We are working through the excellent work that was done by Ken Henry in relation to, I suppose, the statutory review of the Biodiversity Conservation Act. I was also with you in the previous Parliament in relation to biodiversity offsets, and we had a very good inquiry which, I think, was essential to feeding into how we need to fix this very complicated scheme. To go to the issue in terms of the Federal Government, obviously they haven't finalised all of their arrangements, but all of my agencies work with them in relation to that. I have conversations with Minister Plibersek in relation to those things. I would hope that we have alignment, but we've got a big piece of work that is currently being undertaken off the back of the BCA review, and that is the way that we are pursuing that.

The CHAIR: What is the plan in terms of the fundamental recommendation of the Henry review, which is that biodiversity conservation actually needs to have paramount importance if we are to do something about the failing regulatory system? None of the Local Land Services Act comes into the proper scope of protecting biodiversity. Are you going to take that head-on as the champion for what Ken Henry is saying we need to do?

The Hon. PENNY SHARPE: I think we are, but I think you need to understand the way in which the Government is responding to both of those two reviews. There is the LLS review and there's the Ken Henry review. I would make the point that there was a commitment that we should have had a review into the BCA laws, three years in, that never eventuated. So we were a long way in. But we are doing a whole-of-government response.

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The departments are working together. We will respond to those jointly, because we see the need for these things to be seen across government. That is the approach that we are going to do.

I don't want to pre-empt what's in or out, but, suffice to say, Ken Henry and the team who did that review have really rung the alarm bell on the current laws not working, and we can't stand here and just pretend that they are. The point that I would make, though, is that I have already started to meet with a range of stakeholders, and this includes farmers, developers, environmentalists and scientists. We need to get this right. We can't unscramble the egg that we've been left, but we need to then work on how that's going to be landed to really address biodiversity conservation, because there is no doubt that the current system is not working.

The CHAIR: Thank you. I will come back to biodiversity.

The Hon. JOHN RUDDICK: Thank you for joining us, Minister. There is a media report this morning which I would just like to quote from briefly. It says:

Jim Chalmers has warned Australia cannot meet its net-zero emissions targets without more robust interventions from government, paving the way for a new hands-on industry policy with bigger subsidies for companies helping fuel the green energy revolution.

For 15 years we've been told that the renewable energy industry is going to be able to fund itself and it's going to deliver cheaper energy. All we've got is more expensive energy. There is no end in sight for that going up exponentially, and now we've got the Federal Government saying that they've got a whole new round of spending on the renewable energy industry. Does New South Wales have any plans to do something similar, like a whole new round of giving more money to private businesses from the taxpayers to fund this so-called revolution?

The Hon. PENNY SHARPE: Thank you for the question, Mr Ruddick. I'm not surprised by these questions, and I congratulate you on standing up for the reasons that you came into Parliament, which is the use of taxpayer dollars and whether they are being spent adequately. The point I would make is that the New South Wales Government is already putting in additional funding in relation to the transition, because this is what we need to do. I've already outlined that we've got the \$1 billion for the Energy Security Corporation and the \$800 million that was in the budget to bring forward undertakings in relation to Central-West Orana and the rest of the REZs. I have seen the report this morning—only what I read in the paper. I think you'd be unsurprised to hear from me that State governments are always very happy if the Federal Government is going to provide more assistance for us to tackle this challenge. I'd look forward to what the Federal Government is doing. I know that's something that you wouldn't support, but I've got to say, from where I sit, additional assistance is going to be required when I look at the challenges that we are facing.

Some of the things that we doing in this space are we're getting significant private investment in relation to the renewable energy zones, but there are timing issues in terms of when companies are making decisions, when they're able to, the risk profile in relation to these projects and being able to balance that so we can do this quickly. That's entirely the process that we are working through in New South Wales, which requires money to be up-fronted. There is money into the future that will actually be repaid through those processes through the transmission acceleration fund, and I think that's actually quite a good vehicle for managing that and ensuring that taxpayers aren't putting more money in. It's a complex environment and, yes, there needs to be more investment. If Jim Chalmers is going to provide some more, I'm not going to be saying no to that.

The Hon. JOHN RUDDICK: You mentioned the timing, and it sounds like you expect that this will go on for some time and that the taxpayer is going to have to keep funding private businesses—the private businesses, of course, that compiled all the regulations—but in what time frame do you think we'll get to the point where the Government will not need to put any more money into the net zero carbon industrial complex?

The Hon. PENNY SHARPE: I think it's a really good question. I just have no way of being able to answer that. Obviously, Treasury are looking at some of the issues in the sort of long way out. But I wouldn't even pretend to be able to answer that question. The point that I would make again is that energy is an essential service that our entire prosperity and actual wellbeing will be required to deal with over the next decades, as we tackle climate change. If we don't decarbonise our energy sector, we're not going to be able to meet our greenhouse gas targets.

All of the advice—I know you've got a slightly different view in relation to climate change and what's going on here. But the point that I would make is that, if we are serious about a planet that we can hand, in better shape than it's currently in, to future generations—failure to take action on climate change will end up with an unhealthy and way, way more public money going into mitigation and rebuilding in relation to the impacts, whether it's higher sea level, whether it's the wilder weather that we're already experiencing. You'd be surprised to know that my media—every day I get the media summaries of the issues in my portfolio. I don't think anyone could look at the various reports that I get given every single day, on the impact that climate change is already having on the planet, and pretend that we can go on as it is.

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The Hon. JOHN RUDDICK: We do disagree on that point, but moving right along. I think the Parliament will soon be debating a bill to have a 50 per cent reduction in carbon emissions by 2030—not that far away—and then 100 per cent by 2050. Has the Government factored in what the overall cost to the budget will be about attempting to at least achieve what I consider incredible forecasts?

The Hon. PENNY SHARPE: The point that I'd make is we're, obviously, talking about net zero reduction. I would make the point that net zero—we need to be looking beyond that in terms of actual reduction in emissions over time. Obviously, the cost out to 2050—again I'd probably say to you I can't give you all of that. I'm not pretending that it's not going to be substantial. It will be. But that is part of the responsibility of the existential threat that, globally, governments and industry and communities are trying to tackle.

The Hon. JOHN RUDDICK: Let's just imagine hypothetically that the scientific consensus evolved to the point where we no longer believed that man-made carbon dioxide was the Earth's temperature control switch. That would be good news, obviously. We'd all agree that would be good news, that we're not facing an apocalypse.

The Hon. PENNY SHARPE: I don't think it's happening any time soon. But, yes, that would be terrific, if that consensus emerges. Sure.

The Hon. JOHN RUDDICK: Terrific. I'm pleased to hear that you consider it terrific, because a lot of people who are in this industry—they don't really care about the real world. They love the gravy train. If we got to that point where—the scientific consensus does move around from time to time. I think it's quite possible that we could get to that point where we realise that this has actually been a folly. We agree that would be good news. We could then shut down all these efforts, all this taxpayer money spent on trying to have the Parliament reduce the temperature outside. What do you think the annual savings would be to the taxpayers of New South Wales if we got to that point?

The Hon. PENNY SHARPE: I like the ambition of the question. It's a massive hypothetical that I can't answer. The point that I would make, though, is that climate change is real. The consensus tells us that. The evidence shows we're already living with the impact of that. No government can stand by and not take action. We're part of a global race to deal with this. The window for action gets smaller and smaller as we progress. In terms of this Government and my priorities as the Minister for Climate Change, we are going to tackle this head-on. We're going to make sure that we take our responsibility, while ever I'm in this chair or this Government's in the chair, that we will be able to say to our kids and to our grandkids that we took action and we took it seriously.

If you speak to any young person at the moment—I do, a lot, including my own children. They are terrified of what's coming down. They are asking us, in fact, demanding us to take action and to not turn away. They see what they're going to inherit. It's none of their fault. They believe that we should take action. If you talk to young people, if you meet with Pacific islander communities that I do—I did recently with Minister Bowen. This is real for them. They are losing their land. There are actually plans being made for them to have to move from their homelands because they are no longer livable. The idea that taking action is something that we can continue to delay or is a waste of money fundamentally misunderstands the challenge that we face and the need for everybody to step up and do what they can do as quickly as possible.

The CHAIR: I'm just going to take the last opportunity with Mr Ruddick's time. I'd also remind Mr Ruddick of the cost of inaction. It has actually been costed.

The Hon. PENNY SHARPE: I didn't get to that. I'm happy to talk about that too, if you like. That has been costed.

The CHAIR: Minister, are you aware of a fantastic proposal—a very recent proposal, dated October 2023—from the North East Forest Alliance about protecting the southern Richmond and the forests of the southern Richmond area? It's very recent.

The Hon. PENNY SHARPE: The short answer is no. It's possible that my office is. I could try to get you some extra information. But, off the top of my head, no.

The CHAIR: I'm going to table that report here. Can I just draw to your attention, Minister, that it is a very, very sound proposal. I am aware personally of the area because it is in the area that I've spent most of my life.

The Hon. PENNY SHARPE: What does it seek to do? What is it suggesting that we do?

The CHAIR: It seeks to expand the protected area network. It does so in a very sound way, based on some excellent conservation status, some data and, particularly, unreserved forest types of New South Wales, going back to the 1992 forest reserve criteria. This proposal actually would assist the Government in complying

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with those obligations if it were to look at this proposal with open eyes, open mind and a conservation imperative to actually adhere to our international obligations of protecting 15 per cent of forest types in New South Wales.

The Hon. WES FANG: Where's the question?

The CHAIR: I'm asking the Minister to consider it.

The Hon. PENNY SHARPE: Of course, I'll consider it. I have actually been in the forests with some of the members of the North East Forest Alliance in the past. I've been to Cherry Tree. I've been to Royal Camp. Some of the others, I have been to, but I can't recall exactly. But the point is, of course, we'll look at all of that.

The Hon. WES FANG: Thank you, Minister. Just while I'm providing these papers for tabling—I've got seven copies—I'll ask the secretariat to provide a copy to you. There are some copies for the members and the secretariat themselves.

The Hon. PENNY SHARPE: You've learnt from Daniel Mookhey. Excellent tabling company.

The Hon. WES FANG: I think Daniel learnt from me, Minister.

The Hon. PENNY SHARPE: I hope these are well tabbed.

The Hon. WES FANG: They're numbered, anyway. I've scant resources in opposition.

The Hon. PENNY SHARPE: I know. I'm familiar with it.

The Hon. WES FANG: Minister, on 6 June 2018, in relation to the iconic brumbies, you are recorded on *Hansard* as saying, "We ruled out aerial culling." When—

The Hon. PENNY SHARPE: What date?

The Hon. WES FANG: On 6 June 2018 you are on *Hansard*, saying, "We ruled out aerial culling." When, prior to the election, did you indicate to the electorate you would change that position when you got to government?

The Hon. PENNY SHARPE: I didn't indicate that, because our preference at the time would be that the horse management plan that was put in place as a result of your former colleague Mr Barilaro's wild horse bill required that, one, there was an acceptance that there needs to be a reduction in the number of horses in the park; and two, that would be done through the horse management plan. That horse management plan is a legislative requirement to get to 3,000 by 2027. So I had always hoped that we would be able to do that. I know that I raised questions previously about whether we were meeting that. I know that some of my agency officials had me on the other side of the desk, asking questions about this. But the point is that I did not go to the election saying that we were going to introduce aerial shooting, because that had not been my intention at that time.

The Hon. WES FANG: Minister, I've only got 10 minutes before I have to hand back to my colleagues. So I just want to cover off things quite quickly. Just confirming you did not make any commitment to aerial culling or considering, even, aerial culling prior to the election. There was no mention of it.

The Hon. PENNY SHARPE: I don't believe so, no.

The Hon. WES FANG: No. Minister, when did you make the decision to consider and recommence aerial culling?

The Hon. PENNY SHARPE: You'd be aware. You've been watching this pretty closely. When I came into this role, I received a number of briefings from my agency on a range of different issues. How horse management was being undertaking in Kosciuszko was one of those. I visited the park and was very fortunate to be taken over the park. I was genuinely shocked at the impact that I saw in relation to the horses. Just let me finish.

The Hon. WES FANG: Can I just ask what that date was that you visited the park?

The Hon. PENNY SHARPE: I'd have to check. We can come back to you. It was early on. I'm sure that someone can probably provide that to me. But it was quite early on because I wanted to see for myself what the impact of the horses were. I was aware that the numbers had included. I, obviously, then asked the department about what we needed to do in terms of how we were travelling to meet the 3,000 requirement by 2027.

I was provided with information around all that. It was at that point that my office started to contemplate what we needed to do. The decision that was made was that we would need to go onto public exhibition—a change to the draft management plan. I directed the department to undertake that. That occurred during August and September. You'd be aware that there have been over 11,000 submissions to that. Of those that talked about aerial shooting, only 2 per cent of them were in favour of this change of method.

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The Hon. WES FANG: Minister, I need to redirect.

The Hon. PENNY SHARPE: You're asking me about the process.

The Hon. WES FANG: I'm running short of time, Minister. I'm sure you appreciate what it's like to be on this side. You were indicating to the Committee that the consideration of aerial culling only started around August-September.

The Hon. PENNY SHARPE: No, what I'm saying is that the consideration of how deliver the reduction of horse numbers happened from almost after I was elected and the early visits. I've been to the park twice.

The Hon. WES FANG: Minister, you're indicating that you instigated the consideration of aerial culling?

The Hon. PENNY SHARPE: I gave a direction to the department, yes.

The Hon. WES FANG: So it's your direction to the department to investigate and consider aerial culling?

The Hon. PENNY SHARPE: To start the process of how we would amend the plan. I can tell you, the date of my first visit to Kosciuszko was 14 April.

The Hon. WES FANG: Minister, who brought up the issue of aerial culling first? Because obviously you've had a conversation with the department around the management of wild horse numbers. There's a commitment that you made in 2018 that aerial culling was off the table, from the Labor Party.

The Hon. PENNY SHARPE: At that point in time, yes.

The Hon. WES FANG: Was it that you asked the department, "How are we going to manage the horses?", and they came back to you and suggested aerial culling? Or did you proactively ask the department to investigate aerial culling?

The Hon. PENNY SHARPE: No, I have said to the department how we were tracking in relation to the numbers of horses that were in that park. As I said, I went on 14 April, which was very early on. Don't forget the election was at the end of March. It was the first national park that I visited. I was shocked by what I saw. I spent time talking to staff on the ground, who were deeply concerned.

The Hon. WES FANG: Minister, we're now covering ground that you've already given evidence on.

The Hon. PENNY SHARPE: Okay, so what are you actually asking? I don't understand what you're asking me.

The Hon. WES FANG: The question that I'm asking is who raised aerial culling? Given that you've—

The Hon. PENNY SHARPE: Many people have raised aerial culling.

The Hon. WES FANG: Minister, I haven't finished the question.

The Hon. PENNY SHARPE: Do you want me to answer the question or not?

The Hon. WES FANG: I haven't finished the question yet. In relation to this issue, did you ask the department for advice on how to manage the horse numbers first? Or did you say, "I want evidence and support for aerial culling?" I imagine that you've asked, "How do I manage the horse numbers?" The department must have come back to you with options, from which you selected aerial culling. Or did you go to the department and say, "I want to instigate aerial culling because that's the most efficient way of reducing horse numbers"?

The Hon. PENNY SHARPE: I think that it is a broad discussion. If we go back to my visit on 14 April, spending a day in the park with staff, speaking to them about how it was going and seeing the impact of the horses in the park led me to ask a lot of questions, which were, "Do you have the tools that you need to reduce the horse numbers as you are required to do?" That's the start of a conversation.

The Hon. WES FANG: It is—

The Hon. PENNY SHARPE: Let me finish.

The Hon. WES FANG: I understand that, but I only have limited time left.

The Hon. PENNY SHARPE: Have you got a document that you want to take me to?

The Hon. WES FANG: Yes, I'm about to get to that.

The Hon. PENNY SHARPE: Why don't we get there? You're going to run out of time.

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The Hon. WES FANG: I only have three minutes left, and I want to cover off some issues before I get to the documents.

The Hon. PENNY SHARPE: Sure.

The Hon. WES FANG: Minister, did you investigate any other solutions prior to asking for the information that I have provided in relation to the aerial culling?

The Hon. PENNY SHARPE: All of the solutions have been undertaken under the current horse plan. That is the rehoming options, and that is the trial of a range of different tools that were allowed under the horse plan developed by your Government.

The Hon. WES FANG: Minister, did you look at increasing the intensity of those other solutions prior to calling for the aerial culling?

The Hon. PENNY SHARPE: We examined the current proposal—

The Hon. WES FANG: I'm now not clear as to the time line here, because I don't think you've provided me the responses—

The Hon. PENNY SHARPE: Why don't you take me to the documents?

The Hon. WES FANG: I am going to take you to the documents. I have documents 1 and 2. The ministerial overview for you is number 1. Number 2—

The Hon. PENNY SHARPE: Which is dated when?

The Hon. WES FANG: It is dated 3 August. On 7 August, this is—

The Hon. PENNY SHARPE: Are we looking at document 1?

The Hon. WES FANG: I'm going to take you through the documents, because I now only have two minutes left, Minister.

The Hon. PENNY SHARPE: You're the one who has been talking a lot. Off you go.

The Hon. WES FANG: Minister, I don't think that's very helpful given the long answers and the repeating that you've obviously been using to waste my time.

The Hon. MARK BUTTIGIEG: It's accurate, though.

The Hon. WES FANG: Number 2 is the media release draft to you.

The Hon. PENNY SHARPE: What page are we looking at?

The Hon. WES FANG: I'm getting to those. Number 3 has the issues around the media release. I want to take you to document number 5, given that I've now got so little time.

The Hon. PENNY SHARPE: Sorry, document 5—is this the ones that are mentioned here? Is this what we're looking at?

The Hon. WES FANG: It has "MO comments" at the top and a number 5 in the top right-hand corner. There's no date on this document. This was part of the SO 52 returns. All these documents were part of the SO 52 returns. Document 5 says, "Difficult questions, Nat and Greg to do, mid-July" on the last page. So this process has been well in train well before—

The Hon. PENNY SHARPE: Yes. I would say from 14 April.

The Hon. WES FANG: Your first visit was 14 April.

The Hon. PENNY SHARPE: Yes.

The Hon. WES FANG: I don't know what the date of this document is, but the last point on this document in the MO comments—

The Hon. PENNY SHARPE: Which page? The page numbers aren't on there.

The Hon. WES FANG: No, I know, Minister. Unfortunately, I only have limited resources, so I've only been able to photocopy these.

The Hon. PENNY SHARPE: Couldn't you have marked them up? But anyway, that's fine. Which page are we talking about?

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The Hon. WES FANG: We're talking about the last page of document 5. The last point that needs to be covered off is mid-July. Between mid-April and mid-July, you've investigated all the other options. You've spoken with your department. You've sought advice as to all the other options that you have on the table. And you still come to the conclusion that you're going to create a whole plan around aerial culling some time before mid-July. I'm guessing it was at least early July. That's six weeks in which you've determined that aerial culling needs to be instigated by your department.

The Hon. PENNY SHARPE: I think that's three months. I think it's probably 12 weeks, but sure. Yes. Where's the gotcha here?

The Hon. WES FANG: Unfortunately, my time is up.

The Hon. PENNY SHARPE: I'm sure you'll be given more time. We can come back to this later. No problem.

The Hon. WES FANG: We will come back to this later, Minister.

The Hon. NATALIE WARD: You can have a minute.

The Hon. WES FANG: Are you happy if I continue?

The Hon. NATALIE WARD: Yes.

The Hon. WES FANG: Minister, I'm seeking to understand who made the decision that aerial culling was to be implemented? Was it the department that was the instigator and that made a recommendation to you that aerial culling was the best way to manage this, or was it a decision from your office to the department that aerial culling should be investigated? Because it appears from these documents that the decision came from your office.

The Hon. PENNY SHARPE: The decision rests with me, as I've said. I've been concerned about the health of Kosciuszko National Park for a very long time. The first national park that I visited upon becoming environment Minister was Kosciuszko National Park. I was shocked by the impact that I saw in relation to the hazards. And as a result of that—

The Hon. WES FANG: I appreciate that, Minister. You're covering off the same answers you've given to me earlier.

The Hon. PENNY SHARPE: But I'm taking you through the time line. You seem to think there's some tricky time line here.

The Hon. WES FANG: I know, and you're trying to burn up the time.

The Hon. PENNY SHARPE: No, I'm really not. Yes, I'm responsible. Yes, it was my decision based on the advice that I received from my department and—

The Hon. WES FANG: Who provided you that advice?

The Hon. PENNY SHARPE: My department.

The Hon. WES FANG: What alternative advice did they provide you?

The Hon. PENNY SHARPE: They've provided me with all of the advice around how we were going to meet the legislative target of reducing the number of horses in the park to 3,000 by 2027.

The Hon. WES FANG: Did they provide you any alternative solutions?

The Hon. PENNY SHARPE: They talked about all of the other options, which is rehoming, which is trapping and which is ground shooting, all of which are being undertaken.

The Hon. WES FANG: Did they say that these would not allow us to reach the targets?

The Hon. PENNY SHARPE: Correct—by 2027.

The Hon. WES FANG: And that aerial shooting was the only option?

The Hon. PENNY SHARPE: No. There are those ones. In terms of the other options, there are really two other options. One is reproductive control, and the advice around that is that, with the numbers that are currently there, that's not possible. I am really hoping—and I'm sure that Ms Hurst will ask me about this a bit later. I really want us to get into this. The issue around reproductive control is that the number of horses is too large. The point is that, in terms of reducing the number of horses in the park, the current methods that we had

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weren't there. Reproductive control is not possible at this point in time with that population. Aerial shooting, which is a very common practice in relation to animal control across the State—I would note that around 22,000—

The Hon. WES FANG: Minister, why does the shooting have to start next week?

The Hon. PENNY SHARPE: I don't believe that that's the case. I'll seek advice on that, but I'm not aware of that. There are signs up in the park.

The Hon. WES FANG: That's my understanding.

The Hon. PENNY SHARPE: I'm not sure how you know that, because that's not my understanding. But I'm happy to check and provide more information for you in the future.

The Hon. WES FANG: I will check with the bureaucrats later. I'll come back to this.

The Hon. NATALIE WARD: We have limited time. Thank you, Minister. I want to return to emissions. Minister, you're committed to transparency in Government, aren't you?

The Hon. PENNY SHARPE: Yes.

The Hon. NATALIE WARD: You're also committed to ensuring that the public has accurate information available to it on important matters of policy in your portfolio.

The Hon. PENNY SHARPE: Yes.

The Hon. NATALIE WARD: That's correct, isn't it?

The Hon. PENNY SHARPE: As much as we can within the limitations around Cabinet and the operations which Government undertakes, which you, as a former Minister, should totally understand as well.

The Hon. NATALIE WARD: You accept that your department is scientifically qualified to provide advice on the State's emissions?

The Hon. PENNY SHARPE: Yes. I think that there's a bit of a changing in nature in relation to that, but yes.

The Hon. NATALIE WARD: You publish it.

The Hon. PENNY SHARPE: We've got very good scientists; they're doing very good work. I've got no reason to doubt them.

The Hon. NATALIE WARD: And you'd accept that your department publishes emissions data online. That's correct, isn't it?

The Hon. PENNY SHARPE: They do. I would say that I am pretty concerned having someone who's tackled it from opposition around understanding that, and I suppose the way in which it's well understood probably needs improvement.

The Hon. NATALIE WARD: I appreciate the brevity of your answers, given what I've got to get through, so thank you.

The Hon. PENNY SHARPE: Sure.

The Hon. NATALIE WARD: You'd accept that the data published shows that New South Wales is on track, on its current projections, to reduce its emissions by 70 per cent on 2050 levels by 2035. That's what the website says.

The Hon. PENNY SHARPE: Yes.

The Hon. NATALIE WARD: Why are you trying to repeal the State's legally enshrined target of 70 per cent emissions reduction by 2035?

The Hon. PENNY SHARPE: I go back to my previous answer. No, I'm not repealing it. We're putting in place a new legislative regime that guarantees the legislated targets of net zero—which currently are not in legislation, I would point out, and the 50 per cent by 2030 is not in the legislation. We're establishing that. I'm not going to go for a long time, but it is just incorrect to say that we're repealing that. We're working through the process. They will remain in place until we get further information.

The Hon. NATALIE WARD: Can I step through that, then?

The Hon. PENNY SHARPE: Sure.

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The Hon. NATALIE WARD: It's only fair to put it to you if that's your evidence. I'm sure you're familiar with it, but part 2 of schedule 2 to the bill allows the net zero board to be abolished. That's correct, isn't it?

The Hon. PENNY SHARPE: Yes, it does allow them to be abolished once the commission is ready to commence its operations, but we'd be seeking to keep the targets listed and work through those issues in regulation. The argument here is whether, in the bill that's coming before the Parliament, we should be legislating 70 per cent by 2035.

The Hon. NATALIE WARD: Will you?

The Hon. PENNY SHARPE: We've got a transitional arrangement. We were really clear in the election. We're fulfilling our election commitments, yes, around 50 per cent by 2030 and net zero by 2050 into legislation. The point of the commission is to provide advice on interim targets. I suspect we'll end up with a range of interim targets but, in the meantime, there's no suggestion that what is currently there is going to be repealed, because it's not.

The Hon. NATALIE WARD: Can I go to the specifics, though? Part 2 of schedule 2 to the bill allows the net zero board to be abolished. That's correct, isn't it?

The Hon. PENNY SHARPE: Yes, but it's a matter under regulation when we've done that. I've met with the board; they will stay in place until the commission is established and ready to go. As I said, I greatly value their work. They have a role to play that is ongoing that I don't want to be disrupted as we set up the new system.

The Hon. NATALIE WARD: Is it correct that the 2035 target is in the regulation only as a function of that board?

The Hon. PENNY SHARPE: I'd need to take the detail of that on notice, but the point that I would make is—

The Hon. NATALIE WARD: Well, that's the case.

The Hon. PENNY SHARPE: —there's no attempt to repeal that. In relation to the board, we will manage that through the transition process, so I'm not quite sure what you're trying to say.

The Hon. NATALIE WARD: I'll get to that. Doesn't abolishing the board mean that you abolish the target?

The Hon. PENNY SHARPE: Not necessarily, because we can change the arrangements in relation to regulations. That's the conversation that's coming out of the inquiry, and I welcome it.

The Hon. NATALIE WARD: Isn't it correct that the reason you're walking away from the State's 70 per cent emissions reduction target—

The Hon. PENNY SHARPE: I just reject that. I would make the point that currently, on that basis, the 70 per cent is there, but there's no net zero legislated target in New South Wales. We can play semantics around this issue, but the point that I would just make is that—

The Hon. NATALIE WARD: It's only fair that I put it to you, though.

The Hon. PENNY SHARPE: No, but it's also one of the things that I'm so pleased about the New South Wales Liberals in terms of standing up on the need for action on climate change. At a time when Coalition governments across Australia were failing to take it on, and there was even climate denialism, Matt Kean and others stood up and said we need to take action. I'm really pleased about that. There's a great deal of bipartisanship in relation to this, and I think—

The Hon. NATALIE WARD: Sorry, I have two minutes. Thank you. I was just going to add to that—

The Hon. PENNY SHARPE: I just reject this idea that somehow we're weakening it. We're seeking to strengthen it, and I really hope that the Coalition will support us in doing that.

The Hon. NATALIE WARD: Thank you, and I know we all stayed in here for 30 hours straight, with hundreds of amendments, to get that done. We stand with you on that. But if you say the bill doesn't abandon the 2035 target, will you accept an amendment to insert that target explicitly into the bill?

The Hon. PENNY SHARPE: Let's get to the end of the inquiry. Let's work through it—I'm open to conversation—and obviously work really clearly with people.

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The Hon. NATALIE WARD: Will you support an amendment to explicitly put that target in the bill and make it clear?

The Hon. PENNY SHARPE: Well, let's wait and see.

The Hon. NATALIE WARD: I'll take that as a no.

The Hon. PENNY SHARPE: No, there's a parliamentary inquiry—which I initiated, which I welcome the input from—that we'll consider once it's finalised.

The Hon. NATALIE WARD: Just to be clear, are those targets flexible or are they locked in?

The Hon. PENNY SHARPE: Sorry, which targets? Net zero by—

The Hon. NATALIE WARD: Yes.

The Hon. PENNY SHARPE: Those two are, yes, because they're in the bill and they're also our election commitment.

The Hon. NATALIE WARD: Are you aware of the Premier's Priorities?

The Hon. PENNY SHARPE: Yes. Depends which Premier's Priorities you're talking about.

The Hon. NATALIE WARD: Your own energy check-up report. I'll get to the specifics.

The Hon. PENNY SHARPE: Whole-of-government priority, yes.

The Hon. NATALIE WARD: It recommends that implementation of the former Government's energy road map be added to the list of Premier's Priorities for the State of New South Wales.

The Hon. PENNY SHARPE: Yes.

The Hon. NATALIE WARD: You have accepted the recommendation, but there doesn't seem to be confirmation of whether there is a Premier's Priorities list.

The Hon. PENNY SHARPE: No, I think this is important.

The Hon. NATALIE WARD: Is there one?

The Hon. PENNY SHARPE: When Cameron O'Reilly did that, that was when there were Premier's Priorities that were the previous Premiers' priorities, both Dom Perrottet's and Gladys Berejiklian's. We've accepted that as the concept, but what we have said is this is a whole-of-government priority. We're working both through Cabinet, through the Secretaries Board and through the Premier's Department around how we deliver the road map across government. That, for me, is one of the most important things that we'll do. EnergyCo have to deliver the infrastructure, but there's a whole lot that wraps around that to make that happen. That's what the focus is.

The Hon. NATALIE WARD: Minister, in your own words, "The transition in New South Wales must occur faster than anywhere else in Australia." You accepted recommendation 42:

That standard landholder agreement templates be available from the Department of Planning and Environment's (DPE) website.

The Hon. PENNY SHARPE: Yes.

The Hon. NATALIE WARD: Do you know if they have been uploaded to the website yet?

The Hon. PENNY SHARPE: I'd need to check with the planning Minister. I know that the secretary is here, but the point is that—I'd need to take that on notice. I don't know the answer to that.

The Hon. NATALIE WARD: I will come back to that, but it's reasonably simple to upload. Even I can do that, so it might be something you could check.

The Hon. PENNY SHARPE: It is, but the point that I would make is that, through the planning system, myself and Minister Scully are working really hard on how we can improve it. Whether the standard templates are adequate or need work is a slightly different matter, but you can take that up with Ms Fishburn later this afternoon.

The Hon. NATALIE WARD: Maybe someone could let us know today.

The Hon. PENNY SHARPE: She'll be able to tell you.

Ms ABIGAIL BOYD: Good morning, Minister. I want to start by asking you a little bit about the transition. Do you accept that the privatisation of our energy assets was a mistake?

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The Hon. PENNY SHARPE: Yes.

Ms ABIGAIL BOYD: Can you explain your view of why it was a mistake? What are the main elements of the privatisation that have caused issues?

The Hon. PENNY SHARPE: Those that have been following me for a long time would probably be aware that I've never been an advocate for privatisation. I came a cropper in our own previous Labor Government in relation to my views on this. I disagreed with the previous Labor Government when they went down the path of privatisation. My view is pretty straightforward that a lot of money ends up going into private hands. When you're dealing with, particularly, matters such as electricity, I think it's been proven that it's more expensive, it's more difficult to manage and there are a lot of liabilities that end up back with the public sector because private capital walks away. Probably no surprises in that answer, Ms Boyd. But the point would be, no, I'm not a fan of privatisation. I just reiterate, the entire process that we've inherited and that we're trying to tackle is made harder as a result of privatisation.

Ms ABIGAIL BOYD: So it ties our hands in managing energy transition.

The Hon. PENNY SHARPE: It's more expensive.

Ms ABIGAIL BOYD: And it's also increasing electricity prices.

The Hon. PENNY SHARPE: Yes.

Ms ABIGAIL BOYD: Why is there no money in this budget for publicly owned renewable energy?

The Hon. PENNY SHARPE: I think that's not quite correct. Obviously, there's the \$1 billion for the Energy Security Corporation, and I'm happy to unpack that because I agree with you. It's not that this is going to be publicly owned infrastructure. We're actually looking at how we can partner, and the structure of that is coming together. For those that are interested in the time lines, it'll be next year when we need to finalise that. My advice is we probably have to legislate that, and I'm working closely with the Treasurer on all of that. That's not the model that we've inherited. The road map, for better or for worse—again, I'd reiterate it was really important in terms of just accepting that we've got to get this done as quickly as possible and in a planned matter. It does rest on a lot of private investment and the way in which that operates, and then there is the role of government within that in terms of using the levers that we have to deliver that through EnergyCo and across government.

But it is the case that there is not—some money will be used for public use. I'd probably point to EV charging and our choices around taking subsidies from private individuals and putting that into public charging networks. The role of government is to ensure that no-one is left behind and that we're able to manage that. I think that's where we're focusing on. Just one more thing in terms of public money, though: I am really pleased that the Federal Government is putting money into energy efficiency, particularly in social housing. I am working with Minister Jackson on that. We will be supporting some of that work as well.

Ms ABIGAIL BOYD: I appreciate all of that, and I also appreciate you've inherited what you've inherited and we're now in a massive urgency. But, at the end of the day, at the end of this transition we will still be left with 100 per cent privately owned energy generation, will we not?

The Hon. PENNY SHARPE: I think the transition has a fair way to go, but I think you're right. The majority of it will be privately owned.

Ms ABIGAIL BOYD: On the current trajectory?

The Hon. PENNY SHARPE: Yes.

Ms ABIGAIL BOYD: Do you have any intention of following your Victorian colleague's lead in terms of introducing at least a publicly owned electricity retailer or some other sort of method to try to get the public back into energy in New South Wales?

The Hon. PENNY SHARPE: That's not our current plans, but I'm not going to rule out in the future as we develop the structure of our energy security corporation. I don't want to rule anything out. We're doing this so quickly and we've never done it before, and our systems have never really contemplated the complexity of what we're dealing with here. So I wouldn't rule it out, but I also don't want to lead you down the garden path. That's not what we're contemplating.

Ms ABIGAIL BOYD: Another massive headache you've been left with is in relation to the coal-fired power stations and, in particular—and you'll know my passion for this area—

The Hon. PENNY SHARPE: Coal ash, yes.

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Ms ABIGAIL BOYD: —the coal ash dams. Labor was party to the inquiry that we ran in relation to the rehabilitation of those coal ash dams. I think that we had cross-party support when it came to everyone being pretty shocked at the state of those coal ash dams, the impact on health and environment, and the risks that they pose. A number of recommendations were made in that report, which in my view didn't go far enough. But I guess my question is, given how shocking the findings from that inquiry were, what have you done since getting in to try to make sure that we have some plans in relation to those?

The Hon. PENNY SHARPE: Obviously, I'm aware of the report and we're following through on the recommendations of that report. I probably would defer—you probably don't have time now, but I would encourage you to ask my agencies this afternoon in terms of the detail of how that is progressing. With my Environment hat on, though, I would say that the other thing that I am very keen on is looking for alternative uses for coal ash in relation to recycled materials. That's something that we are focusing on as part of the whole suite of how we increase recycled content over time. I am sure Mr Chappel will be able to talk to you about that at length. I can put it to him now, but we probably won't—

Ms ABIGAIL BOYD: I will come back to him in the afternoon.

The Hon. PENNY SHARPE: But the point is I welcome your advocacy on this issue. It is not something that we can turn away from. It's a long problem that has taken a long time to develop but is very critical in terms of how we fix it. I don't have any great answers for you about how we're going to solve it. But we are focused on it and we are aware of it, and my agencies are working through it.

Ms ABIGAIL BOYD: One of the aspects that's being pushed by advocates in this area, based on what we've seen overseas, is for each power station to be required to have a rehabilitation closure and post-closure plan, which of course requires a lot of work to be done beforehand in terms of monitoring and working out what needs to be done. But also, the levels of regulation in Australia are quite poor when it comes to ash dams. Would you be looking to put out a new coal ash order that talks about the management of coal ash and increases the stringency of the rehabilitation requirements?

The Hon. PENNY SHARPE: It's not something that I have actively contemplated. Mr Chappel, I don't know where we've gotten to in relation to that specific requirement. My view is always open to suggestions around that and having a look at it but, specifically, I don't know.

Ms ABIGAIL BOYD: Sorry, I will come back in the afternoon. I don't have very much time.

The Hon. PENNY SHARPE: You can come back to him. I accept that there is a problem. I accept that we need to do more than that's been happening before. We're happy to look at all of the suggestions. I'm just not across the detail. The EPA has those discussions all the time.

Ms ABIGAIL BOYD: I understand. One of the other concerning aspects of this is—and, again, this is a legacy issue—because of the privatised transactions, we now have a situation where New South Wales is liable for some of the clean-up of that coal ash once these coal-fired power stations close. Would you accept that there is an inherent conflict of interest when it comes to the liability of the New South Wales Government being increased by stricter rehabilitation requirements and also the need, I guess, to ensure that we are working as hard as we can to make that rehabilitation process safe for environment and people?

The Hon. PENNY SHARPE: I don't think I've thought about it in that frame. It's an interesting proposition, but my view is that the Government's responsibility and liability is to the health and wellbeing of the people of New South Wales and managing that. I would, again, express frustration—I refer to your first question. Privatisation has made this more expensive. It actually makes a greater burden on taxpayers, which I am very unhappy about. We have a range of responsibilities that we need to work through, and the complexity of where the risk lies and who pays is one that's not resolved.

Ms ABIGAIL BOYD: Given the complexities and what I, at least, see as a potential for conflict of interest, would you be in favour of giving responsibility over that coal ash regulation and clean-up process to an independent transition authority when they are established?

The Hon. PENNY SHARPE: I don't think that's really their role. The EPA is independent. I have full faith in their ability to manage that in terms of the independence and the requirement. I don't believe that there is—they've got a very singular remit, which is about environmental protection and health and wellbeing, and the impacts on human health are part of their remit. I don't necessarily accept that they have a conflict of interest. I understand that the broader questions around decision-making and investment are things that—I suppose, the best I can do for you at this point is go, "I'll have a think about it."

Ms ABIGAIL BOYD: I appreciate that. A final question in my last 18 seconds: The state of Lake Macquarie, which, again—

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The Hon. PENNY SHARPE: Which bit?

Ms ABIGAIL BOYD: Well, all of it. Again, we have these two coal-fired power stations which have been polluting the lake for some time. We had some massive fish kills, which I was pleased to see the EPA finally take action on. Is Lake Macquarie going to be an area of focus for you in terms of cleaning it up in the context of that transition?

The Hon. PENNY SHARPE: Clean-up and restoration of harmed ecosystems and environments is core business in relation to what governments should be doing. Whether it's Lake Macquarie, whether it's any of the other coastal lakes that we're dealing with, I think all of it is important. I do accept that there are particular impacts as a result of the coal-fired power stations being there for so long. So the short answer is it is core business—and, yes.

Ms ABIGAIL BOYD: Thank you.

The Hon. EMMA HURST: Good morning, Minister. Do you have a date on when you're planning to commence the aerial shooting of horses at Kosciuszko National Park?

The Hon. PENNY SHARPE: No, I don't have a date. You would be aware that with my agreement to change the plan of management, there will be, I suppose, what you'd call test or pilot programs to put in place the arrangements and ensure that they are operating properly and safely and humanely. There is input from independent vets and the RSPCA in relation to that. But, no, I don't have a date.

The Hon. EMMA HURST: I notice the NPWS website indicates that parts of Kosciuszko will be closed from 6 November. Is that for the pilot?

The Hon. PENNY SHARPE: I will confirm this—I don't believe so, necessarily. The point is that all of the closures of the park in relation to operations are done well in advance. There are also operations for other animals that are undertaken.

The Hon. EMMA HURST: Could I get you to take that on notice, please, in regard to whether the pilot will be part of that 6 November date?

The Hon. PENNY SHARPE: Sure. I'm happy to do that.

The Hon. EMMA HURST: I note the plan of management also had a proposal to remove the requirement that the park is closed during future shooting operations. Can I get you to confirm that the park will be closed to the public for all future shooting operations?

The Hon. PENNY SHARPE: The park will be closed for all aerial shooting operations, if and when they start to roll out. There is an issue around ground shooting and the park is closed on a case-by-case basis in relation to those. There are some areas—and I am sure that Mr Fleming will confirm this if I get this wrong—where it is potentially the case that the park wouldn't be closed. But can I say that my expectation is that it will be, if there are operations occurring.

The Hon. EMMA HURST: Thank you. On 6 August, an email—this is part of an SO 52. Your director of communications wrote an email to the chief of staff in the Premier's team in regards to media around brumbies. "I am keen to talk to you about a plan for Hadley." Do you know what was meant by that?

The Hon. PENNY SHARPE: You would be aware that Ray Hadley has a long and abiding interest in relation to this matter. He and I disagree about the way in which we go forward. I am happy to share with you that my director of communications actually used to work at 2GB and she knows all of the presenters there. Her view and her advice to me is that we should keep Mr Hadley in the loop around what we are doing, even though we are not going to be agreeing. I can't speak for what was in her mind in relation to that, but to give you the context, I'm not surprised—

The Hon. EMMA HURST: But that's what you were briefed on, that the plan for Ray Hadley would be to keep him informed?

The Hon. PENNY SHARPE: I wasn't briefed on that. I made a decision in discussion with my director of communications that we would provide him with information that we thought he should know. For example, I contacted Mr Hadley before I did the original press conference announcing the consultation period for the change to the draft management.

The Hon. EMMA HURST: Thank you. I know your department met with Claire Galea, who is an expert statistician, and others. I was also in that meeting.

The Hon. PENNY SHARPE: Yes.

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The Hon. EMMA HURST: Ms Galea suggested a methodology for counting brumbies using strategies used by the parks department in Victoria, but the department said that those strategies wouldn't be used because they believed that they were flawed. Do you support the claims that the Victorian counting methodology is flawed?

The Hon. PENNY SHARPE: I believe that the counting methodology that New South Wales uses is the best that is available. I understand that there is contention in relation to that, and I was really pleased that yourself and Mr Roberts and Ms Galea sat down with my department and provided input into what is the very complicated nature and the statistics in relation to counting of animals. As a result of that, as you are aware, we had four different people have a look at that and provide feedback, and—

The Hon. EMMA HURST: I want to go back to the Victorian counting methodology and the concerns that you have specifically with the viability of the Victorian counting methodology and why they would be rejected.

The Hon. PENNY SHARPE: I'm not criticising. The Victorians can do the counts the way that they do. My understanding is that the Victorian methodology—can I just be clear, this is not something that I know a lot about, but my understanding is that Victoria is a much smaller area compared to Kosciuszko, which, of course, is a very large park. It is a matter for the Victorians in the way that they do their count. I am very confident and I support the methodology in relation to New South Wales. I want to have ongoing discussions about the improvement of that. Technology is changing over time. But the count that we have got has been replicated over a period of time. It is the standard and best available in relation to many of the counting of animals.

The Hon. EMMA HURST: Minister, the other suggestion that was made by Ms Galea was to ensure that the process was open and transparent. That suggestion was also rejected.

The Hon. PENNY SHARPE: What do you mean by "open and transparent"?

The Hon. EMMA HURST: She was talking about having an independent person in the helicopter that was also involved in the count so that there could be some sort of oversight by an external person outside of the department. My understanding is that was also rejected.

The Hon. PENNY SHARPE: Can I just give you an update in relation to that?

The Hon. EMMA HURST: Yes.

The Hon. PENNY SHARPE: That is a safety—there are issues with that, which are that in an operating environment with the doors open on helicopters, there need to be accredited people doing in relation to that. There are CASR requirements around that.

The Hon. EMMA HURST: But couldn't somebody who is suitable, but independent from the department, be—

The Hon. PENNY SHARPE: We can get you more information on this, but my understanding is that the CASR regs wouldn't allow someone who is not trained to be in an operating environment where the doors of the helicopters are opened—

The Hon. EMMA HURST: But if someone was trained that was independent, that couldn't be—

The Hon. PENNY SHARPE: —and are being counted. I am happy to take that on notice.

The Hon. EMMA HURST: Thank you. The other point was that photos be taken and that an independent person could also look at photos, so it wouldn't necessarily require somebody in a helicopter. That was one aspect of openness and transparency that was rejected; the other one was to have somebody else in the helicopter. I am assuming if someone was trained to be able to be in an open helicopter, that—

The Hon. PENNY SHARPE: I will take that on notice. I am not across the detail of the CASR regs but, sure, I'm happy to take that on notice.

The Hon. EMMA HURST: Those regulations—are they able to be amended by you at all?

The Hon. PENNY SHARPE: CASR regulations? No.

The Hon. EMMA HURST: Minister, have you ever met with the Australian consulate to New York, or any other Australian consulate office, regarding the New South Wales kangaroo industry?

The Hon. PENNY SHARPE: No.

The Hon. EMMA HURST: Do you have any plans to meet with them?

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The Hon. PENNY SHARPE: Again, I would check with my office about whether we have had a request. But I am not aware of a request, and without a request I wouldn't necessarily be having done that. The one thing that I would just advise the Committee is that since being elected I have had over 1,500 requests for meetings. I don't believe that is one of them. But if they asked, I am happy to talk to people—that's a bond.

The Hon. EMMA HURST: That's all right. Could I ask you to take on notice whether or not they have reached out to your office for a meeting?

The Hon. PENNY SHARPE: Yes, we will try to clarify that. I am not aware of it. But, as I said, there have been 1,500 requests and sometimes they come in from different points. I am not ruling it out, but I'm not aware of it. Yes, I will take on notice whether that's happened.

The Hon. EMMA HURST: There are ongoing concerns around the killing of joeys in the commercial kangaroo industry, and the fact that the commercial code of practice actually instructs shooters to kill in-pouch young by a concussive blow to the head. Have you been in any discussions for a national change to this code?

The Hon. PENNY SHARPE: To date, no. But I am aware of the issue because I was on the kangaroo inquiry and obviously we canvassed it a great deal.

The Hon. EMMA HURST: Is that something that you are willing to look at in regards to a national change, or advocate in regards to New South Wales for a national change?

The Hon. PENNY SHARPE: I am always looking to look at improvements when it comes to animal welfare. The short answer is yes. The longer answer is about where I am able to do that and, I suppose, where in the decision-making process I sit. I would have to take it on notice.

The Hon. EMMA HURST: I understand from reviewing SO 52 documents that NPWS has commenced consultation with the Wildlife Drone Hub into drone-based population survey trials and the use of AI data analysis, and was considering a drone trial with the kangaroo management plan. Where is this work up to?

The Hon. PENNY SHARPE: I can hand over to my department about this. But can I just broadly say we are actually very excited with the opportunities that drones provide for us to improve the counts and identification of animals. Drones are currently being used in forests across New South Wales on a koala count and identifying greater gliders, who are hard to find in tree hollows at night. There is a huge opportunity here for us to improve that. If you want to tack it on this afternoon, I will get them to do it, because it is exciting technology.

The Hon. EMMA HURST: Yes, I might do that. I am just curious whether you are considering using that same technology for brumby population counts as well?

The Hon. PENNY SHARPE: Not at the moment, no. But my view would be, as—

The Hon. EMMA HURST: Can I ask why?

The Hon. PENNY SHARPE: Because the technology is not right in terms of being able to be replicated over time. Part of the issue around data sets is that we can replicate the count in the same conditions over a period of time. My view around drones is that as they get better, and particularly if we can get AI to work properly with all of the protections that are required—that is a discussion for another day—the opportunity to have improvements in counts should be used wherever we can.

The CHAIR: There are two minutes before we go to the Government. Minister, I just wanted to draw your attention to some evidence that was given by Mr Dunlop. As you would know, Ian Dunlop is a climate risk energy expert who is the former chair of the Coal Alliance. He said:

Net zero by 2050 is, essentially, kicking the can down the road. We know that. It was a political subterfuge to push off the challenge to the future and let future generations deal with it. We've done it time and time again over my experience, over the last 50 years in trying to address climate change. The problem is—

in relation to the 2050 target—

that what it does is institutionalise failure.

The Hon. PENNY SHARPE: Strong words.

The CHAIR: Is your Government genuinely open to looking at net zero targets that are in line with the science? Or are you genuinely committed only to the political commitment that you made before the election?

The Hon. PENNY SHARPE: We are absolutely committed to getting to net zero by 2050. We are also committed to establishing the Net Zero Commission that will provide advice on targets into the future. Those two things can exist at the same time and that's the way in which we are pursuing that.

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The CHAIR: The former chief scientist gave evidence that by 2050 we've probably blown our chances.

The Hon. PENNY SHARPE: Sure, but let's understand that—

The CHAIR: The science is there.

The Hon. PENNY SHARPE: Always and it's very important and evolving. The point I would make, though, is that net zero is the commitment, and it is actually the commitment internationally around a lot of these issues. There's a lot of push on—and, as you know, the COPs are coming up and there's an ongoing international conversation about this. I don't deny that we need to be urgently taking action and that if we can bring it forward we should, but our commitment is what we took to the election. It's not out of step with where the Federal Government is and where others are. Part of the job of what I'm trying to do is align our work as much as possible so that we can be all moving together because I believe that will allow us to move faster. The point is that these things can coexist at the same time and I'm comfortable with that.

The Hon. ANTHONY D'ADAM: I am mindful of the debate on calculating numbers, but can I ask you how many wild horses are currently in Kosciuszko National Park?

The Hon. PENNY SHARPE: My understanding is that there's between around 14,000 and 20,000, based on the methodology. Some people pick the number in the middle, and 18,000 gets thrown around. I have deliberately not done that. I accept that the methodology is within a range. The point that I would make is that the 14,000 is too many. It's not helping us meet our legislative target and the impact on the park is so significant, which is why I've had to take the difficult decision around opening up the opportunity and the need for aerial shooting. My understanding is that the count is currently being finalised and the current numbers—the numbers I have quoted—are from last year. The numbers will be made available, I think, in coming weeks as we're just going through the peer review process of the count. They'll be made available and we'll go from there.

The Hon. ANTHONY D'ADAM: If we don't take action on the wild horses, how many species are at risk?

The Hon. PENNY SHARPE: There's around 30 endangered species and ecological communities in the park. They obviously exist nowhere else on earth. We have a great responsibility to look after them. National parks are the highest level of protection that we provide for land so that the ecosystems can live and we can ensure their conservation into the future. There's around 12, I think, that the threatened species committee gave evidence to the Senate committee in relation to that are directly impacted on by horses.

The point is that there are no good options here. There's no simple options here. There's some pretty tough choices about what is important, and the impact and how we manage that. For me, as the environment Minister, one of my primary responsibilities is to look after national parks because they are precious public assets that are intergenerational in their importance to the future of New South Wales. The animals and plants that live within them are part of the remit of protection. The status quo at the moment will see a number of animals being forced into extinction as a result of the impact of the number of horses.

I want to be clear that the number of horses—I am not talking about eliminating all horses from the park. I think there's been an ongoing recognition that the importance of the horses to the community and to others is something that is actually recognised. You can't go through the Monaro and not see the love for and the stories of brumbies. But the point here is that there are too many of them in this environment and the impact they're having not just on threatened species but on soil, water and those very precious karst caves is something that no-one can ignore. We've kicked this down the road for too long, and that's why the number of horses is too large. It's something that we're going to very carefully manage in coming years.

The Hon. ANTHONY D'ADAM: You mentioned waterways. Can you elaborate on what the impact is on the waterways?

The Hon. PENNY SHARPE: Hard-hooved animals—in Kosciuszko, the mountains and the streams there—I really talked to some of the Aboriginal traditional owners about the stories. I've been very privileged for them to share some of this knowledge with me. The importance of the waterways relies on sphagnum moss that exists around the edge of these waterways. It has a range of different purposes, most importantly in terms of water. It is purifying the water that comes out of Kosciuszko and goes into the Murray. The headwaters of the Murray River exist within Kosciuszko National Park. If you wanted to talk about water quality and how it ends up with farmers further down the Murray, the impact of what happens in Kosciuszko actually matters. The way in which that water travels and the way in which it is cleaned through the environment is extremely important. What horses do is they trample all over it. If you go there—I've seen the pictures—they trample all over that. They're destroying the riverbanks and the way in which the water flows and they're impacting on threatened species like the little stocky galaxius fish. All of these things are having a huge impact.

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The other thing that the horses do around those areas is trample over grasslands. I've been to areas where the grass should be about this high but it's actually flat. Some people would have seen this. It's not a paddock. It looks like a paddock; it's really flattened. What that does is it destroys the habitat of small marsupials like the broad-toothed rat and some other things like reptiles. They basically protect these animals through the winter because the snow comes onto this grass and it lifts it up. They actually live underneath it. They stay warm during winter as a result of this habitat. The loss of this habitat as a result of the horses is the thing that's driving them to extinction.

The CHAIR: We will break a little bit early for morning tea. Thank you, all.

(Short adjournment)

The CHAIR: Welcome back, all. Thank you. We will recommence and we will go straight to questions from the Opposition.

The Hon. WES FANG: I'm just going to return to what I was previously, talking about the brumbies. Minister, how are you planning on managing the carcass issue to ensure that you don't see an explosion of other species fuelled by the failure to remove a food source from the park?

The Hon. PENNY SHARPE: Well, there's a lot of work going into this. As happens already, there is a carcass management plan, which I could take you through if you really want to.

The Hon. WES FANG: No, no.

The Hon. PENNY SHARPE: But I'm sure you can deal with my officials later this afternoon. They can go into the detail of this. Of course, managing the carcasses is going to be very important. Horses are not small animals and we'll have to work through that. But the point that we're really—I suppose there are a couple of things to be aware of. The general process as a result of culling of animals all across the park is to leave them in situ. The differences here will be that they're not left in waterways or in streams but will be removed from areas where there's sort of high people traffic in relation to that. That means that they'll be moved out of the way. The carcass management plan, in terms of any impacts on the environment, is being done in conjunction with some advice from the EPA in relation to this. That's not required, but it's an important part of it.

The Hon. WES FANG: Yes. So—

The Hon. PENNY SHARPE: Sorry, I didn't get to the other pests. Do you want—

The Hon. WES FANG: No. It's all right. I'll come back to your bureaucrats later. In relation to the numbers, let's say—I know you talked about 14,000 to 20,000. Let's take the mid-point, as you sort of said—18,000, if we're going to go there.

The Hon. PENNY SHARPE: That's not a number that I use, but sure.

The Hon. WES FANG: No. I appreciate that, but I don't want to use the high side; I don't want to use the low side. So there's an average number of about 18,000 and, according to your numbers, which I'll say—

The Hon. PENNY SHARPE: I'm not using that.

The Hon. WES FANG: There's some dispute around the methodology.

The Hon. PENNY SHARPE: I use 14,000 to 20,000.

The Hon. WES FANG: Let's go 14,000 then, just to save any argument. Minister, how many are you planning to cull?

The Hon. PENNY SHARPE: Well, we need to work at it over time. Three thousand is around the number that's within the horse plan that we believe can be sustainably managed in the park, so getting to that number is the way in which the operations will occur.

The Hon. WES FANG: Yes, and obviously we're going to have some births. We're going to have some natural attrition. But let's just say, on average, that the numbers remain the same. Are you going to shoot 11,000 horses at least?

The Hon. PENNY SHARPE: Well, that—

The Hon. WES FANG: Eleven thousand?

The Hon. PENNY SHARPE: Well, it depends on how many there are, and the current count is being redone. I would indicate that there has been—

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The Hon. WES FANG: That's the low side, Minister.

The Hon. PENNY SHARPE: Yes.

The Hon. WES FANG: You could be shooting upwards of about 20,000 horses.

The Hon. PENNY SHARPE: Well, I don't know that because we haven't got the final numbers.

The Hon. WES FANG: And that's the point that we, I think, were making: With the methodology, there are some questions around that, which is why we had a parliamentary inquiry. Isn't that right?

The Hon. PENNY SHARPE: Are you going to let me answer your question or—

The Hon. WES FANG: Sure.

The Hon. PENNY SHARPE: There are a couple of things that I'd say about the numbers. Whether it's 14,000 or 20,000, 14,000 is too many and it's not the legislative target that we need to get to, to sustainably manage horses in the park. The second point that I would make is that if, over time—in relation to the breeding of the horses and the population that is there, the longer that we take to remove horses from the park, actually the more horses in the end will need to be culled. I think that's something that's really important to understand.

The Hon. WES FANG: Yes. So we're assuming that these numbers are right and that there are between 14,000 and 20,000—

The Hon. PENNY SHARPE: Well, that's not usually the position you take, Mr Fang.

The Hon. WES FANG: Well, no, it's not. I think that the methodology is wrong. I think that there's a reason why a number of members of the upper House were meeting with you to discuss the methodology, because there are questions around the methodology that's being employed. Minister, are you prepared to shoot upwards of 20,000 horses?

The Hon. PENNY SHARPE: I'm prepared to work carefully with National Parks for them to continue their programs—which includes rehoming, which includes ground shooting, which includes trapping—over time to reduce the number of horses. What we have done is we've allowed another method, another control method, which is aerial shooting, to be included as we reach the legislated targets of 3,000 by 2027.

The Hon. WES FANG: Yes. So, Minister, if we're to believe the numbers that you're presenting to us as the reason—

The Hon. PENNY SHARPE: Well, you're presenting the numbers to me.

The Hon. WES FANG: Minister, if we're believing the numbers that are presented as the reason why we have to employ aerial culling, you've indicated that the existing methods have already been in place, yet the numbers are increasing as per the published numbers from the National Parks and Wildlife Service.

The Hon. PENNY SHARPE: Yes. The animals are breeding.

The Hon. WES FANG: Yes. So, Minister, if your numbers are correct, you're going to have to shoot at least 20,000 horses, if not more, and yet the population is still going to see increases.

The Hon. PENNY SHARPE: Well—

The Hon. WES FANG: Do you understand how many horses 20,000 horses would be if you were to pile them up?

The Hon. PENNY SHARPE: These are your numbers. The point that I would make is I want to shoot—I want to reduce the number of the horses as quickly as possible so that actually we minimise the number of horses that need to be culled into the future. This is the point here. The longer we leave the population to continue to grow at the rate that it is, the more horses actually will need to be reduced over time. No-one wants to be shooting horses, including myself. I don't want to be here and having to do this, but this is the difficult decision that we've had to make. This is the difficult conversation we've had with the community in relation to this.

The Hon. WES FANG: Minister, I appreciate those. I'm going to have to redirect you because I've only got a short period of time. I'm really sorry.

The Hon. PENNY SHARPE: Sure, the point—but to go to your issue around the numbers, they're your numbers; they're not mine.

The Hon. WES FANG: You understand—well, they're the numbers that you've provided—14,000 to 20,000.

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The Hon. PENNY SHARPE: Well, no. I did not.

The Hon. WES FANG: Well—

The Hon. PENNY SHARPE: I've been very clear about the numbers.

The Hon. WES FANG: You've indicated that they're between 14,000 and 20,000—

The Hon. PENNY SHARPE: Yes.

The Hon. WES FANG: Yes, there's a count underway.

The Hon. PENNY SHARPE: And no good deed goes unpunished. If I was using the 18,000 number, you'd be saying that I'm lying about the numbers. I'm being very up-front about the counting—

The Hon. WES FANG: Well, Minister, I'm using—

The Hon. PENNY SHARPE: —and the range that it provides.

The Hon. WES FANG: —the numbers that you provided this Committee. Minister, why have you authorised an aerial cull to start next week when there is a parliamentary inquiry underway to look at the questions around the methodology that you've employed for the numbers of the horses?

The Hon. PENNY SHARPE: There's been a long discussion about the numbers of horses and the way in which they're controlled in Kosciuszko National Park. It started under Mr Barilaro and Mr Kean when we had the wild horse plan.

The Hon. WES FANG: I'm aware of the history, Minister. We were both there in the Parliament.

The Hon. PENNY SHARPE: Yes, very good.

The Hon. WES FANG: Why have you ignored parliamentary process? Why have you ignored the fact that there's an inquiry underway? Why are you seeking to start the cull before the inquiry has even had its first hearing?

The Hon. PENNY SHARPE: Are you going to let me finish?

The Hon. WES FANG: I'd like you to at least come directly to the answer.

The Hon. PENNY SHARPE: Well, are you going to not interrupt me?

The Hon. WES FANG: I don't need the history. I just need the answer.

The Hon. PENNY SHARPE: Yes. There's a parliamentary inquiry and, as a member of the upper House, you would know that I take all of those matters very seriously. The point that I would make in relation to this issue is that whether it was through the legislation, whether it was through the recent Senate inquiry that looked into this issue that had around 900 submissions, whether it was through the very open process that I undertook and, in consultation with the community and having input directly into whether aerial shooting should be allowed in the park, we received 11,002 submissions. Eighty-two per cent of those that addressed the aerial shooting issue were in support of this option as a control method.

The Hon. WES FANG: Have you published those submissions, Minister?

The Hon. PENNY SHARPE: I really welcome—I always welcome the upper House having an inquiry.

The Hon. WES FANG: Have you published the submissions, the 11,000? I'd like to see where they came from and what the contents are.

The Hon. PENNY SHARPE: We have provided a summary of submissions.

The Hon. WES FANG: Yes. I would like to see. You and I both know, Minister, that when you have inquiries, you can have special interest groups that can hijack these things. You met with the Invasive Species Council the day after you visited the Kosciuszko National Park, so there's been a lot of—

The Hon. PENNY SHARPE: There's no surprise about that, Mr Fang.

The Hon. WES FANG: There's been a lot of hand-in-glove work here, Minister, between you and other stakeholders. Minister, I would like to see those submissions. I would like to see how those numbers are broken down.

The Hon. PENNY SHARPE: So, Mr Fang, are you suggesting that—

The Hon. WES FANG: I would like to see if there are any form—

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The Hon. PENNY SHARPE: —you haven't been working with brumby groups in relation to this?

The Hon. WES FANG: Minister, I would like to see—

The Hon. PETER PRIMROSE: Point of order: I'm reluctant to do this. The honourable member can ask as many questions as he wishes—

The Hon. WES FANG: Well, I can't because I've only got limited time.

The Hon. PETER PRIMROSE: —but he can't answer them at the same time—

The Hon. PENNY SHARPE: Stop talking so you can get an answer.

The Hon. PETER PRIMROSE: —and then seek to redirect when the Minister is trying to respond over his constant interjections. Chair, I would simply ask that you ask him to act courteously as per the—

The Hon. WES FANG: Stop wasting my time, Peter.

The CHAIR: Come on. I think there is a real point there. You have a line of inquiry.

The Hon. WES FANG: Yes, Chair. Okay, I understand.

The CHAIR: Please let the Minister respond. Courtesy is expected.

The Hon. WES FANG: Thank you, Chair. Minister, you and I both understand that inquiries—when submissions are open, special interest groups can hijack that. Are you going to make—

The Hon. PENNY SHARPE: Are you suggesting that consultation is somehow hijacked by special interest groups?

The Hon. WES FANG: Minister, are you going to make those 11,000-plus submissions public so that the public can see who made the—what the submissions were made of, whether they were form submissions, or whether they were actually individuals making individual submissions?

The Hon. PENNY SHARPE: I'm happy to see how many of them we can publish. My understanding is that there is a number of form submissions which, rather than actually having to upload 11,000—

The Hon. WES FANG: So, Minister—

The Hon. PENNY SHARPE: Are you going to let me finish? Because I'm actually answering your question directly.

The Hon. WES FANG: All right.

The Hon. PENNY SHARPE: I'm keen for everyone to understand the community input that occurred as a result of this consultation. That's why we had it. There's already a summary of the submissions that are there. I'll talk to my department about making sure that we can make those available. There is nothing to hide here. There was a serious conversation with the community about the need to protect Kosciuszko National Park and that's what we've done. I am happy to look at it, but the point I would make is, I'm not making public servants load form letters in their thousands.

The Hon. WES FANG: I appreciate that, but you have used those numbers to defend your position. I want to see the validity behind those numbers.

The Hon. PENNY SHARPE: Sure.

The Hon. WES FANG: I am going to move on now to my other favourite topic of transmission lines. Minister, when did the Premier tell you that he was planning to ignore the parliamentary process that was underway and override your oversight of the HumeLink project? Did you advise the Premier that there was a parliamentary inquiry underway that was yet to report, which you yourself referred to the committee to investigate, when he ruled out undergrounding?

The Hon. PENNY SHARPE: The Premier is entitled to have a view about whatever he likes. He's the boss. That's why he's the Premier. The second point is that the discussion in relation to the need for speed in getting projects into the ground, of which transmission is becoming a challenging issue around the time frame that we need so that we can connect the renewables that we have to the grid—

The Hon. WES FANG: Minister, that's not directly answering my question. I'd ask you to stick to what it is I'm asking. I don't need the history. I understand all of that. Did the Premier tell you, before he went on 2GB and ruled out undergrounding, that he was going to do that?

The Hon. PENNY SHARPE: No.

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The Hon. WES FANG: No. So you learnt from a 2GB interview that undergrounding was off the table.

The Hon. PENNY SHARPE: No. You can try and verbal me in relation to this. The Premier and I have—

The Hon. WES FANG: I'm not verballing you, Minister. I am literally just trying to understand this.

The Hon. PENNY SHARPE: Are you going to let me answer the question? I'm trying to answer the question very openly. I have absolutely nothing to hide here. The Premier and I, you would be surprised to know, speak to each quite a lot about a number of issues.

The Hon. WES FANG: I've no doubt.

The Hon. PENNY SHARPE: I have raised with him, over a long period of time, since being in this job, the challenges that we face with the renewable energy transition—the real challenges around transmission and getting that right—and he's formed a view about that. He, of course, is absolutely aware of the parliamentary inquiry and is absolutely aware of my issues in relation to that. But I would go back to the beginning of this. He's the boss. He can do what he likes.

The Hon. WES FANG: Okay. That's great, Minister, but you're the person who actually referred that inquiry to the committee.

The Hon. PENNY SHARPE: I did, because I believe that these sorts of consultations are very important.

The Hon. WES FANG: So, Minister, is there a reason you chose the State development committee instead of one of the other portfolio committees or making a select committee? Is it because Labor has the majority on that committee and you could control the outcome of that inquiry because it was a Labor-dominated committee?

The Hon. PENNY SHARPE: No. There are number of committees. As you would be aware, there are many inquiries that are being undertaken. State and regional development committee has actually been a traditional one where these types of issues have been dealt with. It is predominantly affecting the regions. That's why I chose it. That's very standard practice.

The Hon. WES FANG: So it had nothing to do with the fact that it was one of the few Labor-dominated committees where you could control the outcome of that report, Minister?

The Hon. PENNY SHARPE: I remind you, Mr Fang, that the changes to the upper House committee system were actually undertaken in the previous Parliament where Labor, in opposition, chose to provide much more input for crossbenchers and others in relation to the kind of committee inquiries we undertake.

The Hon. WES FANG: That is all fantastic history, but you are ignoring the part of the question—

The Hon. PENNY SHARPE: I've answered the question. I chose that committee because they were the best people for the job. I want to thank Emily Suvaal, as the new chair, for the excellent work that she did in that committee.

The Hon. WES FANG: Did you not choose that committee because it was Labor-dominated and, therefore, you could control the outcome of that committee?

The Hon. PENNY SHARPE: I chose the committee because they were the best people to do it.

The Hon. WES FANG: Are you aware that all the Labor members voted in unison to block all the amendments to the report?

The Hon. WES FANG: I'm not sure that you're supposed to tell me or actually provide—

The Hon. WES FANG: No, it's published in the back of the minutes.

The Hon. PENNY SHARPE: Just to be clear, if you're revealing the deliberations that occurred in relation to the committee—

The Hon. WES FANG: It's in the minutes of the report.

The Hon. PENNY SHARPE: That part of it, no. But I'm not surprised. You would be surprised to learn that Labor members actually share values and ideas in relation to these matters, and I'm not surprised at all. But I would warn you about revealing the deliberations of what happens in committee meetings.

The Hon. WES FANG: I am simply directing members to view the minutes that are contained in the report.

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The Hon. PENNY SHARPE: No, I'm not surprised at all.

The Hon. WES FANG: Are you not surprised at all?

The Hon. PENNY SHARPE: No.

The Hon. WES FANG: Are you aware how much that inquiry cost?

The Hon. PENNY SHARPE: No.

The Hon. WES FANG: Do you know there were charter flights down to Wagga and then to Armidale and to Deniliquin?

The Hon. PENNY SHARPE: I'm sorry, but didn't you actually ask for onsite visits in relation to those inquiries, or are you saying you didn't want them to go and talk to affected communities?

The Hon. WES FANG: No. You committed to Dr Joe McGirr that you would visit Wagga, and the Deniliquin one was promised to Helen Dalton by your office.

The Hon. PENNY SHARPE: Sorry, I don't understand what the allegation is here.

The Hon. ANTHONY D'ADAM: Point of order: The question goes to the operations of the Legislative Council committee system.

The Hon. WES FANG: If the Minister doesn't know, she can just answer that.

The Hon. ANTHONY D'ADAM: That is a question that's appropriately directed—

The Hon. WES FANG: Stop wasting my time, Anthony.

The CHAIR: Excuse me, please. Mr Fang, we will hear the point of order. I can hear where we're going, about the Legislature.

The Hon. ANTHONY D'ADAM: That is a question appropriately directed to the Clerk of the Legislative Council or President of the Legislative Council in the appropriate estimates hearing, when that occurs.

The Hon. WES FANG: Stop wasting my time.

The Hon. ANTHONY D'ADAM: That question is therefore out of order and out of scope.

The Hon. MARK BUTTIGIEG: Stop being Wes, and go back to sensible.

The CHAIR: I would ask the member to keep your questions absolutely relevant to this inquiry, to this Minister and to this set of hearings under this committee, which is budget estimates, and if you do have concerns about the legislative process, for the upper House inquiry.

The Hon. WES FANG: Chair, I asked the Minister was she aware. She said she didn't know. That's fine. That's the answer.

The CHAIR: Thank you. Moving on.

The Hon. WES FANG: That was an appropriate question.

The CHAIR: Moving on, Mr Fang.

The Hon. PENNY SHARPE: Then you tried to verbal and made a whole lot of other allegations, but that's a matter for you. What's the next question?

The CHAIR: Moving on.

The Hon. WES FANG: Minister, I'm asking you, do you appreciate how much work went into that inquiry?

The Hon. PENNY SHARPE: Yes.

The Hon. WES FANG: Given that you already seem to have formed a view—the Premier was already ruling out undergrounding before the inquiry had even finished reporting—didn't you waste taxpayers' money by referring that committee to a Labor-dominated LC committee? You already had the answer because the Premier was already indicating that undergrounding was ruled out, and you then blocked the amendments using your Labor numbers for that report. Didn't you waste taxpayers' money?

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The Hon. PENNY SHARPE: If you're worried about taxpayers' money, I'm not sure why you've worked with The Greens to establish yet another committee to look into the same issue that was thoroughly canvassed in the first one.

The Hon. WES FANG: That probably is the point, isn't it? We were so aggrieved as to how much of an abuse of process that committee was, that you've got two completely different groups uniting to re-establish the committee because it was such a sham. Are you aware of how much money you wasted in that committee process by referring it to a committee that you dominated so that you could have the outcome that you wanted?

The Hon. ANTHONY D'ADAM: Point of order: You've just referred to a committee process of the Legislative Council as a sham. That's a direct criticism of that process and of the members who were involved in that inquiry, and that's not an appropriate—

The Hon. WES FANG: Stop wasting time, Anthony.

The Hon. ANTHONY D'ADAM: You are reflecting on Parliament and reflecting on those members, and that is not appropriate for this forum.

The Hon. WES FANG: No, I'm reflecting on the Minister and the wasting of taxpayers' money.

The CHAIR: Okay, that's enough. Thanks everyone. We are moving on.

The Hon. NATALIE WARD: There are a couple of things I want to come back to, Minister. In relation to privatisation, I think you'd indicated earlier that you inherited some problems because of privatisation, but wouldn't you agree the vast bulk of the generator privatisation was, in fact, undertaken under Labor's Gentrader transaction? That's right, isn't it?

The Hon. PENNY SHARPE: I think I was pretty up-front with Ms Boyd when she asked me about this before.

The Hon. NATALIE WARD: But that's the case.

The Hon. PENNY SHARPE: Some of it was undertaken, yes. But it was completed by your Government, who doubled down across all of it. I can take you through all of the privatisation, if you'd like.

The Hon. NATALIE WARD: No, that's okay. Just the vast bulk was undertaken under you.

The Hon. PENNY SHARPE: I would also point out that I'm being very up-front.

The Hon. NATALIE WARD: I have only got a minute.

The Hon. PENNY SHARPE: Okay. I'll let you go on.

The Hon. NATALIE WARD: I want to come back to the energy check-up report. We spoke about that earlier. I just wanted to clarify that that is, in fact, on your website and not on the planning department's website. I know you're going to come back with that information, but that would be helpful.

The Hon. PENNY SHARPE: I'm happy to chase that up.

The Hon. NATALIE WARD: Do you agree that you don't have a 2035 target?

The Hon. PENNY SHARPE: No, the New South Wales Government currently has one, because there's a regulation in place.

The Hon. NATALIE WARD: Yes. So you say your bill doesn't abandon the 2035 target?

The Hon. PENNY SHARPE: Not at this point, no.

The Hon. NATALIE WARD: But you won't accept an amendment to insert that target explicitly in your bill. Am I correct in understanding that?

The Hon. PENNY SHARPE: Let's say that I've spoken to the shadow Ministers in relation to this. I've spoken to the Opposition. I've also spoken to The Greens in relation to this bill. There's a parliamentary inquiry that's being undertaken.

The Hon. NATALIE WARD: Yes, I know. Will you accept amendments?

The Hon. PENNY SHARPE: If people have amendments that they want to put forward at the end of the parliamentary inquiry, I'm all ears and happy to work with people. The thing that's most important is that we have the opportunity for bipartisanship and tripartisanship in relation to the action of that.

The Hon. NATALIE WARD: Which is what we're after.

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The Hon. PENNY SHARPE: And I'm saying to you, the parliamentary inquiry is there. I am liaising with the shadow Ministers in relation to this, and I'm happy to continue to do so.

The Hon. NATALIE WARD: You say you've got the target and you say it doesn't abandon it, but you are not prepared to commit today to explicitly including that in the bill.

The Hon. PENNY SHARPE: I am committing to ongoing discussions, I am committing to not repealing the reg and I am committing to actually getting this right.

The Hon. NATALIE WARD: Well, keep talking. Thank you. I might have to come back to this. Sorry, can I clarify one more thing? If that amendment does get through, will you keep the bill or will you dump the bill?

The Hon. PENNY SHARPE: I probably would need to go to the anticipation rule in relation to Parliament. I'm happy to talk on the way through—

The Hon. NATALIE WARD: I think it's a fairly important point.

The Hon. PENNY SHARPE: That's fine, and I understand the point you are making, but I'm just saying, we're working through those issues and will continue to do so. I just can't foresee how this is going to go into the future, but I am committed, as I always have been, to working across the Parliament with people who want to take serious action on climate change and who want to make sure that New South Wales is ambitious and that we meet our responsibilities to reduce greenhouse gases and to decarbonise our energy. I am working with anyone who wants to do that.

The Hon. NATALIE WARD: We'll come back to the amendment. Thank you.

The Hon. WES FANG: Minister, can I get a commitment from you that you'll ensure that Transgrid does not commence construction of the HumeLink before the new parliamentary inquiry has been able to deliver its report?

The Hon. PENNY SHARPE: No. I won't make that commitment, because I'm not able to make that commitment, because Transgrid was privatised under you.

The Hon. WES FANG: Minister, are you saying you will not make representations to Transgrid to—

The CHAIR: Thank you, Mr Fang. Minister, can I just turn to the issue of forests, the public forest estate and forestry regulation? How do you currently reconcile, as Minister for the Environment, protecting koala habitat within the Great Koala National Park with special measures and not protecting high-use koala areas elsewhere across the public native forest estate outside the Great Koala National Park?

The Hon. PENNY SHARPE: I think we're going to have a long conversation about this, and I welcome it. The point that I would make is, obviously, some of this issue is within my remit. I'm not responsible for State forests nor the direction of them. If we can just start from that point of view—

The CHAIR: Just on that, Minister, I accept that's the starting point, but you are a Minister with a joint signatory to the arrangements, and you are the Minister responsible for—

The Hon. PENNY SHARPE: And I take them very seriously, but Forestry Corp is not an organisation that I can direct—just to be clear about that. I think the discussion around how we have a sustainable forestry industry has been one that's been going for decades and that there are different views in relation to how sustainable that is or not. What I do know is that, both under the previous governments and governments before, what we currently have is a set of rules that are in place around, basically, legally requiring close attention to the management of forests as they're being harvested and their impact on threatened species and others.

The CHAIR: Can I just take you to the question, though, Minister? You have introduced—and we absolutely welcome the introduction—tighter regulation in certain areas of the public forest estate in relation to koalas. How do we reconcile the inconsistency within those areas to the rest? If koalas are worth protecting more in some areas, why not others on the public forest estate?

The Hon. PENNY SHARPE: I'm sure you'll have a longer conversation with Mr Chappel this afternoon in relation to this. Our very clear commitment is around the Great Koala National Park. There's an intention to assess all of those areas as we go through the process of establishing the park. As you are well aware, there's community concern around what is occurring in the park as we work through that process. That's been the priority of what we're doing. There's ongoing discussions between the EPA and other agencies in relation to the management of forests and their impact. That's the current policy settings, and they're the ones that I work with.

The CHAIR: Outside of the Great Koala National Park as well?

The Hon. PENNY SHARPE: Yes.

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The CHAIR: Thank you. Are you aware that the Natural Resources Commission wound back the koala prescriptions in 2018, during the remake of the coastal integrated forestry operations approval, and that was against the advice and the position of the EPA and that the NRC came in to arbitrate the dispute between Forestry Corporation and the EPA and leant in favour of the Forestry Corporation, to prioritise wood supply over the protection of koalas?

The Hon. PENNY SHARPE: I'm aware of some of the detail of that. The NRC is, obviously, not one of my agencies, and this was in the previous Parliament, under the previous Government, so I can't really speak to the ins and outs of that, nor would that be appropriate. The NRC has also done other work you and I are both well aware of, in terms of the impact of fires, that the previous Government just refused to publish and that we published through one of our inquiries. The short answer is I'm not aware of the details. It was under the previous Government. The point that I would make, in terms of this Government, is my expectation that everyone follows the rules, that the EPA does its work and that, if people don't follow the rules, there are consequences for that.

The CHAIR: Is the NRC going to have a role in the creation of the Great Koala National Park?

The Hon. PENNY SHARPE: I'd need to take on notice the detail of that in terms of how exactly they—there's an interdepartmental committee, and there's different works.

The CHAIR: I would like the answer about the NRC.

The Hon. PENNY SHARPE: I'm really happy to share it with you.

The CHAIR: Are you aware of how much contest there is, by the EPA, to the credibility, the reliability and the use of the NRC's koala research work and the impacts of logging on koalas?

The Hon. PENNY SHARPE: No, not the detail of that. Again, I'm aware of some of the things that you're talking about, but the actual ins and outs of that, I'm not aware of, no. But I'm happy to find out and provide you with more information.

The CHAIR: Thank you. As you said earlier, Minister, in relation to the protected area network, these are very valuable public assets, and the public forest estate is part of the very valuable assets, and they are intergenerational assets.

The Hon. PENNY SHARPE: Can I just pick you up on that. One of the other commitments that we've got and that we're starting work on is the 30-year establishment plan for national parks into the future. This is something that the previous Government did a draft of in 2017, then sat on the shelf. This long-term work about how we knit together protected areas is something that is extremely important to me. We need to work—in the best will in the world, national parks are around 10 per cent of the land mass. Seventy per cent is in private hands. We've got the forestry estate, and we've got the massive Crown lands. We've also got a significant amount of Aboriginal land.

I think one of the great challenges for us as we're dealing with the biodiversity crisis is how we can use the levers of government to work across tenure to protect ecosystems through corridors and that kind of work. It's something that I talk to my agencies a lot about, as we're looking at the Biodiversity Conservation Act review. Those are the kind of things that I really want us to test and be ambitious about, those things all working together. So I accept the premise of what you're saying about how important all these issues are. We have to, in government, work through those. I think things like the BCA review, the work that we're doing around the establishment plan for new protected areas, the work that we're working hand in glove with the Commonwealth about, around the international commitments—all of that comes together to try and turn around what we find ourselves with now.

The CHAIR: It's very promising. I would put to you, Minister, that one quick thing we could do is literally protect the entire public forest estate and increase by at least 1.82 per cent the protected area network, and it would be beneficial.

The Hon. PENNY SHARPE: Can I just give you an update on the NRC thing? Someone's just given me some good information. They're actually not on the interdepartmental committee. They may be engaged at some point. But at this point, I suppose, the inputs that they've had to date will feed into the process.

The CHAIR: Can I suggest that you be very warned, Minister, that the NRC's work in relation to the koala studies and the impacts of logging on koalas is challenged quite deeply by the EPA and its—

The Hon. PENNY SHARPE: Can I also just say on that, though—I do want to say this. Over time, I have benefitted from the work of the NRC in terms of all of the work that they do.

The CHAIR: No contest, Minister.

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The Hon. PENNY SHARPE: I really just want to flag that sometimes they come up with things that people don't like. I would rather lean into the important work that they do across the whole body of their work and understand that sometimes they're going to agree and sometimes they don't. But the rigour of their work is something that I wouldn't want the Committee to think in any way is problematic. I think they do incredibly important work.

The CHAIR: Minister, I strongly suggest that the documents that we have, that are held by the Parliament and have been tabled, strongly suggest that their work in relation to koalas—

The Hon. PENNY SHARPE: On this matter, yes.

The CHAIR: On this matter—is work that should be seriously questioned. That's my point.

The Hon. PENNY SHARPE: Sure. But I think the point—

The CHAIR: But the work they did after the fires was exceptional, and we know that.

The Hon. PENNY SHARPE: This is what I mean. I just think we're just a bit—you can have concerns, and my agencies in the past have had concerns with that work. But that's part of the process, and I think we shouldn't elevate that to being a strong criticism of the NRC. In my view, they do incredibly good work.

The CHAIR: Minister, I think the issue is we are coming to that very thin edge of the contest of every single tree on the public forest estate right now, between that that will be logged and that that will be the key to the survival and non-extinction of certain species, and that's why it's really important that we analyse with rigour every single thing the NRC does.

The Hon. PENNY SHARPE: Sure. No quibbling from me about that.

The CHAIR: With the protection of the koala hubs that were excluded from logging now, under the new arrangements, what enforceable mechanism are we doing? Did we amend the CIFOAs? Or did we change the protocols? Are they site-specific operating conditions? Or is it all voluntary?

The Hon. PENNY SHARPE: I might get Mr Chappel to take you through that. There have been directions.

The CHAIR: I can do that with Mr Chappel later. Can I ask you, Minister—

The Hon. PENNY SHARPE: Just to be clear, this is an incredibly important step forward. In those forests where those very important koala hubs are, this is the first time that the Government has taken strong action to ensure that harvesting is not undertaken in that process. That is a step forward. I understand that people wanted it to be wider and that they'd rather that we stopped it altogether, but the point that I'm making is that this is incredibly important. We can take you through the details of the mechanisms and the way in which the EPA is using it. But the point that I would say is there is no logging being undertaken in those areas and nor should there be. They take up 5 per cent of the assessment area.

The CHAIR: It is 4.7.

The Hon. PENNY SHARPE: Yes, I understand that. They cover 42 per cent of a lot of the sightings. I understand that people want more than that, but it's an important step forward.

The CHAIR: I think it's that koalas need more than that. I think that's the genuine consideration.

The Hon. PENNY SHARPE: Sure.

The Hon. TANIA MIHAILUK: Minister, I wanted to ask you a couple of questions in relation to the offshore wind farms. I've already had some discussions with you in Parliament in regard to that. There was a rally on 7 October in Port Stephens. There was also a rally on the weekend in Wollongong, on the 29th. There are now two proposals, both up in the Port Stephens area, covering Swansea up to Port Stephens—an over 1,800 square kilometre proposal for a wind factory.

The Hon. PENNY SHARPE: When you say "two proposals", what do you mean by that?

The Hon. TANIA MIHAILUK: There's a second proposal in the Illawarra. My apologies. I'm referring to the Illawarra proposal as well. The rally on Sunday was specifically in relation to residents opposing the Illawarra offshore wind zone. I'd like you to clarify: Why is it that you or your department are not prepared to make a submission? You haven't made a submission in relation to the Hunter offshore wind zone. I'm interested to know, are you going to make a submission? The due date has been extended now, from 16 October to 15 November. Will you make a submission on behalf of the people of New South Wales in respect to the Illawarra offshore wind zone?

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The Hon. PENNY SHARPE: My officials might step in if I say the wrong thing.

The Hon. TANIA MIHAILUK: You can direct them.

The Hon. PENNY SHARPE: No. Just to be clear, my understanding is that we're not planning on making a submission in relation to that. We're obviously having conversations about that. I have spoken with Minister Bowen about these issues. Whether there's a formal submission or not—I don't believe we are planning on doing that. I'm just looking at my officials.

The Hon. TANIA MIHAILUK: Have you done any separate studies?

The Hon. PENNY SHARPE: Sorry, we're just finding out, just to clarify.

The Hon. TANIA MIHAILUK: Whether you've done a submission or not—is that what you're clarifying? Minister, while the gentleman is looking, my concern is that the South Australian Government came out very strongly on 29 August, making it clear that they were going to oppose the proposal by Bowen for a Southern Ocean offshore wind zone along the South Australian border. They have made it clear what grounds. They've said they're concerned about the marine life, the ecosystems there, the animal life there and the potential damage to the environment and, indeed, to the fishery industry, the tourism industry and the commercial fishery industry, specifically. They clearly made their own separate evaluation to reach that point. What evaluations or studies has your department undertaken with respect to the Hunter offshore wind zone and now with respect to the Illawarra of offshore wind zone?

The Hon. PENNY SHARPE: I can provide you with a little more information, which is that there was a submission made in November 2022, which is obviously prior to the election, around the initial—

The Hon. TANIA MIHAILUK: That's not you or your department.

The Hon. PENNY SHARPE: No, that's right. And there is a submission process for the applications for licences, which closes in November. I'm just getting clarity. I think that it might be the case that there is going to be a submission. I don't want to mislead you.

The Hon. TANIA MIHAILUK: Given that the South Australian Government has undertaken their own separate studies—

The Hon. PENNY SHARPE: That's not the approach they've taken.

The Hon. TANIA MIHAILUK: You've decided not to take any separate studies. You've got a whole department at your perusal, Minister, and you don't see the need to be clear, in your mind, that there won't be the type of damage. The South Australian Government is clearly concerned about marine life damage and damage to the environment there along the coast as a result of what has been proposed by Bowen. You're not equally concerned that there will be the same damage along the Illawarra coastline and in Port Stephens?

The Hon. PENNY SHARPE: I'm concerned about all environment impact. I'm the environment Minister as well as the energy Minister and climate change Minister.

The Hon. TANIA MIHAILUK: Of course. Absolutely.

The Hon. PENNY SHARPE: I'm concerned about all that. But we have different processes in different States. South Australia, again, can make their own decisions in relation to this. There is a process being worked through federally, and we are having input into that. I'm sure that my officials can take you through more of that this afternoon.

The Hon. TANIA MIHAILUK: Minister, has the member for Port Stephens approached you about this?

The Hon. PENNY SHARPE: In what—

The Hon. TANIA MIHAILUK: Has she approached you about the Hunter offshore wind zone? Has she had any discussions with you?

The Hon. PENNY SHARPE: MPs talk to me about all of these issues. Yes, of course she has talked to me about it.

The Hon. TANIA MIHAILUK: Has she raised concerns? Is she supportive of the project?

The Hon. PENNY SHARPE: I'm not going to verbal her. You'd need to ask her. The point that I would say is that she is a very good local member who is very in tune with her local community. She's aware of the concerns within her community, and she has articulated those to me.

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The Hon. TANIA MIHAILUK: Have any of the Labor MPs in the Illawarra approached you about the offshore wind zone?

The Hon. PENNY SHARPE: Again, I speak to my local colleagues all the time.

The Hon. TANIA MIHAILUK: Specifically about this.

The Hon. PENNY SHARPE: Sure. If you let me finish, I'll answer the question. Yes, MPs have raised this with me—both questions and concerns, some more positive than others, and others just saying, "How are we managing that?"

The Hon. TANIA MIHAILUK: They haven't asked you or your department to instigate your own separate study to confirm whether you would support or not support—or you're indicating you're supporting Bowen? You're supporting the offshore wind zones?

The Hon. PENNY SHARPE: No, what I've indicated is that offshore is an opportunity in the challenges that we've got with getting to renewable energy and the future impact in New South Wales. It is not something that I want to just rule out, out of hand. I would make the point that offshore wind has a long way to go—

The Hon. TANIA MIHAILUK: When will you make your decision, then, Minister? You've just said to me there are no studies. You're not undertaking any separate studies.

The Hon. PENNY SHARPE: No, I think I've just said to you that there have been some submissions made, which means that there has been some study—

The Hon. TANIA MIHAILUK: From the last Government—from the Coalition Government—in November last year.

The Hon. PENNY SHARPE: Yes. If you let me finish—and I believe that there is other work that is being undertaken, which I'm happy for the secretary to take you through if you'd like to. I'm not aware—

The Hon. TANIA MIHAILUK: I'll ask him in the afternoon.

The Hon. PENNY SHARPE: Well, that's what I'm saying. Don't say that there's nothing happening. There is something happening. I'm trying to provide information to you in relation to the issues that have been raised.

The Hon. TANIA MIHAILUK: I'm asking whether you're going to make the submission by 15 November. Residents have been invited to make submissions by 15 November with respect to the Illawarra.

The Hon. PENNY SHARPE: I'm getting that information. I'm not aware about where we're up to, but I think the answer is yes.

KIERSTEN FISHBURN: The department is compiling responses from across the different agencies. The submission has not yet been made, and obviously we'll discuss that with the Minister's office.

The Hon. TANIA MIHAILUK: It will be made public, of course, won't it?

KIERSTEN FISHBURN: That's a decision for the Minister and the Commonwealth.

The Hon. PENNY SHARPE: It's also a decision for the Commonwealth.

The Hon. TANIA MIHAILUK: You'll make it public, won't you? It affects thousands of residents down in the Illawarra.

The Hon. PENNY SHARPE: I'm waiting to see it. I haven't seen it. My general default position is that if we can make these things public, we do. But I would also make the point that some of the matters are matters for the Commonwealth in relation to what they do, and I cannot speak on behalf of the Commonwealth in terms of the way that they wish to treat Government submissions.

The Hon. TANIA MIHAILUK: No, but the New South Wales Government will have to play a big role here because obviously—

The Hon. PENNY SHARPE: If it ends up proceeding, yes.

The Hon. TANIA MIHAILUK: If it proceeds, you'll end up having full carriage of the onshore component, in relation to transmission lines and so forth.

The Hon. PENNY SHARPE: There's a lot of work that would need to be undertaken. We're a long way from there.

The Hon. TANIA MIHAILUK: And you'll have to undertake your own separate studies.

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The Hon. PENNY SHARPE: Of course we would do that work. Let's understand: Anything that then becomes an issue for onshore becomes part of our planning system with a very rigorous EIS process that would need to be worked through. We're a long way from that.

The Hon. TANIA MIHAILUK: I'm interested to know, Minister: You're very concerned about the Kosciuszko National Park. You've jumped to protect that park.

The Hon. PENNY SHARPE: I am concerned about many things.

The Hon. TANIA MIHAILUK: I don't see the same interest with the marine life and the beautiful, pristine coastline of both the Illawarra and Port Stephens.

The Hon. PENNY SHARPE: I'm sorry that you don't see that. I think my agencies and the MPs would understand that I take all of the roles that I have and all of the hats that I wear extremely seriously.

The Hon. TANIA MIHAILUK: Minister, you are also the Minister for Heritage?

The Hon. PENNY SHARPE: Yes.

The Hon. TANIA MIHAILUK: Have you undertaken any interim heritage orders since becoming Minister?

The Hon. PENNY SHARPE: No.

The Hon. TANIA MIHAILUK: But, obviously, you're cognisant of your powers under section 24 and 25 of the Act?

The Hon. PENNY SHARPE: I am.

The Hon. TANIA MIHAILUK: Very good. The City of Sydney Council moved a motion on 23 October to review 25 statues. It will "undertake a review of public statues in the City of Sydney and, in consultation with local and State historical and cultural institutions, the City's Aboriginal and Torres Strait Islander and Public Art Advisory Panels and the Metropolitan Local Aboriginal Land Council, introduce alternate plaques, signage or other additions". Have you taken an interest in what has been proposed at the City of Sydney Council?

The Hon. PENNY SHARPE: I read the media report. That's all I'm aware of. In terms of my responsibility—

The Hon. TANIA MIHAILUK: Has the council approached you as the Minister for Heritage?

The Hon. PENNY SHARPE: I don't believe so, no. But I'll check and confirm.

The Hon. TANIA MIHAILUK: Should they intend on altering these statues in any way, as is being suggested by this motion, which was passed unanimously by that council, will you consider an interim order to protect the statues? We're talking about James Cook. We're talking about Queen Victoria—significant statues of value for the history of the people of New South Wales and, indeed, our nation. Sadly, they're all in the City of Sydney Council, but you do have the power under the Act to intervene with an interim order to prevent any alterations.

The Hon. PENNY SHARPE: There's a lot in that question. What I would say is the following: It's a matter for the council in relation to their matters and whether they actually have local listing or not. If they don't have State Heritage listing, I do not have power over them. I'm not sure which of those statues do have and whether they do—I'm happy to provide that information—so that would be where I would have a role in relation to that. I don't believe that the City of Sydney has contacted my office.

The Hon. TANIA MIHAILUK: You can use section 25 and section 24.

The Hon. PENNY SHARPE: Yes, in terms of the application. Yes, that's true, but I—

The Hon. TANIA MIHAILUK: Section 25 specifically in relation to councils, to make those orders.

The Hon. PENNY SHARPE: Yes. I'm not aware of whether people would be seeking to do that. I also act on advice from the New South Wales Heritage Council. If there was an application, we'd examine them in the normal way. The other point that I make, though—

The Hon. TANIA MIHAILUK: They're conducting their own review, separately to their own council, Minister. It seems to me this council is operating separate from your heritage advisory council, so they're working separately.

The Hon. PENNY SHARPE: Yes, there is a range of levels that the Heritage Act operates under.

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The Hon. TANIA MIHAILUK: Will you now intervene and seek some information about what City of Sydney council is proposing to do with those 25 statues?

The Hon. PENNY SHARPE: If they're not on the State Heritage Register, these are not things that are mostly in my remit. I accept that I have some role in relation to these. You can take it up with my officials, and Mr Kidman, I'm sure, could take you through the details this afternoon. But the point that I would make here is if they're not on the State Heritage Register—and I have no idea whether they are or not—there are different rules in relation to how we would deal with those. I think we're a long way from that. You've given me a lot of information today. Other than the media report, that's all I'm aware of.

The Hon. TANIA MIHAILUK: They've clearly indicated they're going to rewrite history here in the City of Sydney council, Minister, so it does require your intervention.

The CHAIR: We're back to Opposition questions.

The Hon. NATALIE WARD: Welcome back, Minister. Can I talk about the Local Land Services review? Recommendation 4.2 of the Local Land Services review calls for the expansion of incentives to landholders to "enhance native vegetation through a nature positive approach". Do you agree with that recommendation?

The Hon. PENNY SHARPE: As I said to you, these were two reviews that we inherited from the previous Government. They were undertaken and started—and finished, really—in June, which was as a result of what was required under the previous Government. Our response is working through in a whole-of-government way. We're not saying yes or no to the individual recommendations in relation to that. We're working through that, and next year we'll have the Government response.

The Hon. NATALIE WARD: Given it is a recommendation of the review, I'm interested in why you deferred for four years the nature positive farming program, which would have achieved those outcomes.

The Hon. PENNY SHARPE: It's for exactly that reason, which is that this had not been undertaken. Some of the ways that we're looking at how we can manage that—I don't know whether you were here when I was talking to Ms Higginson before about my desire to really work across land tenures and work very closely with private landholders. Yes, we've deferred that, because part of that work will be undertaken as a result of the outcomes of the review that we've got.

The Hon. NATALIE WARD: While the review is being undertaken and the Government formulates a response, and then you get time, this work could have been undertaken during that time. If you're not spending the \$200 million set aside for that program, where are you spending those funds?

The Hon. PENNY SHARPE: I'd have to take that on notice and come back to you.

The Hon. NATALIE WARD: Prior to your decision to delay the \$206.2 million nature positive farming program, did the Minister for Agriculture make any representations to you to keep that program?

The Hon. PENNY SHARPE: No, I don't believe so. Some of those decisions were taken as a result of actually dealing with the budget that we inherited. We have had to make some pretty tough decisions in relation to the budget. I inherited a situation where 85 biodiversity officers were about to lose their jobs in June. We've had a range of issues in dealing with that.

The Hon. NATALIE WARD: Sure. I might just redirect you—

The Hon. PENNY SHARPE: As we've worked through the budget process, we've made some decisions. The deferral of that program is also a result of what we're doing around biodiversity conservation laws, and we're working through that.

The Hon. NATALIE WARD: Minister, my question was quite specific. Did the Minister for Agriculture make any representations to you to keep that program?

The Hon. PENNY SHARPE: Not that I'm aware of, but I will check.

The Hon. NATALIE WARD: Thank you. Was she consulted on your decision to delay the program?

The Hon. PENNY SHARPE: You had Minister Moriarty yesterday. Did you ask her these questions herself?

The Hon. WES FANG: She wasn't yesterday; she was last week.

The Hon. NATALIE WARD: I'm asking you.

The Hon. PENNY SHARPE: Whenever it was, you've had an opportunity to ask her.

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The Hon. WES FANG: We had no answers from her, so it was a bit hard.

The Hon. PENNY SHARPE: Well, don't be rude about that.

The Hon. NATALIE WARD: I am asking you if she was consulted.

The Hon. PENNY SHARPE: I don't know. I'd have to take it on notice.

The Hon. NATALIE WARD: So ERC decides, essentially, and the agriculture Minister doesn't have a say. It is a financial decision.

The Hon. PENNY SHARPE: No, like normally, there are grants programs that sit within each portfolio that you have a direct input into. This one sits within mine. The decisions made through the budget process were mine, and I stand by them.

The Hon. NATALIE WARD: So the agriculture Minister didn't bother to make a representation on that? She didn't contact you? No-one was concerned about it?

The Hon. PENNY SHARPE: No, I'm going to take that on notice. I'm not aware of that. But I would also just say, I know this "What did you say, and who did you do it to?" I've been there; I've sat there. For 12 years I sat there and asked these kinds of questions.

The Hon. NATALIE WARD: I know you did.

The Hon. PENNY SHARPE: But the point that I'd make is that I speak to the Minister for Agriculture, and Minister for Regional New South Wales, all the time. We have so many areas that we are working jointly on, and we have a range of different things.

The Hon. NATALIE WARD: I'm sure you do, thank you.

The Hon. PENNY SHARPE: The other thing that I would say is that I also wouldn't make it my practice to reveal conversations that I have had with my colleagues on a range of issues.

The Hon. NATALIE WARD: But this one is very clear, about a program that was cut, that was in place, and farmers are left out in the cold.

The Hon. PENNY SHARPE: It's not cut; it's been deferred.

The Hon. NATALIE WARD: Really?

The Hon. PENNY SHARPE: Yes, really.

The Hon. NATALIE WARD: Farmers have an opportunity to avail themselves of this program?

The Hon. PENNY SHARPE: Can I also say that NSW Farmers had some pretty big concerns about that department.

The Hon. NATALIE WARD: What's the difference between "deferred" and "cut"? The money is not being spent.

The Hon. PENNY SHARPE: We can argue backwards and forwards in relation to this. I've answered the question. It hasn't been cut; it's been deferred.

The Hon. NATALIE WARD: When you met with NSW Farmers in May and September of this year with the Minister for Agriculture, did you let them know at that time that you would be delaying that program?

The Hon. PENNY SHARPE: I can't recall that, only because—and, again, a couple of ground rules if you want to interrogate me about the meetings that I have with stakeholders. The first is we talk about a range of matters, some of them very sensitive and some of them that I'm not planning on putting on the public record through this hearing. The second thing, and the message that I have said, is I've had a good relationship with NSW Farmers for a very long time. I work on the basis of no surprises when we're talking about issues.

The Hon. NATALIE WARD: So were they surprised?

The Hon. PENNY SHARPE: I'm very open about the decisions that were being made.

The Hon. NATALIE WARD: You had a meeting with them—

The Hon. PENNY SHARPE: The other point that—

The Hon. NATALIE WARD: I need to move on.

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The Hon. PENNY SHARPE: To round this out, I don't believe I told them about the status of that. The reason for that is that we were going through an ERC process, which is a Cabinet process. I'm not able to share that with people.

The Hon. NATALIE WARD: Thank you. You've answered the question, and I appreciate that. So you didn't tell them?

The Hon. PENNY SHARPE: I don't believe so.

The Hon. NATALIE WARD: When you recently introduced your climate change bill, you took a moment in your second reading speech to specifically acknowledge the impact of climate change on farmers. How do you reconcile those words with the fact that you are delaying a \$200 million program that would help farmers improve the biodiversity on their land? Isn't that just hypocrisy? You say you care about farmers in your speech, but you're cutting programs to help fund them.

The Hon. PENNY SHARPE: I think that if you asked the NSW Farmers, I think that they would say that we've had—

The Hon. NATALIE WARD: No, I'm asking you.

The Hon. PENNY SHARPE: If you'd let me finish, that would be great. We're doing a lot of work with farmers in a whole range of areas, including the Biodiversity Conservation Trust, and working with landowners. We also invested \$59 million into Landcare, which is something that your Government refused to actually sign up to prior to the election.

The Hon. NATALIE WARD: I will redirect you, Minister.

The Hon. PENNY SHARPE: No, let's be clear: We're talking about what we're doing with farmers. I know you don't like it—

The Hon. NATALIE WARD: No, you're talking about a different program now.

The Hon. PENNY SHARPE: —but we supported the most successful land conservation volunteer effort, through Landcare.

The Hon. NATALIE WARD: But you are now not answering the question, so I will respectfully divert you back, because I have limited time and I know you're aware of that.

The Hon. PENNY SHARPE: Sure, but don't verbal me around my relationships with stakeholders, which I take very seriously.

The Hon. NATALIE WARD: You were saying one thing in your second reading speech, and you are doing quite another when it comes to funding for that program.

The Hon. PENNY SHARPE: I disagree.

The Hon. NATALIE WARD: Well, the facts are the facts. They don't reconcile.

The Hon. PENNY SHARPE: They're your facts.

The Hon. NATALIE WARD: They don't go hand in hand, do they?

The Hon. PENNY SHARPE: If you wish to cherrypick—and we've done it before; I understand what you're trying to do.

The Hon. NATALIE WARD: I'm not at all. There is funding in place, and you're taking it away.

The Hon. PENNY SHARPE: Just to be clear, we've got more than \$450 million of new money in the Environment portfolio as a result of this budget.

The Hon. NATALIE WARD: Not for farmers.

The Hon. PENNY SHARPE: We are working very closely on that. If you want to pick that and say that, that's fine. I'm happy to talk about the number of staff that were about to lose their jobs as a result of cuts that were built into your budget.

The Hon. NATALIE WARD: We'll get to yours. Minister, you know that shark nets kill marine life. Why are they still in the waters off New South Wales?

The Hon. PENNY SHARPE: I'm really glad that you've asked me this question. This is very interesting. The shark nets are there for community protection, as they have been for a very long period of time. There's been a significant amount of good work in relation to shark nets, which is looking at all of those other options. We went

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to the election saying that we would have a look at that technology and we'd look at changes over time. You would also be aware that shark nets are a matter for Minister Moriarty, in terms of the program, and not me. But the point that I would make is that if we can find alternatives that protect public safety, we are all up for that.

The Hon. NATALIE WARD: You know that Minister Moriarty posted a cartoon on her social media of an environmentalist being eaten by a shark. Do you think that was a wise decision?

The Hon. PENNY SHARPE: I'm not aware of it.

The Hon. NATALIE WARD: Do you think it's wise? Do you think that's a wise decision?

The Hon. PENNY SHARPE: I'm not aware of it and I haven't seen it.

The Hon. NATALIE WARD: You haven't seen it?

The Hon. PENNY SHARPE: No.

Ms CATE FAEHRMANN: I think it was taken down pretty quickly.

The Hon. NATALIE WARD: Was it? I'm sure it was.

The Hon. TANIA MIHAILUK: I never thought she was a comedian; Tara doesn't come across as a comedian to me.

The Hon. WES FANG: She's not a comedian; it wasn't funny.

The Hon. PENNY SHARPE: If people want to have a look at my social media at the moment, they might see some pretty unpleasant things too.

The Hon. NATALIE WARD: Thank you, Minister. I have limited time. We'll get the note. Minister, can I turn to logging? The member for Bega and the member for South Coast are concerned about native forest logging. Do you have any plans to end native forest logging in New South Wales?

The Hon. PENNY SHARPE: At this point, no. We've been very clear about this. We were asked about this in the lead-up to the election. That is not what we're planning on doing, no.

The Hon. NATALIE WARD: So you have no plans to end native forest logging, not even on the South Coast?

The Hon. PENNY SHARPE: No.

The Hon. NATALIE WARD: Thank you. Would it be your view, as the environment Minister, that native forest logging remains economically and environmentally sustainable in New South Wales?

The Hon. PENNY SHARPE: I think there are a whole range of things that you can unpack in relation to that. I know that some of this was traversed with the Treasurer the other day. Myself and Minister Moriarty are working on the forestry road map into the future. We're looking at all of those issues. I am aware that there are some subsidies that go to native forest logging, and all of those will be dealt with as we keep talking about this.

The Hon. NATALIE WARD: Minister, Paul Taylor from the CFMEU said last week that the union's "next big blue is with the Labor government"—

The Hon. PENNY SHARPE: Sorry, can you start that again?

The Hon. NATALIE WARD: Yes. Paul Taylor from the CFMEU said last week that the union's "next big blue is with the Labor government and the Environment Minister Penny Sharpe", over native forest logging. Given you've said that you're committed to native forest logging, why is the CFMEU preparing to have a blue with you?

The Hon. PENNY SHARPE: That's a matter for them. I'm not sure. You'd probably understand that over the years I've had pretty robust discussions with all of our labour unions, which is something that I welcome. It's actually part of the party that I am in and it's part of our process. I know that Mr Taylor has particular views. You'd be unsurprised to know that there are quite a lot of people who think they're going to have a big blue with me.

The Hon. NATALIE WARD: I'm sure.

The Hon. PENNY SHARPE: We work through those issues. I like to think, always, that my door is open and that I am respectful and that we can work through differences. We're not always going to agree, but that's politics.

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The Hon. NATALIE WARD: I understand. Your diary disclosures show that you've met with the AWU and the CFMEU about six times since becoming Minister. Have you met with either of those unions any further times in October?

The Hon. PENNY SHARPE: No. I don't know. I don't believe so. The meetings that I've had have been disclosed.

The Hon. NATALIE WARD: Just to confirm, are any of your ministerial staff members of either of those unions?

The Hon. PENNY SHARPE: Sorry, which unions are you asking of?

The Hon. NATALIE WARD: The CFMEU and the AWU.

The Hon. PENNY SHARPE: Not that I'm aware of, no.

The Hon. NATALIE WARD: Do you need to check?

The Hon. PENNY SHARPE: But I also wouldn't necessarily ask them. Having said that, I don't believe so, no.

The Hon. NATALIE WARD: In your meetings with the CFMEU and the AWU did you provide any commitments—

The Hon. PENNY SHARPE: Sorry, there a lot of unions—so, CFMEU and the AMWU?

The Hon. NATALIE WARD: AWU.

The Hon. PENNY SHARPE: The metal workers? That's who—the Manufacturing Workers' Union?

The Hon. NATALIE WARD: The two that you've met with in your diary disclosures?

The Hon. PENNY SHARPE: It was the ETU as well.

The Hon. NATALIE WARD: I'm not referring to the ETU.

The Hon. PENNY SHARPE: Okay. I'm just trying to work—

The Hon. NATALIE WARD: Sorry, I have to move on.

The Hon. PENNY SHARPE: There are a lot of unions and I meet with them regularly.

The Hon. NATALIE WARD: Yes, you've met with them. Did you find any commitments to either of those unions around native forest logging in return for their support for the Great Koala National Park?

The Hon. PENNY SHARPE: No.

The Hon. NATALIE WARD: Do you intend to expand native forest logging?

The Hon. PENNY SHARPE: No. But also, it's not something that I have direct—no. Expand? I'm not quite sure what you mean by that. Are you talking about the areas that are available which would need—I'm not quite sure what you're asking.

The Hon. NATALIE WARD: I'll move on.

The Hon. PENNY SHARPE: Okay.

The Hon. NATALIE WARD: You announced on 12 September this year that a number of industry panels would be established to provide input into the creation of the Great Koala National Park. How many representatives from the CFMEU and AWU will sit on those panels and have you already picked them?

The Hon. PENNY SHARPE: We're working through putting them together at the moment. There is definitely a representative from the CFMEU. There will definitely be a representative from the AWU—just to be clear, they're the ones that cover the forestry workers, not the AMWU. My understanding is that there are two. There will probably be a representative from the PSA as well, because they have representatives who work in State forests and national parks. My view around all of the different panels is—and this is our real commitment around the Great Koala National Park—this is a big deal. It's a big commitment to save koalas, but it also is not without impacting the communities that operate within that. Our commitment has always been to bring people around the table, and having worker representatives is essential to that as well.

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The Hon. NATALIE WARD: But you have a representative who is saying he's going to have a "big blue" with you over logging. You've got them preparing to have that blue. You're in a tough position, aren't you? You're wedged between two masters: the unions, on the one hand and the environmental—it's not a trick question.

The Hon. PENNY SHARPE: No, I just know—

The Hon. NATALIE WARD: You've got two groups. You are wedged between them, aren't you? You have two Ministers—

The Hon. PENNY SHARPE: Look, I just find that the Liberal Party's view about how unions operate—

The Hon. NATALIE WARD: Hang on. Can I ask the question?

The Hon. PENNY SHARPE: Sure.

The Hon. NATALIE WARD: Neither of those groups are happy right now, are they?

The Hon. PENNY SHARPE: I've got a lot of people who aren't happy. That's part of the job of being a Minister. That's totally part of the process.

The Hon. NATALIE WARD: Yes. You're wedged between them.

The Hon. PENNY SHARPE: Being a grown-up and delivering things like one of the best koala national parks and the only Great Koala National Park in the world is a big deal. Funnily enough, there are people who have different views and will be impacted by that. That's exactly why we're working through the process.

The Hon. NATALIE WARD: On the native forest logging, do you intend any change? Would you reduce it, increase it, or keep it the same?

The Hon. PENNY SHARPE: I think the process here is the one that we've set out, which is the commitment that we made. So there is already—

The Hon. NATALIE WARD: Is that the same?

The Hon. PENNY SHARPE: Let me take me through it, because—

The Hon. NATALIE WARD: No, I need to get to the next question, so is it keep it the same?

The Hon. PENNY SHARPE: There is 140,000 hectares of reserved land in the area already. There is around 170,000 hectares of State forest. The process that we've established is working through which parts of that land would be assessed and would actually go into the national park. There is also going to be an economic assessment that goes with that and, as I've said, there are three different panels, with all of the stakeholders, talking us through that issue. I think that's a good process and I think that's what grown-up government does.

The Hon. NATALIE WARD: The member for Sydney said his support of any minority Government would be on the basis of it ending native forest logging. Have you or the Premier given that commitment to the member for Sydney?

The Hon. PENNY SHARPE: Well, I think that's a matter for the member for Sydney. My recollection in relation to the election was that the member for Sydney, the member for Wagga Wagga and the member for—

The Hon. WES FANG: Mr Speaker.

The Hon. PENNY SHARPE: —Mr Speaker, yes, said that they would support supply and confidence of the Government and that is the arrangement that we have with the Independents.

The Hon. NATALIE WARD: We'll watch and wait. Biodiversity—Minister, since its establishment, how many times has the Nature Positive Advisory Panel met?

The Hon. PENNY SHARPE: I'm not sure. I would have to take that on notice.

The Hon. NATALIE WARD: Can you inform the Committee about what they're currently working on or advising the Government on?

The Hon. PENNY SHARPE: I'd have to take that on notice. Obviously, the point that I would make, which I'm pretty excited about, is that New South Wales will be hosting the Nature Positive Summit next year. There is a big opportunity for us to have these conversations on the way in the lead-up to that. But the details about how they're working, I'll find—

The Hon. NATALIE WARD: If you could let us know what they're working on and when they've met, that would be helpful.

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The Hon. PENNY SHARPE: Sure.

The Hon. NATALIE WARD: In relation to recommendation 4 of Ken Henry's review of the Biodiversity Conservation Act, has any work commenced on the development of a nature positive strategy?

The Hon. PENNY SHARPE: Again, I'd go back to the way in which we're dealing with Dr Henry's report, which is that there is a whole-of-government response that we will be providing in relation to the individual recommendations. But my aim, again, is about—the current laws that were shredded by the previous Government in relation to environmental protection are not working. I take that message very seriously and the Government's working carefully through that, about how we can turn it around. In terms of the individual recommendations, we will look at those but I'm not in a position to answer them because it's not the way in which we're responding to the report.

The Hon. NATALIE WARD: Alright. I'm going to go back to the Local Land Services Act statutory review.

The Hon. PENNY SHARPE: Which is Minister Moriarty's, just to be clear.

The Hon. NATALIE WARD: Have you read that report?

The Hon. PENNY SHARPE: Yes.

The Hon. NATALIE WARD: Okay, good. Prior to the election you said that the land clearing situation in New South Wales was unsustainable and needed to be addressed?

The Hon. PENNY SHARPE: Yes.

The Hon. NATALIE WARD: Why, then, did the senior officials group that's been tasked with providing the whole-of-government response to that Ken Henry review and the Local Land Services review only meet for the first time last week?

The Hon. PENNY SHARPE: Well, I can't answer about why they only met at this time, but the point would be that we've been working through those issues. Our agencies have been looking at the issues, that they then bring—you would understand how interdepartmental committees work. There is a lot of work that goes behind before you actually get to the meeting. My general preference is that you have the meeting after all of the work has been done so that you're actually talking about something meaningful. I couldn't speak for how those committees are going. I think that it's very clear we're taking it seriously. Land clearing is excessive. We said that in the election and we've made an election commitment about getting to the bottom of that. There is a lot of work that needs to be done and I'm glad that that's started.

The Hon. NATALIE WARD: Minister, Steve Orr, CEO of Local Land Services said last week in estimates that the group was only meeting for the first time on 26 October. How can you reconcile and say that these issues about biodiversity and the Henry review are important and are a priority for the Government when you've had the review since August and no work has been done on them?

The Hon. PENNY SHARPE: I reject the idea that no work has been done. The second point I'd make—

The Hon. NATALIE WARD: Well, they haven't met.

The Hon. PENNY SHARPE: The second point is that you had 12 years where land clearing got out of control—

The Hon. NATALIE WARD: No, it's not about us. It's not about us, Minister. I'm going to redirect you.

The Hon. PENNY SHARPE: —where we had another 54 threatened species added to the list, where we had koala wars and no commitment around any koala national parks.

The Hon. NATALIE WARD: Minister—

The Hon. PENNY SHARPE: That's fine. If you're worried about when they are meeting—

The Hon. NATALIE WARD: If you don't have an answer, just say.

The Hon. PENNY SHARPE: —that's fine, but I just have zero concern about that because my interest is and understanding is of the work that is being undertaken around how we would respond to these reviews and the input that my agencies will have. I would expect, when they have the meetings, they will bring those forward, which is the way. So any suggestion—

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The Hon. NATALIE WARD: Two reports since August and no meeting yet. In my experience, officials are pretty efficient at meeting and getting together and getting on with these things, but it seems that this is not the priority that, perhaps, it might have been spruiked as. I'll move on.

The Hon. PENNY SHARPE: Look, if you're trying to verbal that—can I just say, I have zero concern about this, because I know how much work is being undertaken. I understand how hardworking they are.

The Hon. NATALIE WARD: Minister, in line with your previous commitments prior to the election and recommendation 3.2 of the Local Land Services review, when will you begin releasing the native vegetation regulatory review maps?

The Hon. PENNY SHARPE: I thank Ms Sloane for her question. She probably needs to realise that we've just actually released the second regulatory map.

The Hon. NATALIE WARD: Great.

The Hon. PENNY SHARPE: Good to know. And we are working through that. There has been two maps that have been released, one very recently, and we intend to do that. They're incredibly important around the way in which we manage land clearing and native vegetation. They need to be right. They need to be accurate. They need to work carefully with local landholders, which is what they do.

The Hon. NATALIE WARD: It's also the statutory responsibility to release the map. It is not a favour; it is something that is required to be done.

The Hon. PENNY SHARPE: Just to be clear, your Government announced one map in—

The Hon. NATALIE WARD: No, I'm not interested in that. Everyone's tired of "the dog ate my homework". Everyone wants to know what you are doing, and we want to release all the maps.

The Hon. PENNY SHARPE: I've done more than you did in 12 years, so I'm pretty relaxed about that.

The Hon. NATALIE WARD: I don't accept that at all. But all of the maps need to be released.

The Hon. PENNY SHARPE: Sure.

The Hon. NATALIE WARD: There's a statutory responsibility to do so. When will that happen?

The Hon. PENNY SHARPE: I can get the details for you about the way that will be done. I can't tell you—

The Hon. NATALIE WARD: If you could provide the specific time line, that would be very helpful, given it is a statutory responsibility. Thank you.

The Hon. PENNY SHARPE: Yes, which you guys didn't undertake.

The Hon. NATALIE WARD: No, we're tired of "the dog ate our homework" excuse. Move on.

Ms CATE FAEHRMANN: It's true, they didn't undertake it. It's true.

The Hon. NATALIE WARD: What are you doing? You're the Minister. You've earned it. It's been a long road.

Ms CATE FAEHRMANN: Good morning. What a start!

The Hon. PENNY SHARPE: Good morning.

The Hon. WES FANG: It's actually afternoon, but I hate to correct people.

The CHAIR: Excuse me, we are on Ms Faehrmann's time.

Ms CATE FAEHRMANN: Thank you. Good afternoon, Minister. Are you aware of what the NSW Coalition did to marine parks when they came into office in 2011? Do you know that history?

The Hon. PENNY SHARPE: Yes.

Ms CATE FAEHRMANN: What was that?

The Hon. PENNY SHARPE: They moved them out of the Environment department. They then subsequently, in my view, neglected them. They then undermined the sanctuary system, and I think that they allowed very good people on those advisory committees to go to waste.

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Ms CATE FAEHRMANN: Yes, that is true. That is exactly what they did. Now that NSW Labor is in government, why aren't you are reversing what they did? Why aren't we seeing the transfer of marine park staff back to Environment?

The Hon. PENNY SHARPE: You would be aware that I have joint responsibility with Minister Moriarty in relation to this. The Government has made the decision to leave it within that part of government. I don't think that means for a minute, though, that the commitment around fixing the mess that we have been left with is diminished. We are working through that. I understand that people want to see action faster than they have. But we have made that decision. Minister Moriarty and I are working closely together. We hope to restore a lot of those issues and fix those issues when we can.

Ms CATE FAEHRMANN: Did you personally lobby for the marine park staff to come back to Environment when you became Minister?

The Hon. PENNY SHARPE: No.

Ms CATE FAEHRMANN: Are you not concerned about the fact that the Minister responsible for fisheries and resources extraction is also primarily overseeing, with marine park staff within that department—is primarily responsible for marine conservation and threatened species in our marine parks? Does that not concern you?

The Hon. PENNY SHARPE: What concerns me is if we can't work together to make sure that marine conservation is serious, is science-based and works well. I think that we can do that in the arrangements we have. Obviously the Government has decided to bring together a new department, which I am very excited about. But there are a lot of issues that I work with Minister Moriarty on, and I am confident that we will be able to do that in a rigorous and serious way.

Ms CATE FAEHRMANN: At this point, what it really does look like to everybody who is passionate about marine conservation is that the Labor Government is continuing the same ideology around marine parks that the Coalition had.

The Hon. PENNY SHARPE: I just reject that. I just don't accept that.

Ms CATE FAEHRMANN: The sanctuary zones, for example—you talked about what the Coalition did. None of that has been reversed. There is still fishing that is able to take place in sanctuary zones—within Batemans Bay, for example. There have been other changes that were put in place that allow fishing off the shore in various marine parks that were sanctuary zones. This history of marine park creation—lots of consultation under the former Labor Government for sanctuary zones was essentially dismissed by the Coalition. There have been no commitments, no statements and no promises within the seven months of this Government that anything is going to change in terms of those sanctuary zones. Don't you see it is a problem that all of these decisions seem to rest with the fisheries Minister?

The Hon. PENNY SHARPE: Look, I just disagree on that. If we go back to the beginning of this discussion, I have been very critical of the way in which marine parks have operated. I believe that marine conservation is extremely important and it is something that I have had a lot to say on, over many years. My passion for the marine environment and the need for good and strong conservation remains. I think we are having a disagreement about where it sits in government and the ability for turning those around. Again, I accept—look, seven months in, there are a lot of people that wish I had done a lot of things a lot faster than we are able to do them. My point remains that the commitment around marine conservation from me and from the Government is strong, and that we will work through those issues.

Ms CATE FAEHRMANN: But also, with you not having oversight, if you like, of the marine park staff, there has been a fundamental change in the way in which marine parks are assessed under the Coalition Government, which, as I understand it, is going to continue under Minister Moriarty, and that is moving away from a comprehensive, adequate and representative system of marine parks assessment to this threatened risks assessment. Science around the world is highly critical of this. This is a creation by people within DPI under the Coalition. It is now continuing under this Government. I will say again, it seems like NSW Labor is not prioritising marine conservation. It seems as though it is continuing the Coalition's ideology around marine parks.

The Hon. PENNY SHARPE: I just disagree with that.

Ms CATE FAEHRMANN: What are you doing to change that, as environment Minister? Because you have lost control of it.

The Hon. PENNY SHARPE: As I said to you, I accept your concern around these issues. I don't accept your diagnosis of what is happening or the way in which we are going to be able to fix the mess that we have been

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left with. All I can say to you is that that work is continuing. It is slower than I would like, as are many of the things that—if I could wave a magic wand and fix all of the environmental and energy and climate change and heritage challenges that exist and that have been a long time in the making, over a series of different governments—it doesn't matter what stripe—then I would. All I can say to you is that this is something that I take very seriously and that I am working with Minister Moriarty on. You will just have to watch this space. I'm just not going to be able to give you the answer that you want today.

Ms CATE FAEHRMANN: The frustrating thing with the "wave a magic wand"—and I said this to the Minister myself, in my first meeting with her—was that this was something, in terms of restoring the sanctuary zones, that kind of was a magic wand. You literally could have done it in a second, and there has been no commitment. Minister, you are within the new department, then, so you are not transferring marine park staff over. What marine science and marine conservation staff or unit will you have in the new department?

The Hon. PENNY SHARPE: We do definitely have it. I think Ms Molloy will be here this afternoon. I would really encourage you to take her through. She is the guru. She understands the ins and outs of that.

Ms CATE FAEHRMANN: So there will be a section?

The Hon. PENNY SHARPE: There is part of it in there. I'd really—I think she is Dr Sharon Molloy. I will name her, because she is going to be sitting before the Committee this afternoon. She would be able to provide you with a lot of information about work that is being done there. This is not—there is work being done in my agencies around marine conservation.

Ms CATE FAEHRMANN: Just to be clear, NSW Labor was asked before the election about its commitment to marine conservation. What was said was that they'll work with the Commonwealth to achieve 30 per cent marine protected areas by 2030. Is that within your goals—within what you want to achieve this term of Parliament? Are you working on that?

The Hon. PENNY SHARPE: This is all whole of government, so we will continue and I would have to work with, obviously, Minister Moriarty because we have a joint responsibility for the marine parks.

Ms CATE FAEHRMANN: Where's that up to in terms of looking at increasing the level of marine protection in New South Wales? Do you foresee, then, saying that Labor is as committed as they were 12 years ago, that we are going to see greater areas of our marine environment protected from fishing this term of Parliament?

The Hon. PENNY SHARPE: I think that the 30 per cent commitment is important. We're obviously working with the Federal Government in relation to that. Some of the detail I will just take on notice. I'm happy to tell you what work is being undertaken.

Ms CATE FAEHRMANN: But you don't know if any of that means a commitment to greater protection of our marine environment? I mean, that's—

The Hon. PENNY SHARPE: Well, no, I think you're asking me to commit to something for which the work isn't finalised yet. The way in which we end up managing marine parks and the opportunities within that, and the way we work outside of marine parks is also something that we've got to consider and the 30 per cent in terms of what's in and what's out around Commonwealth waters. All of those matters are ongoing and are being discussed. I can't say to you, "These five things is actually how we are going to deliver that", because I am not across the detail of that. I'm happy to get you information around what's progressing. I'll do that.

Ms CATE FAEHRMANN: What oversight have you had with the issue of shark nets and the extraordinary number of threatened species that are caught and killed in those shark nets? Have you had any interaction or engagement with Minister Moriarty about that?

The Hon. PENNY SHARPE: Yes, it's an ongoing discussion about how we manage that. I'm well on record about being concerned about the bycatch that occurs as a result of the nets and the need for us to see how we can minimise that. My department does have a direct role in relation to that, which I'm happy for them to take you through, but the point would be that of course we are talking about it. Our election commitment was very much about looking at the alternatives that exist to make sure that the community is safe and that we can look at reducing the impact of nets, which I think is very important.

Ms CATE FAEHRMANN: Thank you.

Dr AMANDA COHN: Minister, do you believe that the practice of waste incineration is compatible with the goals of the New South Wales Government Circular Economy Policy?

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The Hon. PENNY SHARPE: It fits within part of the waste hierarchy. I've got to say that the issue of waste incineration is very low level in terms of that. We'd much rather have people much higher up the chain and a lot of the work that we're undertaking is about trying to move in relation to that—whether we just reduce in the first place, whether we've got genuine re-use, whether we've got recycling—and the way in which we're managing that. It is the case that we've inherited the policy of the previous Government in relation to energy from waste. That is something we will be having a look at. You would be very familiar, I'm sure, with the arrangements where there are four at locations that could be operating in relation to energy from waste.

I've got to be frank with you. I don't love it and I would much rather see us working higher up the other end of it. Whether there's a place for it in the future is something that I think we're challenged by when I look at the lack of infrastructure we have around landfills and the fact that our landfills are getting very close to getting to critical need. The work that the EPA is doing around waste infrastructure, and what we do with the waste levy, fits into all of that work.

Dr AMANDA COHN: Recent research out of the UK has shown that the average incinerator in the UK produces more than twice as much carbon dioxide per unit of electricity compared to a gas-fired power plant and some even have a higher carbon intensity than coal plants. How are the proposed waste-to-energy incinerators accounted for under the Government's proposed net zero legislation?

The Hon. PENNY SHARPE: It's a good question. I don't know the answer to that but I will take it on notice. I'm sure that all of these things are considered, but I'll need to get back to you on the detail.

Dr AMANDA COHN: You've already mentioned the previous Government's Energy from Waste Infrastructure Plan, which states that assessment of incinerators will consider feedback and submissions from community and stakeholders. As you would be aware, there are a number of regional communities who are unhappy that these incinerators have been deemed unsafe in the Sydney Basin but are now being proposed in their communities, particularly in the case of the proposed advanced energy recovery centre in Tarago. I understand that 627 submissions were received, of which 619 objected to the project. How does that community sentiment contribute to the Government's consideration of this project?

The Hon. PENNY SHARPE: Well, this proposal at Tarago is proceeding through the planning system, as it is able to do. They're working through those issues. I understand that there is significant community concern in relation to that. The planning process is being undertaken. My understanding is that's the only active actual application for waste. Someone might be able to confirm that but I think that's the only one. It's in the planning system now and that's how it is being dealt with in relation to community concern and the way in which that's operating.

Dr AMANDA COHN: In the six months that you've been in government, have any of those settings changed from when the previous Government introduced their Energy from Waste Infrastructure Plan that would impact that project?

The Hon. PENNY SHARPE: No because, as I said, my understanding is, and someone can—maybe I should just take it on notice. I don't want to mislead the Committee. I want to make sure we give you the right detail, but my understanding is that the policy settings have not changed, that there is an application in relation to Tarago and that is going through the planning process. The way in which that is being dealt with I'll have to come back to you because I'm not sure.

Dr AMANDA COHN: Thank you. Many proponents of waste-to-energy incineration claim that this method of generating electricity is cheaper than current methods of power production in New South Wales. Has the New South Wales Government undertaken any modelling to assess the validity of that claim?

The Hon. PENNY SHARPE: We may have. I am not sure. I'll take it on notice.

The CHAIR: Minister, I've got only a short time.

The Hon. PENNY SHARPE: Okay, I'll be short.

The CHAIR: I am looking for really short time answers. When will you follow the expert advice and list Ravensworth on the heritage register?

The Hon. PENNY SHARPE: Ravensworth is very important. There's been a long discussion about this. I am expecting to get the recommendation from the Heritage Council in the near future. I haven't received it yet.

The CHAIR: Is that something that you will ask for?

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The Hon. PENNY SHARPE: I'm expecting it very soon. To be clear, I've met with Aboriginal groups. I have been and visited the site and I have met with the mining company as well, but I am waiting on the final recommendation from the Heritage Council. Then I have to take into account all of that feedback, so I'm not going to indicate to you how I will deal with it. I take that decision very seriously.

The CHAIR: Thank you. When will Gaahna Bulla be listed as an Area of Outstanding Biodiversity Value?

The Hon. PENNY SHARPE: I'm not sure. I'll have to take it on notice.

The CHAIR: There's been application for a long time. I'd also be interested—

The Hon. PENNY SHARPE: Is this a really old one?

The CHAIR: It's been on foot for a long time. Also if you would, Minister, take on notice whether any deeper assessment of the conservation value and the protection status of Gaahna Bulla.

The Hon. PENNY SHARPE: I'm really happy to. I have to say, I'm not familiar with that one. Where is it?

The CHAIR: That's Orange. It's otherwise known as Mount Canobolas. It is Gaahna Bulla.

The Hon. PENNY SHARPE: Okay. Let me find out and I'll come back to you.

The CHAIR: Thank you very much. Had you spoken with the Premier about the existing objectives for emissions reductions that are in the regulations before he said last week that there were no existing targets in regulation?

The Hon. PENNY SHARPE: I don't recall. This was an issue, actually, in the lead-up to the election when Minister Kean announced this regulation. Look, I honestly can't recall. The Premier and I talk about a lot of these issues.

The CHAIR: But did you speak about this since—

The Hon. PENNY SHARPE: I'm being very up-front. I genuinely don't recall. The point that I would also say is that I am also not in the business of telling committees like this about the conversations that I have with the Premier. That's probably the best that I can do.

The CHAIR: Do you think it's the—

The Hon. PENNY SHARPE: I don't think there's any trick here.

The CHAIR: I don't think there's any trick either, Minister. I think it's a deep concern that perhaps the Premier was not aware of the current emissions reduction targets of the State that are currently drafted in regulation, so my question really was had the two of you conversed about those existing targets in the regulation?

The Hon. PENNY SHARPE: Of course. We have got a Premier who went to the election on the basis that we're going to legislate emissions reductions targets and we're going to support a Net Zero Commission. What is in the Premier's mind is not something that I would prepare to speculate on. The only point that I would make is that you've got a Premier who's very serious about legislating this, who supports an independent Net Zero Commission, who supports an adaptation objective, who is working hard and has made the renewable energy road map a Government priority, as opposed to perhaps the previous Premier who literally said that climate sceptics are okay. I can't go to what the Premier thinks. All I can say is that I understand his commitment and our responsibility to take action.

The CHAIR: I hear you. But I think where the State now is, we've moved on from the election and we are genuinely now looking at whether these targets are the right ones, whether they're fit for purpose and where we're starting in terms of the Premier's knowledge of where things are.

The Hon. PENNY SHARPE: And it's actually why it's so exciting that we've got the bill, that we've got the inquiry. If we actually legislate this, this will be the toughest legislated targets in the country. This is a significant step forward, a significant commitment, not just to now but to the future generations of New South Wales. The Premier is fully behind it. It's an exciting time. We're having the conversation, as it goes through the Parliament, about what it'll end up looking like. But I can't—people always say, "You're too understated around these issues." This is a really significant step forward.

The CHAIR: We'll see. We'll see where we get.

The Hon. PENNY SHARPE: This is progress.

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The CHAIR: We'll see where we get. Minister, at the moment there is some noise around looking at the potential carbon value of the public forest estate. I spoke with the Treasurer and the Premier and there was some clear indication that there's possibly some work happening. I got that on notice. Are you committed to making sure that the carbon value—if, in fact, there will be any in the coming years—in the public forest estate will not be used as a tradeable commodity to allow the continuation of emitting industries to continue? I'm asking you this in your capacity as the climate change Minister, the energy Minister and the environment Minister.

The Hon. PENNY SHARPE: It's all the hats, yes. No, I totally understand. The biggest challenge we've got in relation to any of this is there's currently no method that would actually allow this to occur. Any method that needs to be produced needs to be rigorous and would need to work. The hypothetical that you're asking me is just not something that I have the information in relation to any design of any system or how that would work because it's just—

The CHAIR: But, Minister, however we land, this actually a genuine vision statement and it's a part of—it's a yes or a no. Are we willing to allow such a valuable public asset of potential carbon to be traded on a market, or will we maintain that in the long term for future generations as carbon stored, never to be traded?

The Hon. PENNY SHARPE: One, I understand the question. Two, I just am not prepared to give a yes or no answer in relation to that, not because I have a strong view, but I don't have an informed enough view with the information about what options we would have if we were to pursue that. So you're asking me a giant hypothetical. I understand the principles that are at stake here but I'm just not able to give you a yes or no answer because I don't have enough information. And I would hope that you'd think, as a Minister, I wouldn't just be doing it in these committees without the information that I need.

The CHAIR: Well, I appreciate that, Minister. I think that's very diplomatic, but I also think that all of our stakeholders around the State, around the country and those yet to come already have enough information to know that it would be a terribly unwise thing.

The Hon. PENNY SHARPE: That's great, and I'm sure that that will be fed in. As you know, I would take all of that input very seriously.

The CHAIR: Minister, are you talking to the Minister for Agriculture responsible for forests about improving the coastal integrated forestry operations approvals?

The Hon. WES FANG: When you say "improving", what do you mean?

The Hon. PENNY SHARPE: Well, I'm not—

The CHAIR: Improving for conservation outcomes.

The Hon. PENNY SHARPE: Not directly, but obviously there's a review due of the CIFOAs next year, which I think is going to be a really important thing to work out how they're working, how we take into account the things that were ignored by the previous Government in terms of fires, how we're looking at threatened species—all of that work.

The CHAIR: Do you commit to—

The Hon. PENNY SHARPE: The short answer is not directly, no, not now. Are we going to be talking about that very soon? Yes.

The CHAIR: Will you commit to that being a very open process and allowing input, particularly from all those citizen scientists that have actually been doing the best job of protecting our public forest estate?

The Hon. PENNY SHARPE: I mean, I would assume that's the case. I can check with Mr Chappel in terms of the review, which he'll be part of. There would be a public process for that, yes.

The CHAIR: Thank you. Mr Ruddick?

The Hon. JOHN RUDDICK: Thank you for your time today, Minister. I think it's been a worthwhile discussion. Now, I just have a quick question and then I'm going to cede my time to the Hon. Wes Fang, which I'm sure you look forward to.

The Hon. PENNY SHARPE: Always.

The Hon. JOHN RUDDICK: I do have a question about the brumbies. I do agree there are no great options, and I sympathise with the decisions you've got to make because I know it's not easy. I also agree that we do have a moral obligation to side with the native animals. But that said, the horses are obviously highly intelligent animals.

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The Hon. PENNY SHARPE: Yes.

The Hon. JOHN RUDDICK: If we want to get the numbers down to 3,000 through shooting them, we're still going to have 3,000. We know they're prolific breeders.

The Hon. PENNY SHARPE: Yes.

The Hon. JOHN RUDDICK: They're going to keep having foals.

The Hon. PENNY SHARPE: Yes.

The Hon. JOHN RUDDICK: So that means we're going to be on a constant—there's going to be a constant program of having to shoot a lot of horses on a regular basis. I've had people in my office say that there is a more humane method here, which is darting them with contraceptives.

The Hon. PENNY SHARPE: Yes.

The Hon. JOHN RUDDICK: I've had other people in my office tell me that that is unproven technology. I just want to know what your thoughts are on that and whether we can fast-track it because I think everyone would be a lot happier if they could die out naturally without all this carnage, and with leaving all these rotten carcasses around the place, which is only going to feed feral dogs and feed feral pigs and things.

The Hon. PENNY SHARPE: Yes. A couple of things I'd say within that. First of all, I know that animal welfare is something that you take very seriously, and I really welcome that. I think the more people that care about the way we treat animals, the better, in the Parliament. The second thing I'd say is that, yes, I do think that reproductive control is an option, but it needs to be dealt with and we need to—it is my intention, if we can get the numbers down, to look at how we could actually get that to work in practice. It is a little bit untested, but I know that the Hon. Emma Hurst at various points has pointed me to other areas where it works. I think we should be open to that. I don't want to be killing horses. I just don't.

I also want to reduce the number that we will have to kill over time, and the challenge here is for us to reduce the numbers as quickly as we can so fewer horses need to be culled over the long time. It's about managing the horses in the park. It may be the case that we will have to use ground shooting. Don't forget, we're also doing rehoming. My understanding is that we're rehoming around 450 horses a year. We should continue to do all of those things. I want the most humane situation that we have. I want a sustainable park where the native animals and plants are protected. We want to recognise that the horses have a place in the park. Access to horses for people who horse-ride in the park will continue. I think we can do those things. To go to your point around reproductive darts and those things, my understanding, the advice I've got, is that that is challenging, but it's absolutely something that I expect, when we get the numbers down to a manageable level, that we're actually able to achieve. In fact, I would love that.

The Hon. JOHN RUDDICK: Thank you.

The CHAIR: Thank you. Over to the Opposition.

The Hon. NATALIE WARD: Four minutes left—a race to the end. A very specific question: Given your multiple statements prior to the election that you wanted to see Glenlee purchased—

The Hon. PENNY SHARPE: Yes.

The Hon. NATALIE WARD: —and also your commitments to the Friends of Glenlee and the electorate of Oatley, that, if elected, Labor would save Glenlee, can you update us on what funding the Government is providing to purchase Glenlee, and when will it be purchased?

The Hon. PENNY SHARPE: I thank the member for Oatley, Mr Coure, for submitting this question to the Committee. Hi, Mark.

The Hon. NATALIE WARD: A great local member.

The Hon. PENNY SHARPE: The point that I would make here is Glenlee is extremely important, and Mr Coure knows that and he knows that we've taken seriously the way that we're working that.

The Hon. NATALIE WARD: How much, and when?

The Hon. PENNY SHARPE: In terms of the—it's been on the market. It's currently still on the market. I'm having—I've had discussions with both the Friends of Glenlee and with the council about how we manage that. There have been challenges in relation to accessing the site, as the owners have refused to allow the heritage assessment to be done. My commitment is that we're going to continue to try to work to how we can do that.

The Hon. NATALIE WARD: Has funding been committed?

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The Hon. PENNY SHARPE: Not at this point, no.

The Hon. NATALIE WARD: Okay. That's a no.

The Hon. PENNY SHARPE: Yes, it is a no. Mr Coure could have got \$10 million as well, if he cared so much about it.

The Hon. WES FANG: Minister, I've got very little time. Given that the Parliament has an inquiry underway into the brumby numbers and the cull, will you commit to not killing a brumby by aerial culling until that committee has reported?

The Hon. PENNY SHARPE: No, I won't. The point here is that there has been a Senate inquiry that had 865 submissions, I think. The current process that I've just been through—it's been a public process—was very well engaged with, with over 11,000 submissions that were made.

The Hon. WES FANG: That haven't been published.

The Hon. PENNY SHARPE: Let me finish. My understanding is that the parliamentary inquiry that you're involved with has got 165 submissions in relation to this. Most of these issues have been well canvassed. The point that I have said from the beginning of this is that the longer we wait, the more horses are going to need to be reduced. They are going to need to be killed. I want to minimise that number. We've stood by for 12 years. In fact, we've stood by since my former colleague and someone who I hold in great esteem, the Hon. Bob Debus, put an end to aerial shooting over 20 years ago. We can't and I won't stand by and wait for that to happen. The short answer is no.

The Hon. WES FANG: It should be a very quick inquiry. I don't understand why you've got to kill these horses. My last question to you is, do you believe that 28 days is enough time for impacted residents to reply to the EIS when it is published for overhead or transmission line—

The Hon. PENNY SHARPE: Which one?

The Hon. WES FANG: In relation to transmission lines in general.

The Hon. PENNY SHARPE: Yes, but which project?

The Hon. WES FANG: Any of the transmission projects where the EISs are published. They're as short as 28 days for people to respond to hundreds of pages—

The Hon. PENNY SHARPE: If we just talk about Central-West Orana, which is the current EIS that's in, we have just extended that for over a period of time. So 28 days is the statutory requirement. We do allow extra time so that people can do this. These are complex documents. I want the community to have their input. We understand this is a challenge. It is a challenge in the planning system. I'm not going to speak for Minister Scully; I encourage you to raise these issues with him. But the point I would say is, of course community input into all of these programs is really important. Environmental impact statements are the key document in the planning system.

The Hon. WES FANG: I appreciate that and, given that you have increased this one now, will you commit to increasing further ones in the future, because renewable energy projects and overhead transmission line projects or even underground transmission lines—my preference—would be better served by having a longer time to respond, given the EIS is often hundreds and hundreds of pages and people are trying to do this within the 28-day period, because that is initially what is provided to them.

The Hon. PENNY SHARPE: The point that I make is this: First, we are operating under the system that your Government had for the past 12 years; and, secondly, 28 days is standard.

The Hon. WES FANG: You are in government now, Minister, for the next three years anyway.

The Hon. PENNY SHARPE: Yes. I am well aware. I hope you are enjoying opposition.

The Hon. WES FANG: I am actually.

The Hon. PENNY SHARPE: Are you going to let me answer the question?

The Hon. WES FANG: Sure.

The Hon. PENNY SHARPE: It is a matter for Minister Scully, about the time frames in relation to that. I have already told you that the one I am responsible for, which is the Central-West Orana, has been extended, and I welcome that. I suggest, when you have Minister Scully, who I think is next week—

KIERSTEN FISHBURN: No, he's tomorrow.

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The Hon. PENNY SHARPE: He's tomorrow. You have an opportunity to ask him. My door is always open. If you want to make representations around those matters. I'm happy to talk to you any time.

The Hon. WES FANG: Minister, I will be wearing a path to your door.

The Hon. PENNY SHARPE: I look forward to it.

The Hon. PETER PRIMROSE: Minister, I was wondering if there is any additional or supplementary information you would like to provide to the committee?

The Hon. PENNY SHARPE: I feel like we've had a pretty good go. No-one has asked me about the budget papers, for which I am little bit disappointed. I did have all of the lists of how many bits of legislation I am responsible for, which, in case you're wondering, is 59. There are a couple of things I want to say. The first is that this is a really important process that is about the role of the upper House and holding the Executive to account. It is something that I have been involved with in my entire 18 years that I have been in the Parliament. It is extremely important. The thing that I wanted to say is that I welcome the opportunity to be held to account for the decisions that I am making.

But, importantly, I want to recognise the people along here, the people behind me and the people in the department who have worked extremely hard to provide a lot of information. The reality is that we prepare for every eventuality and, pretty much, you can ask us anything you like. There is a huge amount of work that goes into budget estimates preparation. There is an incredible amount of professionalism from the public servants that I am very privileged to work with, and I want to place on record my great appreciation for their efforts. Working with Ministers can be a challenge, and I am very grateful for their efforts. I know how many hours have gone into this, and I just want to put that on record.

The second thing I want to say, which I am excited about but no-one asked me about, is that the creation of a standalone environment department is a big step forward in terms of environmental protection in New South Wales. Bringing together climate change, energy, environment and heritage is extremely important. It provides us with the focus that we need as we tackle the challenges across government, and there are many, to really make sure that the two crises—I'm willing to call them crises; the climate change crisis and the biodiversity crisis—can be dealt with together, hopefully removing barriers to action that have been there in the past, but, importantly, driving across government the need for action. I am just very pleased that the Minns Labor Government decided to do this, and I want to thank everyone for their efforts. I want to thank the Committee members for their questions today. I think we actually did pretty well. It wasn't too argumentative. I understand, from Opposition, how much work it is to try and pull that together, so I want to thank the shadow Ministers.

The Hon. WES FANG: I thought you were coming back for the next session, Minister.

The Hon. PENNY SHARPE: I want to thank shadow Minister Sloane, shadow Minister Griffin and shadow Minister Anderson for their efforts.

The CHAIR: Thank you, Minister. It is one of the brutal realities of the time, with these committees, that we don't get to ask you all of the things that we support and that we're really proud of that you are doing. We get to interrogate the other parts.

The Hon. PENNY SHARPE: Sorry, I have got these notes that everyone's going to be worried about. Can I quickly whip through those?

The CHAIR: Yes.

The Hon. PENNY SHARPE: When answering a question from Ms Ward, I said we are only investing an extra \$1.8 million in renewables; it is actually \$1.8 billion. I just want to be clear that we put that on record. In relation to the template agreements, the department of planning is working on the template agreements.

KIERSTEN FISHBURN: I can give further information on that one.

The Hon. PENNY SHARPE: This afternoon, yes. The draft is coming out; that will be excellent. I'll make sure I haven't misled the Committee. Most ambitious targets around 2030, which is the target for the mainland States—Tassie, of course, is higher because they are actually carbon negative because of their scheme, and the ACT, as we know, has got a lot of stretch targets. I don't want to mislead the Committee. Thanks very much.

The Hon. NATALIE WARD: Minister, thank you for your attendance today and for being fulsome with the committee. I know it has been a very long road for you to be sitting in the position that you are. I commend you for your commitment to the Parliament, your transparency in Parliament and the great work you've done with

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everybody here. I think you are perhaps the standard for how to be accountable to the upper House, and we very much appreciate it.

The Hon. PENNY SHARPE: Thank you.

The CHAIR: Thank you, Minister, for attending this hearing. We are finished with your questioning and the committee will now break for lunch. We will return at 2.00 p.m.

(The Minister withdrew.)

(Luncheon adjournment)

Dr LOUISA MAMOONEY, Acting Executive Director, Credit Supply Taskforce, Department of Planning and Environment, affirmed and examined

Ms TRISH HARRUP, Executive Director, Conservation and Aboriginal Partnerships, National Parks and Wildlife Service, Department of Planning and Environment, affirmed and examined

Ms SHARON MOLLOY, Executive Director, Biodiversity and Conservation Division, Department of Planning and Environment, affirmed and examined

Ms NANCY CHANG, Executive Director, Strategy and Policy, NSW Environment Protection Authority, affirmed and examined

Mr STEPHEN BEAMAN, Executive Director, Regulatory Practice and Services, NSW Environment Protection Authority, sworn and examined

Mr MARK WESTBROOK, Chief Project Officer, Energy Corporation of NSW, Office of Energy and Climate Change, NSW Treasury, sworn and examined

Ms ALISON PEPPER, Executive Director, Strategy and Implementation, Office of Energy and Climate Change, NSW Treasury, sworn and examined

Mr LIAM RYAN, Advising Executive Director, Office of Energy and Climate Change, NSW Treasury, affirmed and examined

The CHAIR: Thank you. Welcome back, everybody.

The Hon. WES FANG: Mr Fleming, you were obviously here when the Minister was providing responses this morning around the question of who progressed the decision to aerial cull first. The Minister indicated that it was her office that ultimately made the decision, but I didn't quite get a clear response in relation to how we reached that decision. Can you provide me some clarity as to how you recall the decision to aerial cull was progressed, who first made the recommendation that this was the only way forward, what other options were looked at and how did the Minister come to the decision.

ATTICUS FLEMING: Mr Fang, do you mind if I just clarify or add to answers that were given in the morning session regarding horses?

The Hon. WES FANG: Please.

The CHAIR: My apologies. I was requested if we could do some of the answers to the questions on notice, and it slipped my mind.

The Hon. WES FANG: Can we pause the clock?

The CHAIR: Yes, I apologise. I got caught up. Mr Fleming, would you like to do that?

ATTICUS FLEMING: I'll pass to the secretary to do hers first.

KIERSTEN FISHBURN: Thank you, Chair. I just want to clarify three matters. We were asked a question about the standard landholder agreements. As you know, Ms Ward, these were part of the recommendation in the electricity supply and reliability check-up. The department has been working on the template, which we think will be very useful for landowners thinking about hosting renewable energy development and entering into lease and commercial agreements with industry. The templates have been approved by Minister Scully as the relevant Minister, and they will go up on the department's website shortly—I'm hoping, tomorrow. But sometimes you can have technical problems. But they have been approved by the Minister, and we'll get them onto the website as soon as possible.

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On a second matter, in relation to offshore wind proposals, we were asked about the Hunter proposal. DPE didn't make a standalone submission. However, we did provide information to EnCo, who provided feedback. It was feedback. In relation to the Illawarra proposal, DPE is currently preparing a submission, noting that submissions close on 15 November. For Minister Sharpe's portfolio—hence why she was probably having difficulty, answering the question—her areas have provided information into that. However, it is sitting with my office, waiting for further information from the Planning side of my department. We will consolidate all of those things before we make that submission, confirming, as Minister Sharpe said, that the Commonwealth are responsible for whether they become public or not.

Just to clarify as well, we had a question about energy-from-waste proposals that are currently in the planning system. As indicated, the Tarago proposal—I would know it by the proponent name, Veolia—is currently in the planning system, and the proposal's currently awaiting response to submissions. We do have a proposal from Cleanaway in our system. That proposal will not be able to proceed under various regulations: the Energy from Waste Infrastructure Plan and regulation, and the Transport and Infrastructure SEPP 2021. However, it has not been withdrawn out of the system. For the fullness of information, as well, the Department of Regional New South Wales has shortlisted two groups to submit proposals that could potentially deliver an energy-from-waste facility in the Parkes Special Activation Precinct, and this process is still underway. So the proposals are being worked through. Two formal applications in the system.

The Hon. NATALIE WARD: Can I thank you for responding so quickly today? I appreciate it.

ATTICUS FLEMING: I had three things. There was a question about the native vegetation regulatory map. I just wanted to clarify that responsibility for making that map rests with the environment agency head. So in that capacity I've published two draft stages of that map, if you like, covering 15 per cent of the State. It's being rolled out in stages. I'll shortly consider the third stage. The second thing I wanted to clarify was one of the issues around horses, related to the Victorian survey. Again, I just wanted to clarify. We have made no comment on the Victorian survey methodology, other than to say that it applies in a very small area and wasn't applicable to Kosciuszko, which is many, many times larger than the area being surveyed using that technique in Victoria.

The third thing I wanted to clarify was to respond to a couple of questions around the closure notifications in Kosciuszko National Park. I think over the next three weeks it's in the order of 20 to 25 per cent of Kosciuszko National Park that will be closed. As members will know, we routinely conduct aerial control operations for a range of feral animal species: deer, pigs et cetera. So you can expect that some of those operations will occur during that period. In relation to aerial control of horses, the Minister indicated there will be two components to that program: a preliminary component or a preliminary program and then the ongoing program. I confirm the ongoing program will not commence in that period. I don't make any comment on when the preliminary program will commence.

The Hon. WES FANG: Thank you very much, Mr Fleming, for that clarity.

ANDREW LEWIS: Just one more from me. Ms Ward, I believe you asked a question of the Minister about availability of documents related to the electricity supply and reliability check-up. They are still available on our website, at energy.nsw.gov.au.

The Hon. WES FANG: I'll restate the question, so perhaps we could restart the time, if that's all right.

ATTICUS FLEMING: I'm happy to go straight into a response. I think the Minister indicated to you she visited Kosciuszko National Park in early April. Part of that visit was to examine the impact that horses are having on the park and, as you know, those impacts are very severe—impacts on the park, the catchment and a whole range of threatened species. They become very clear when you are visiting the park. They're well documented in the scientific literature. Another aspect to that visit was then to update the Minister on progress in implementing the plan. If you like, I can give you the updated stats, which is 2,517 horses removed in the nearly two years since that plan commenced. In that context, when you look at that figure, it becomes clear that the mechanisms that we have available to us were not going to enable us to meet the target of 3,000, as required by law, by 30 June 2027. Then there's an ongoing discussion, as you would expect departmental officials to have with their Minister, around how we were fulfilling our statutory obligation to implement the management plan. So it has been an ongoing dialogue, as you would expect departmental officials to have with the Minister.

The Hon. WES FANG: I appreciate that clarity, Mr Fleming. The bit that I'm trying drill down on, though, is that the Minister attends Kosciuszko on 14 April—I think that was the date that was given to me. I believe she met with the Invasive Species Council the next day. How did we then reach the situation that we're now deciding to aerial cull? It seemed to be reasonably quick from there. I imagine that the Minister came back to you and said, "Okay, we've removed, say, 2,500 horses over two years." Before I get to the question, could you provide what you believe the horse numbers were two years ago?

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ATTICUS FLEMING: I can go back. There was a 2020 survey and then a 2022 survey. The 2022 results are that the 95 per cent confidence interval is 14,501 to 23,535. I think the important thing about that number is you can argue about—

The Hon. WES FANG: That's the 2022 number.

ATTICUS FLEMING: That's the 2022 number.

The Hon. WES FANG: What was the 2020 number?

ATTICUS FLEMING: I'll give that to you a little later. I'd have to look at my notes. Can I make the other important point which is central to your question? The Minister then made a public statement where she indicated that she had directed us to prepare an amendment to the management plan. Obviously, we then complied with that direction, which was made under the Act.

The Hon. WES FANG: Understood. In relation to the 2020 numbers, do you believe they were lower or higher than the 14,500?

ATTICUS FLEMING: The 2020 numbers were a little bit lower. I can't remember them off the top of my head, but the equivalent to the 18,814 was around 14,000-something, I think. The significance of that is that that came at the end of the drought and after the fires. So we had seen a slight drop from the survey prior to that.

The Hon. WES FANG: Correct.

ATTICUS FLEMING: Then, with good seasons and immigration, we've seen an increase since then.

The Hon. WES FANG: Here we go. It looks like you've got the note. Have you got the number for 2020 there, Mr Fleming?

ATTICUS FLEMING: Yes, the range was 8,798 to 22,555. That best estimate—

The Hon. WES FANG: Sorry, 8,7—

ATTICUS FLEMING: It was 8,798 to 22,555.

The Hon. WES FANG: In 2020 we saw 8,798. In 2022 we've got a number increasing to 14,500. So there has been a net increase of around 6,000 horses in the two years, on the bottom figure. I'm using the bottom figures.

ATTICUS FLEMING: Yes, using that.

The Hon. WES FANG: You've got an increase of around 6,000 horses on the bottom figure. You've removed 2,500 horses from there. The net increase is you've seen about an 8,500 increase over that two years, given that you've removed 2,500. You have seen an increase of 6,000?

ATTICUS FLEMING: I don't think you're getting the sequencing quite right.

The Hon. WES FANG: I'm just doing some rough numbers in my head.

ATTICUS FLEMING: Also, I wouldn't characterise the numbers in the way that you are characterising them. I think what you can say in general terms is, yes, numbers do fluctuate with things like the seasons, immigration and so on. But what we do know is, if you look at the latest data, which is November 2022 and that number that you're referring to—the bottom of the 95 per cent confidence interval, 14,501—what we can say about that number is that the best available science, or world's best science, says that we can be 95 per cent confident that the number of horses is at least that number.

The Hon. WES FANG: Except that there's evidence out there to believe that the methodology is perhaps not correct. But I'll park that to the side, because I am going to come back to that later.

ATTICUS FLEMING: I just note that I don't accept that proposition.

The Hon. WES FANG: I'm not putting words in your mouth. I'm saying that I'll come back to that topic, because I believe that there might be some disagreement about the methodology. Using the bottom figures, you've had a net increase of around 6,000 horses—I know we've discussed the methodology—and you've removed 2,500 in about the same period of time. So the net increase is about 8,500.

ATTICUS FLEMING: Many of the 2,500 have been removed after the 2022 survey. I'd have to take on notice the precise amount.

The Hon. WES FANG: Understood. Let's just say that there have been some horses removed. If you were to get down to 3,000 within about three years, given the rate of increase—and I appreciate we're probably

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going into drought conditions—that's an awful lot of horses you're going to have to shoot. What's the plan and the strategy for the numbers you're going to shoot, the way that you're going to do it and what time of the season you're going to shoot them? Say you've got an average of 7,000 horses a year that you need to shoot, on numbers. Break that down. Given that I doubt you'd do it over winter—or maybe you would; I don't know—you might have six months of the year that you do it. With 180 days a year, it's an awful lot of horses you've got to shoot in a short period of time, Mr Fleming.

ATTICUS FLEMING: I don't want to speculate about numbers, and I won't go into a lot of the operations.

The Hon. WES FANG: But a lot of these decisions are made on numbers, aren't they, Mr Fleming?

ATTICUS FLEMING: No, I'm just saying I won't speculate on the numbers. The next step, in terms of the numbers, is the results from the 2023 survey, which we expect to have peer reviewed and published before the end of this year. When we get those updated numbers, obviously that's a critical piece of information that will form the basis for our planning going forward in terms of operations. The other comment I would make is that the amendment to the management plan adds aerial control as one of the tools—one of the means by which we can control horses. I also want to say, as the Minister did—and I've said this in budget estimates every year for the last three or four years—no-one in the National Parks and Wildlife Service enjoys or wants to do feral animal control. If we didn't have any feral animals in our parks, that would be fantastic. No-one likes doing it. It is a very challenging thing to have to do.

The Hon. WES FANG: I can appreciate that.

ATTICUS FLEMING: This is a task that we are doing because we are required by law to do it and because if we don't do it, one of the great national parks in the world is going to be damaged beyond recovery.

The Hon. WES FANG: I'll come back to this a little bit later.

The Hon. NATALIE WARD: Dr Giuliani, welcome. Thank you for coming today. Can you explain why the funding distribution from the department to the Biodiversity Conservation Trust is being cut by \$3.2 million in the 2023-24 financial year?

ERIN GIULIANI: Thank you. I'll have to look at the budget papers specifically to align those numbers.

The Hon. NATALIE WARD: Sorry, we're nerds. We spend our time looking at them.

ERIN GIULIANI: Thank you. I do have them here in my notes. There have been efficiencies that all government agencies have absorbed as a result of expenditure review, and that applies to the BCT as well. There are particular efficiencies that all government agencies will achieve, and the BCT will achieve as well, in relation to travel and spending on consultants, advertising, external legal and so on. There have been some program efficiencies, as well, applied to the BCT in terms of our investing in private land conservation program. I'll have to look at the numbers specifically, but in the operational funding, that's where you'll see that applied.

The Hon. NATALIE WARD: So you'll see those cuts in those areas, specifically. I'm sure you're very familiar with the BCT's four-year investment plan, which states:

Between now and mid-2027, the NSW Government expects to add more than 200,000 hectares of land to the state's protected areas and 50 unique landscapes to the state's conservation efforts.

However, the BCT's website still states that its aim to "secure 200,000 hectares of new conservation areas" by 2025. Can you clarify when the BCT intends to meet its 200,000-hectare target?

ERIN GIULIANI: Sure. The latter point that you made is in relation to the current business plan. The 2021-2025 business plan has set a target to secure an additional 200,000 hectares of conservation areas. We are on track to achieve that target and it will be achieved by 2025. In the four-year plan, obviously coming into effect this year, we have set ourselves another 200,000, and so it's effectively moved the target. It hasn't changed that we will achieve that target by 2025; it's effectively adding another 200,000 to be achieved by the end of the four-year plan. What I will say, though, in relation to that is that we're currently in the middle of our business plan. At the end of the current business plan cycle, we'll set another full year. We're effectively anticipating that that business plan target again may go up as well, but we're effectively anticipating that we will set ourselves another target for 200,000 hectares.

The Hon. NATALIE WARD: Sorry, when you say you're in the middle of your business plan, when do you anticipate finalising that?

ERIN GIULIANI: Sorry, what I mean is we're in the business plan cycle.

The Hon. NATALIE WARD: The execution of it.

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ERIN GIULIANI: That's right, so the current business plan ends financial year 2024-25, and we will achieve that 200,000-hectare target. We're effectively rolling forward to 2027 now that we have a new conservation management plan implementation plan, which is the four-year strategy that's been announced.

The Hon. NATALIE WARD: I'm not being cute and I know you probably don't carry the budget papers around with you, but it's page 32 of section 6 if you get a chance.

ERIN GIULIANI: I have the operating statement, but I don't have the full budget paper in front of me.

The Hon. NATALIE WARD: That's where it is, if you want to go to that. The operating statement for the Biodiversity Conservation Trust shows that \$9,308 million has been budgeted for grants and subsidies for 2023-24, compared to the \$11,972 million budgeted in 2022-23. Why has it been estimated that the BCT will spend less on grants and subsidies this financial year?

ERIN GIULIANI: I'll have to take the specific details of why on notice, but that particular line item relates to the landholder payments and payments of our Conservation Partners Program grants. Effectively, when we enter into a conservation agreement—

The Hon. NATALIE WARD: Sorry, did you say it does apply to that, or if it does?

ERIN GIULIANI: It does. It's effectively the line item that, in the main, relates to the payment of annual management payments to landholders, and I'll take on notice why that's been reduced. But that's effectively setting a budget for what we anticipate to pay in the financial year forward.

The Hon. NATALIE WARD: It looks like the number has gone down, just comparing the line items. I'm trying to understand why that is.

ERIN GIULIANI: I'll take it on notice but, in relation to that specific line item, that's not reflective of an anticipated decline in the number of agreements or anything in that regard. What that is anticipating is that for the expense that will be recognised in the operating statement of money out the door going to landholders, either in the form of a grant or in the form of their annual management payment—which is paid once a landholder submits an annual report to the BCT—the budget required for that year is \$9.3 million.

The Hon. NATALIE WARD: It seems to be down, that's all.

ERIN GIULIANI: But it's anticipating that we are seeing less agreements on foot or something like that, but I'll take the specific details on notice. If I can get an answer by the end of the session, I will.

The Hon. NATALIE WARD: You can see why we're trying to reconcile them.

ERIN GIULIANI: Absolutely.

The Hon. NATALIE WARD: How many grants and partnerships is the BCT planning to enter in 2023-24?

ERIN GIULIANI: In terms of how many grants we're anticipating, that would be subject to landholders making applications to us, so I don't have a specific figure. We've set a figure for roughly what we think we need to pay. I can tell you—

The Hon. NATALIE WARD: You would have to anticipate it. You'd have to pick a number.

ERIN GIULIANI: Yes, that's right.

The Hon. NATALIE WARD: Can you help the Committee with that?

ERIN GIULIANI: Yes, we could tell you what our average grant payments to date is and how many grants that represents. But I'm not anticipating that that number—the budget for grants for the 2023-24 financial year is roughly the same as what it was last year.

The Hon. NATALIE WARD: When you say you can tell us, are you able to tell us now or come back and let us know in this session?

ERIN GIULIANI: I can tell you how many grants we have awarded to landholders for conservation partnerships for the program, but I can't tell you the breakdown for 2022-23. I can tell you, overall, since 2017.

The Hon. NATALIE WARD: Okay, but we're looking for how many you're planning for in 2023-24. Will you see if you can come back in this session and let us know?

ERIN GIULIANI: Yes, I can take on notice the last 12 months of grants paid.

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The Hon. NATALIE WARD: Thank you, that would be very helpful. Mr Bruce, welcome. Thank you so much for your work. Can I ask you about the Ken Henry review, Mr Bruce? Can you provide further information on how the department is coordinating the whole-of-government response to Ken Henry's review? We had some questions about that this morning. You were here—long suffering. Will you give us some indication of the further action in that space?

BRENDAN BRUCE: The whole-of-government response will be led by the Cabinet Office. They'll lead our whole-of-government inter-agency steering committee, which will look at all the recommendations across the LLS Act review.

The Hon. NATALIE WARD: Is that established?

BRENDAN BRUCE: Yes, it is established, and they'll look at the recommendations from both the LLS Act review and the BC Act review and, as I said, develop a whole-of-government response for Government consideration.

The Hon. NATALIE WARD: When you say they will look at it, are they presently looking at it? Have they met?

BRENDAN BRUCE: Yes, they met, I think it was for the first time last week. But notwithstanding that that was the first time that group had met, the departments have been progressing discussion around the recommendations well ahead of that. We've been progressing those through existing governance arrangements. I chair an inter-agency Biodiversity Offsets Scheme steerco, and we've been working through the recommendations in that group. There's also a BOS stakeholder reference group, which Mr Mike Mrdak chairs. We had some discussion around the recommendations there. The work is well and truly underway, but the TCO steering group met for the first time last week.

The Hon. NATALIE WARD: In my experience you're particularly efficient, and we appreciate that work. But I note that we're looking for a comprehensive response, and this morning the Minister indicated early next year. Can we have an indication of when we can expect that comprehensive response?

BRENDAN BRUCE: I'll agree with the Minister: I think next year.

The Hon. NATALIE WARD: That's always a good move. Who is part of the senior officials group that's been tasked with working on that?

BRENDAN BRUCE: TCO is leading it—

The Hon. NATALIE WARD: Sorry, is that both reviews? Is it the Local Land Services Act and—

BRENDAN BRUCE: Yes, both reviews. TCA is leading it. The Planning side of the department, the Environment and Heritage side of the department, Transport and Local Land Services—I think that's it.

ANDREW LEWIS: Mr Bruce, if I can come in—

BRENDAN BRUCE: Oh, yes. Sorry, Andrew.

ANDREW LEWIS: —there is also NSW Treasury and the Office of Energy and Climate Change.

The Hon. NATALIE WARD: Can I turn next to the NSW Blue Carbon Strategy, if that's also both of you? In September last year the Coalition Government launched the *NSW Blue Carbon Strategy 2022-2027*. What's the status of implementing that strategy?

BRENDAN BRUCE: I may ask Ms Molloy to join us at the table for that one.

SHARON MOLLOY: Thanks, Mr Bruce. The Blue Carbon Strategy was launched in 2022, and it's for five years. There are five priorities outlined in that action plan, and there's a copy of it up on our website.

The Hon. NATALIE WARD: What's the status of implementing it?

SHARON MOLLOY: We're moving towards trying to implement some of the actions in there and some of the key things that we're delivering. The strategy actually talked about a number of blue carbon demonstration sites. We've got one in collaboration with our National Parks and Wildlife Service colleagues, Everlasting Swamp, which is up on the North Coast. There's also one at Duck Creek, which is a collaboration with our Fisheries colleagues up around—I think it's close to Wollongbar. There are very close links with some of the actions in the Blue Carbon Strategy closely linked to our implementation of the Marine Estate Management Strategy as well. As you might appreciate, there are some close links between the actions that were written in the Blue Carbon Strategy and the Marine Estate Management Strategy.

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The Hon. NATALIE WARD: I might come back to that. I appreciate I'm out of time. I might come back on the funding for that.

SHARON MOLLOY: Yes, no worries.

The CHAIR: Ms Mihailuk, did you want to—

The Hon. TANIA MIHAILUK: Very briefly, Madam Chair. I missed the beginning of the return of budget estimates. I think I overheard upstairs—I was listening to it—

The Hon. NATALIE WARD: There were some answers, yes.

The Hon. TANIA MIHAILUK: —that there were some answers to a couple of the questions that I'd previously asked the Minister. If I could just get some clarification—it might've been yourself.

KIERSTEN FISHBURN: It was the Hunter wind farms.

The Hon. TANIA MIHAILUK: It was in relation to the Hunter offshore wind zone submission. The Minister was given advice earlier that there was a submission made, and that was clarified. Can I just get that clarified again?

KIERSTEN FISHBURN: I'm happy to provide the clarification again. In relation to the Hunter proposal, DPE did not make a standalone submission. We did provide input to EnCo, who provided feedback. They provided feedback on behalf of the—

The Hon. TANIA MIHAILUK: They sought information from the department? Is that what happened, in that regard?

KIERSTEN FISHBURN: I'll just ask James. I wasn't in the department at that time.

JAMES HAY: The Australian Department of Climate Change, Energy, the Environment and Water—

The Hon. TANIA MIHAILUK: Yes, I know who you're referring to.

JAMES HAY: —requested feedback from the New South Wales Government. That was in October 2022. So EnergyCo coordinated feedback from Transport, OECC, Port Authority of NSW, the Department of Regional NSW, the Department of Primary Industries, and fisheries, the Department of Planning and Environment.

The Hon. TANIA MIHAILUK: Was any of that information made public or not? Or only provided—

JAMES HAY: It hasn't been made public, but—

KIERSTEN FISHBURN: The Commonwealth make the decision as to whether—

The Hon. TANIA MIHAILUK: They make the decision whether that's made public?

JAMES HAY: Yes.

The Hon. TANIA MIHAILUK: Did they provide specific questions that they wanted answers to or was it a general, broad inquiry?

JAMES HAY: It's more they put out what they're proposing to do. They were looking at the preliminary boundary of an offshore renewable energy zone, so they sought feedback from the New South Wales Government, which we coordinated between that group of—

The Hon. TANIA MIHAILUK: They didn't ask you to undertake any specific studies, any of those agencies? I suppose you would know.

JAMES HAY: No, it was much more feedback on their proposals.

The Hon. TANIA MIHAILUK: In relation to the Illawarra offshore wind farm zone, I think you might have made mention that you are in the process of preparing a submission?

KIERSTEN FISHBURN: DPE is currently preparing a submission. The submissions close on Wednesday 15 November.

The Hon. TANIA MIHAILUK: Yes, correct. So you are making a submission?

KIERSTEN FISHBURN: Yes, from the Minister's side of my department, which is why the Minister may not have been able to answer the question, because the environment and heritage people have provided their

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input to my office. I have asked the planning department to provide some more fulsome information, so it's currently sitting with my office and we haven't submitted.

The Hon. TANIA MIHAILUK: And you'll make that documentation public as well?

KIERSTEN FISHBURN: Again, it's not my decision; it's the Commonwealth's decision.

The Hon. TANIA MIHAILUK: The Commonwealth? Or the State Minister could make that—

KIERSTEN FISHBURN: I can't speak for the Minister's decision.

The CHAIR: I just want to go to some questions about the EPA's regulation of forestry, if I could. On 15 August last year a Mr Graham made a complaint to the EPA in relation to logging activities in Ellis State Forest. On 17 August EPA issued a press release about that—or we assume it was about that because it was about logging operations in Ellis State Forest. I won't table the press release because it's available on your website, but it states, "EPA inspection confirms trees in Ellis State Forest lawfully harvested." It was two days after the complaint was made. And then, after that, on 13 September, Mr Graham received a letter from Steve Orr, Director of Regulatory Operations, that basically said, "We've really looked at your complaints. No breaches. No breaches."

Then, on 15 December, the EPA wrote to the Forestry Corporation saying that there had been, in fact, a breach, and one of those breaches was specifically one of the complaints that was made by Mr Graham. It raises a serious concern. One is did the EPA then respond to Mr Graham and say that actually there was a substantial breach. It was in relation to a blue gum, a koala tree, and EPA made significant findings that that tree was damaged in accordance with the very high threshold of tree damage under the IFOA. Was Mr Graham ever informed that, in fact, the letter he'd received was incorrect? And what do we do about telling the public that there was no breach?

TONY CHAPPEL: Chair, sorry, you said on 15 December. So you mean last year?

The CHAIR: That's right, sorry, 15 December 2022. This will go to the broader and deeper problem about the times. But this specific incident—

TONY CHAPPEL: Look, I'm happy to take that all on notice and give you a very comprehensive answer. I don't have anything before me around ongoing issues or issues that arose after that complaint was investigated in Ellis forest. But I will very happily revert, and I will try to do that today.

The CHAIR: Thank you. Just on that, if that had happened—assume it has; it looks fairly concrete to me—should the EPA correct the record? Is that something that is important to you?

TONY CHAPPEL: Yes, absolutely. It's critical that we communicate effectively with stakeholders. We're very conscious that in the forestry space there is very limited standing for parties and so we take that particularly seriously in the forestry space, and it's a major priority for the current year. It's certainly a major priority for me as the CEO.

The CHAIR: Thank you, and I put on the record that, given Mr Graham's incredible commitment and engagement, perhaps even a full explanation of how this may have happened, if in fact it has, and an apology to him about the fact that possibly the EPA got this wrong?

TONY CHAPPEL: I'm always very comfortable to admit when the EPA gets things wrong. We work very hard to get them right and, unfortunately, we don't always get them right. But I think that would be entirely appropriate.

The CHAIR: Thank you. Just on that and referring to the Auditor-General's report around forestry, one of the things that she noted was that the EPA conducts inspections in response to forestry complaints but does not always do so in a timely way. I'm just curious about whether the EPA has responded to that. Are there changes in the practice of responding to complaints?

TONY CHAPPEL: Yes. I mean, we've taken a comprehensive and open approach to the findings of that audit report. We've completed, I understand, one of the actions and all of the others are underway in being comprehensively addressed. We're also putting a major focus into additional training for our people and capability building to enable us to be more responsive. I should note there will always be resource constraints. Within our existing resources we take a risk-based approach and we are confident we deliver an effective risk-based focus, but it doesn't mean we can be everywhere at once.

The CHAIR: Sure. I think the Auditor-General noted that complaints can take somewhere between eight and 40 days. Is that a reflection of the resource constraints? Is that a target that you're seeking to improve on?

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TONY CHAPPEL: Yes, it is a target we're seeking to improve on. But it's also, I think—what's missed in that is the nuance of the relative level of risk. We respond in hours, if not minutes, to very high-risk complaints and then other issues can take longer if they're assessed through the triage process as being of less risk.

The CHAIR: Is the allegation of unlawful tree removal in threatened species habitat considered a high-risk complaint?

TONY CHAPPEL: Yes, but obviously it also goes to the substance of what's in the complaint or the evidence or the other material and our existing work or understanding of that particular operation.

The CHAIR: What is the EPA's test for whether a stop work order should be made?

TONY CHAPPEL: We have a variety of regulatory tools, and when we have issued those in the past it's generally been where we've seen very clear evidence of a breach that is at risk of continuing and causing additional harm. So it's really about the level of harm when considered against the rules of the IFOA. But I should just add that the ultimate focus for us is on the outcome. Sometimes we will go to Forestry Corporation and raise concerns and they will voluntarily agree to halt while we work those through, and so then we don't need to get to that point. It really depends on the circumstances.

The CHAIR: In terms of EPA as a regulator of many operators, is it a factor for you that the Forestry Corporation does have a recidivism history? It is an operator that has a significant history of breaching rules and prosecutions and penalty infringements.

TONY CHAPPEL: Yes. I mean, in any sector, the seriousness of the offending and the nature of the previous, I guess, behaviours of a particular entity are always relevant.

The CHAIR: Do your officers have a particular kind of policy or discretionary framework that they work to in terms of assessing the gravity of the offence and the allegation of the offence? Or is it sort of left to the discretion onsite?

TONY CHAPPEL: No, we have some consistent metrics. I might invite my colleague Mr Beaman to speak in some more detail to some of that. I will just say, while he is coming up, we've moved to an operating model where—we don't have a team who just do forestry, but we now have hundreds of authorised officers who can be deployed to forestry issues. It obviously means there is a challenge and a process that has been underway in the last few years to operationalise that to full effect—to bring all of those other officers up to the necessary level of skill and understanding. I'm confident we've made very significant progress in that regard. I might invite Steve just to talk to it.

The CHAIR: This is helpful. Mr Beaman, could you explain who would arrive at a logging operation where there are allegations of significant breach, including wrong size trees, tree types, threatened species and habitat? What does that officer do? Who are they? How are they qualified and what tools do they have?

STEPHEN BEAMAN: I will start from the hierarchy and work my way down, thanks, Chair. We've got published prosecution guidelines, so they really did give us guidance about the types of enforcement tools that we need to actually consider when we make our decision-making processes. We've also published what we call the regulatory framework. That document gives officers the policy overview about what types of regulatory action, and we have a thing in there that talks about—and it goes to those things that Mr Chappel talked about—the severity of the offence, the nature of the harm, the history of the offender. It has all those characteristics.

The CHAIR: Mr Beaman, what would happen if I'm arriving on the ground and this is my first time as an EPA officer? How am I going? Am I with somebody? How would you send somebody out, and how does it actually happen? I understand—I have seen the documents. But how do they actually then go about this? And how much training have they had? How long have they been—

STEPHEN BEAMAN: I should probably declare an interest. My first job at the EPA, 30 years ago, was as the first forestry officer. All our staff operate in pairs. For safety reasons, particularly when you're working in forest areas that are quite remote, staff are often—there's a buddy system. The way that we operate, newer staff arriving or staff that may not have an expertise in a particular area get buddied up with more experienced staff. Those staff then collect their evidence and information in the field. We have a team of technical experts—

The CHAIR: Can I just stop you there? When you say "collect evidence in the field", is there a pro forma, is there a methodology, or is that left to the discretion of what is being complained about?

STEPHEN BEAMAN: They will have a pro forma depending on what the issue is—if they're looking at roading and they're looking at the particular nature of roading activities, or they're looking for particular threatened species. We're moving more and more to using online field tools—instead of putting it into notebooks, putting it directly into electronic formats.

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The CHAIR: Have we got more of those iPads now?

STEPHEN BEAMAN: We have got more of those iPads.

The CHAIR: As well as diameter tapes?

STEPHEN BEAMAN: Yes, we do. There wasn't enough. They have all been purchased. So those officers will collect that information in the field and bring that back. There's often the opportunity then to discuss with the technical experts in the EPA, who are people with a threatened species expertise background—or people with a soil erosion control background, if we're looking at a particular roading issue. They will put that evidence or that information brief together. They will then talk to their supervisors and managers, who have experience in forestry matters, and then that's where the discussion gets had between staff and their team leader or supervisor about what the appropriate course of action is.

The CHAIR: I'm assuming all of this material, whether it's in document form or through the iPad, then goes to an assessment officer—or is that yourself? Who makes the final decision about whether, in fact, something is a breach or something is not a breach?

STEPHEN BEAMAN: That would be done in consultation with a person's supervisor and, depending on the nature of the breach, then that escalates through the EPA.

The CHAIR: Is that something that is done in consultation with the Forestry Corporation on the ground, or is that something that is done at arm's length?

STEPHEN BEAMAN: It is absolutely arm's length. We would collect information from that person—any Forestry Corp representatives on the ground—about what they know about the particular breach, but our decision-making is completely arm's length.

The CHAIR: If somebody has made a complaint—going back, say, to Mark Graham, for example. That was a very detailed complaint, and I understand EPA receives quite detailed complaints from members of the community or organisations. Do you then report back to those complainants with that level of detail? What if somebody has said, "We were in the forest. We took photos. We've got measurements. We've got GPS coordinates. This is the allegation." Then the EPA says, "No, that allegation is not made good." Do you have the same level of evidence—the photos, the descriptions, the locations—and is that material that you would provide to the complainant to help them understand where the difference is?

STEPHEN BEAMAN: The answer is yes, we collect that same level of information—probably even more so. I think the question would remain, "Was it still an active investigation?", which we wouldn't be able to hand that information back out. Whether we were preparing a brief of evidence, either for an on-the-spot fine or taking it to the court, we wouldn't be able to pass that evidence out. But as a matter of good practice, we actually need to go back to people who—the public. And, as Tony said, there are particular third-party rights that don't exist in the forestry space. And we take that seriously—that we should go back to people who have taken the time and effort to collect that information and give them feedback—absolutely.

TONY CHAPPEL: I should just add to that that, in this and other realms of regulation, it can be very frustrating for community members who make a complaint and then don't understand that there's often quite a complex and sophisticated legal process that's working towards a prosecution that really limits the information we can share back. But it's certainly something we continue to work to improve, how we communicate.

The CHAIR: Why is it better for EPA to get voluntary outcomes from Forestry Corporation, as opposed to—I think what you were saying earlier, Mr Chappel, was that in terms of a stop work order, if you can get a voluntary response then you would prefer to do that. I understand the sense in that. But have we really tested the actual regulatory theory around that? Why is it better?

TONY CHAPPEL: Well, Chair, what is better is the outcome. If we're looking for an outcome of protecting threatened species or protecting the environment from harm, frankly, the environment doesn't mind if it's an enforceable order or a voluntary stop work agreement. The EPA can always step in and issue a stop work order if that voluntary pause is being withdrawn. We don't hesitate to do that. Nor do we hesitate to prosecute, where there's a strong case to do so, in accordance with our prosecution guidelines. I think the only other relevant point here—and it's around regulating government entities—is that we also are mindful, because there's a Premier's memorandum around this, that agencies spending taxpayer money on both sides of a court matter is not an ideal situation to be in. It's obviously necessary, sometimes, and we don't hesitate to take action against State-owned corporations where it's warranted, but we are required to consult, through that memorandum.

The CHAIR: In relation to Oakes, Forestry Corporation contacted EPA saying they wanted permission under protocol 5 to undertake roading works. Then EPA responded and said, "No, you can't do that. The harm

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would be really significant. It's rufous scrub-bird habitat and the logging that you seek to do at the end of this roading really isn't viable. It's steep slopes. It shouldn't happen." Forestry Corporation then wrote back and said, "We went ahead anyway. We decided we didn't need your approval. We've changed the definition of what we're doing and it's not roadworks; it's just routine maintenance." What do you say to that?

TONY CHAPPEL: I'm across some of that detail and correspondence that you're referencing. Since that exchange, the EPA has been on the ground and re-inspected roading operations that were found to have taken the necessary corrective actions and to be compliant. There's still some outstanding issues which—

The CHAIR: Mr Chappel, I understand that. I'm just going to finish on this. What do you say to the fact that permission was sought but wasn't granted—in fact, they were told they couldn't have that permission; they went ahead and did the environmental harm—I've seen it with my own eyes—and now we're just carrying on? I can come back to you on it.

TONY CHAPPEL: I'm happy to come back to it. I wouldn't necessarily characterise it quite that way, but let's talk about it further.

The CHAIR: Thank you. Over to you, Opposition.

The Hon. NATALIE WARD: I think we were dealing with the Blue Carbon Strategy in the last instance. So we were talking about that and I just asked what funding is allocated towards the strategy in 2023-24.

SHARON MOLLOY: Yes, so for 2023-24 we have secured just over \$800,000.

The Hon. NATALIE WARD: Thank you. The strategy says the department works with the BCTs to accelerate opportunities to protect blue carbon ecosystems on private land. What opportunities have been identified to date?

SHARON MOLLOY: To date, I mentioned the two demonstration sites at Duck Creek and at Everlasting wetland.

The Hon. NATALIE WARD: Yes, got those.

SHARON MOLLOY: One of the actions within the strategy is to try and identify another further eight sites, so we've got some preliminary work happening in relation to that—assessing some of the opportunities and also some of the planning pathways. I don't have any further detail with me today on that, but I could certainly provide that at a later date.

The Hon. NATALIE WARD: All right, thank you. I have some questions for Mr Chappel. Thank you for your work and for joining us today. I want to go to the Protection of the Environment Policy for sustainable construction. Around that policy—it might be a question for you, Mr Chappel, or someone else in the department, but I will defer to you—does the department believe, as Advent Energy does, that there's a need for offshore gas projects to meet New South Wales' energy transition? It might be for Ms Fishburn.

TONY CHAPPEL: Look, in terms of the Protection of the Environment Policy that's currently the subject of consultation, that is regarding infrastructure and the inclusion of recyclable material and requirements to lay out the embodied carbon and so on in proposals for that infrastructure. Sorry, I'm just not clear on the link to offshore gas extraction.

The Hon. NATALIE WARD: I think Advent Energy has said they could be drilling for gas off the coast of New South Wales in four to eight months. I'm just wondering if the department has provided any briefings. I'm sorry, it might be misdirected to you. It could be for another person in the department to address. Has the department provided any briefings to the Minister on Advent Energy's plans?

KIERSTEN FISHBURN: I'm just looking at my officers; I think we'll have to take that one on notice.

The Hon. NATALIE WARD: It's Cluedo.

TONY CHAPPEL: There are two PEPs. We use a lot of acronyms. One is Protection of the Environment Policy and one is Petroleum Exploration—

The Hon. NATALIE WARD: Yes, I'm sorry; I had dealt with one earlier and I think I'm confusing them. I think that's on me, squarely. Apologies. I'm trying to juggle questions and quite rightly I've bowled the wrong one up to you so I withdraw that. So you'll take that on notice?

KIERSTEN FISHBURN: Yes.

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The Hon. NATALIE WARD: Could I also ask, perhaps, if you might also add this: Has the Minister directed the department to commence any work on a Government bill to amendment legislation in New South Wales to prevent offshore drilling?

KIERSTEN FISHBURN: Again, I'm looking at my officers in case they have any information I don't have. To my knowledge, no, but I will take that on notice. I don't want to give you incorrect information.

The Hon. NATALIE WARD: I might come to you, Mr Chappel, on the other PEP.

TONY CHAPPEL: Sure.

The Hon. NATALIE WARD: And come back to that about the progress made on the consultation around your draft Protection of the Environment Policy for sustainable construction policy. Who has the EPA consulted with since February this year on that consultation?

TONY CHAPPEL: I might invite my colleague Ms Chang, who leads this area for us, to give you the detail. It is a really exciting development, actually, and the first this instrument has been deployed, which is in our legislation, and a really important tool to bring forward demand for recycled material and low-carbon material. Nancy might talk to the consultation.

The Hon. NATALIE WARD: Thank you. I'm interested in the progress around the consultation, not the policy.

NANCY CHANG: Thank you. So the CEO has written to various department heads—in fact, to all department heads—in relation to our intention to make our first Protection of the Environment Policy. We have reached out to colleagues in the Department of Education, particularly Schools Infrastructure, to explain to them the scope of this PEP, should it be made. We have also received significant interest and support from our colleagues in NSW Transport, as you can imagine, in terms of building of roads and other key infrastructure and, of course—

The Hon. NATALIE WARD: I'm a little tiny bit familiar with that one, thank you, in roads.

NANCY CHANG: And of course we have had full support from our colleagues in Infrastructure NSW and also the department of planning.

The Hon. NATALIE WARD: Thank you. When will that policy be finalised?

NANCY CHANG: We are currently in the process of consultation. We are currently in talks around pilot sites that we could potentially trial before we make that PEP.

The Hon. NATALIE WARD: Okay. You might update us on that.

NANCY CHANG: Yes.

The Hon. NATALIE WARD: Thank you. Mr Chappel, just in relation to one of my personal favourites, Return and Earn has recycled now over 10 billion cans and bottles in New South Wales—

TONY CHAPPEL: It has.

The Hon. NATALIE WARD: —which we can all agree is a fantastic achievement. The Minister has indicated to us that her and the EPA are already thinking about the next billion collections. Has the Minister asked the EPA to look at expanding the scheme to be able to include other recyclables, for example, wine bottles and milk bottles?

TONY CHAPPEL: The former Government commenced a consultation on that proposal and it's something that's being done concurrently with other States looking to, potentially, harmonise and broaden the scope of relevant containers, including glass wine bottles and other juice bottles and containers that are not currently included. So we have essentially been engaging on that for the best part of the last 12 months and we're looking to do some further engagement with the wine industry later this year. I think that potential proposal remains very much subject of ongoing engagement.

The Hon. NATALIE WARD: Has the EPA briefed the Minister on that expansion of the Return and Earn to include those items, potentially?

TONY CHAPPEL: I'm not sure that we've delivered a specific briefing but I will take that on notice and confirm for you.

The Hon. NATALIE WARD: I'd appreciate that. Given the collapse of REDcycle, how is the EPA working to help local communities when it comes to the recycling of soft plastics?

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TONY CHAPPEL: We are working very hard with our colleagues in other States and the Commonwealth on a national solution for soft plastic packaging recycling and collection. You may also be aware, Ms Ward, on Sunday with the Minister we were pleased to release a discussion paper on problematic plastic, both in terms of its litter and environmental impact and also where it contains harmful chemicals or contributes microplastics to the environment. We've opened now a 14-week consultation across, essentially, any product that the community would like to raise. We have highlighted a number of specific examples that we consider are particularly problematic, so that process is now underway and will conclude in the new year. We'll look to follow that up with an options paper and potential further action. But I suspect prior to that process finalising, we're hopeful we can reach national agreement on a new program that will reinstate effective collection for soft plastics and recycling as well as look at recycled content in that material.

The Hon. NATALIE WARD: Thank you. I'll turn to artificial turf in that respect and just declare as a former sports Minister: I'll lay my cards on the table. But does the EPA hold a view on whether there should be a moratorium on artificial turf in New South Wales?

TONY CHAPPEL: Look, we're part of the whole-of-government response to that chief scientist's review, which is actually being led by my colleagues in the planning department. EPA's focus is very much on the relevant opportunities to contain and prevent microplastic or other harmful chemicals going into the environment as a result of those facilities. I think we understand in certain contexts those facilities often allow playing fields where they may not be viable with more natural grass alternatives.

The Hon. NATALIE WARD: Yes.

TONY CHAPPEL: We need to work through that.

The Hon. NATALIE WARD: Okay.

TONY CHAPPEL: But that, again, I imagine will be raised in the consultation I referenced earlier.

The Hon. NATALIE WARD: Thank you. I'll just quickly finish up on this subject. Does the EPA hold—does it view artificial turf as an environmentally safe product or does it depend on the type?

TONY CHAPPEL: Our view will be very much informed by the findings of the chief scientist in that regard. I think the harm from that product is more in the leaching of materials into the environment rather than how it's used for playing sport.

The Hon. NATALIE WARD: It can be quite hot and not good if you skin your knees on it.

TONY CHAPPEL: Yes.

The Hon. NATALIE WARD: Can I ask this: Has the Minister requested any briefings on the use or risks associated with the use of artificial turf in New South Wales?

TONY CHAPPEL: I'll have to check that.

The Hon. NATALIE WARD: Will you take that on notice?

TONY CHAPPEL: I'll take that on notice.

The Hon. NATALIE WARD: Thank you, Mr Chappel. I'll hand to my colleague.

The Hon. WES FANG: I've got some questions for EnergyCo. Just in relation to the New England area, I know we spoke about Central-West Orana earlier today, but in relation to the, I guess, proposed corridors around the Tamworth area, have you mapped any alternate corridors in addition to the proposed corridors that you've got passing through the Dungowan Valley to the east of Tamworth?

JAMES HAY: We did extensive consideration of options before we went out with the proposed corridor. We've been consulting on that corridor for some time, as you're aware.

The Hon. WES FANG: Yes.

JAMES HAY: We're now at the stage where we're still getting feedback and we're still consulting, but we're assimilating that feedback and considering that. We're planning to come back out early in the new year with the outcomes of that consultation.

The Hon. WES FANG: Okay. Do you know, under the current corridor that's proposed, how many landholders are affected and what restrictions it would place on agriculture around that area?

JAMES HAY: The corridor that we've been consulting on affects potentially up to 260 landholders. I'd stress that that's a study corridor, that's not the corridor that would actually be taken—so that covers an area of

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potentially a kilometre wide. The actual corridor for the final transmission line might be 200 metres and the construction corridor somewhere in between that.

The Hon. WES FANG: And the easement around that?

JAMES HAY: It depends on how many lines there are.

The Hon. WES FANG: Right.

JAMES HAY: With the lines that we're proposing, many activities can continue on and around them, which is unlike undergrounding.

The Hon. WES FANG: Right. Well, nice shot. We could debate that one, but, yes. Will you expect to lose any residences with that corridor, or are you going to work your way around them?

JAMES HAY: It's too early to say that.

The Hon. WES FANG: Okay. How would you determine the just terms compensation that might be offered? Just under the Act or are you looking to—

JAMES HAY: Under the Act, but you may also be aware—we follow the Act and there's components there that are constant across properties in terms of the property valuation but the effects can be different. So the way that those are assessed is all in accordance with the Act and it depends on the particular land use and impacts on the landowner. In addition, you will be aware that we have announced strategic benefits payments, which relate to those parties on which transmission is built. They'll get \$200,000 per kilometre over 20 years, that's in addition to the just terms Act compensation.

The Hon. WES FANG: Understood. So why then do you believe that the extra cost of placing the transmission lines underground would be uneconomic if you—sorry, let me rephrase. What cost do you believe that undergrounding these lines would make it uneconomic, given that ultimately those costs are just passed onto the end consumer? Is it not better to share the cost across everyone instead of imposing these lines on the landholders that are affected by the corridor?

JAMES HAY: As we've talked, the landowners do get direct compensation for the impacts on them assessed in accordance with the just terms Act.

The Hon. WES FANG: Yes.

JAMES HAY: In addition, they get the strategic benefits payment. The costs of undergrounding are so much more significant and the impacts on the landowner are so much more significant that we think that that is not warranted at this stage.

The Hon. WES FANG: But isn't that the decision of the landholder?

JAMES HAY: It permanently sterilises a corridor in a way that overhead does not.

The Hon. WES FANG: Isn't that the decision of the landholder, though?

JAMES HAY: No.

The Hon. WES FANG: Why do you believe that landholders might be feeling as if they are not receiving sufficient responses from EnergyCo in relation to consultation and the feedback in relation to the proposed corridor?

JAMES HAY: We are constantly engaging with landowners. We seek to follow-up every lead and every contact. So if you're aware of those that were not, I'd be very interested and we will follow them up.

The Hon. WES FANG: Okay. I might take you up on that offer, thank you. If construction goes ahead, what time frame do you believe when work will begin and how many jobs do you believe will be created in the construction?

JAMES HAY: Construction—one of the things that we'll be working through is possible staging of the work so it's a little bit hard to be too precise, but in a general sense we think the first stage will be around about a four-year construction period.

The Hon. WES FANG: Okay. You believe it could be started in?

JAMES HAY: Again, what we prefer to do is to do the engagement we're doing right now, do the environmental assessments which are underway commencing now, plus they will continue as we go. I'd rather sort of let that engagement go and, as I say, we're committed to that engagement and then that will give us some ideas.

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The Hon. WES FANG: But the Minister, surely, is providing a little bit of pressure to say, you know, "I want these lights constructed by" and—

JAMES HAY: Absolutely. My colleague Mr Lewis might—sorry?

The Hon. WES FANG: —a date. The Minister must be saying to you, "I want these lines in by X date."

JAMES HAY: We've indicated dates in the Network Infrastructure Strategy. We think New England is really a project that would be scheduled for commencement in the late part of this decade, probably towards 2030—maybe beyond.

The Hon. WES FANG: Okay. So commencement around 2030, finished around 2034.

JAMES HAY: That's completion.

The Hon. WES FANG: Sorry?

JAMES HAY: Completion of the first stage.

The Hon. WES FANG: Completion date? Sorry. I thought you said commencement.

JAMES HAY: Commencement of power.

The Hon. WES FANG: Right. Yes, well, that's a completely different thing. How tall are you proposing the powerlines to be at the moment? Are they the 500 kVA system that are about 75 metres tall, thereabouts?

JAMES HAY: Five hundred kV towers.

The Hon. WES FANG: So 75 metres?

JAMES HAY: Yes.

The Hon. WES FANG: Interesting. Is there any possibility that once these lines are completed, they might be sold off to foreign companies?

JAMES HAY: The way that we are looking at procuring these is they will tend to be built, owned and operated by companies. EnergyCo is what we call the infrastructure planner. This morning we touched on some of the points about the need to coordinate the investment and generation, transmission and storage. The last time major lines were built, most of those assets—or all of those assets—were owned by the State.

The Hon. WES FANG: Yes.

JAMES HAY: So our role, we're not allowed to own and operate these.

The Hon. WES FANG: No.

JAMES HAY: We procure parties to build, own and operate.

The Hon. WES FANG: That could be, under the current arrangements, overseas organisations.

JAMES HAY: Yes.

The Hon. WES FANG: Okay. Interesting. There's a petition at the moment from residents around the Dungowan Valley to oppose this. Does that make any difference to you? I believe there's over a thousand residents who have signed it.

JAMES HAY: We engage with all landowners and communities and we're very interested in their views, so we take them into account.

The Hon. WES FANG: Okay. Interesting. I will pass over to my colleague, just to finish some more and I will come back to another topic later.

The Hon. NATALIE WARD: Back to Mr Chappel, if I may, on the EPA budget. Can I ask about the budget papers? They're showing that the EPA is only estimated to have expended \$39.4 million on grants and subsidies in 2022-23, although it seems to have budgeted for \$74.7 million worth of grants and subsidies.

TONY CHAPPEL: Yes.

The Hon. NATALIE WARD: I just want to understand why the estimated actual was so low compared to what had been budgeted for?

TONY CHAPPEL: I might invite my colleague Ms Chang, who leads our finance area, to complement my initial answer, but my understanding is, essentially, when there's a natural disaster like the floods recently and

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fires, allocations are made based on estimates, and then grants are deployed based on the actual need as assessed. So, often, the amount does vary. Some of those, I think, are still in train for this year. But I think, in this case, one of the relevant issues was that the budgeted allocation was substantially larger than what ended up being required for our role leading the environmental recovery part of post-disaster.

The Hon. NATALIE WARD: Right. Does that accord with your understanding?

NANCY CHANG: Yes, that is correct. The variance is largely related to bushfire as well as flood recovery.

TONY CHAPPEL: We're happy to give more detail.

The Hon. NATALIE WARD: If you're able, that would be a help for us to understand that it's just a reasonable difference in the two, so it would be helpful to understand why that is.

The CHAIR: Mr Ruddick has something, and then we will move to the others.

The Hon. JOHN RUDDICK: I have a question for James Hay from the Office of Energy and Climate Change. Mr Hay, on 27 July this year, António Guterres, who is the UN Secretary-General, said, "We've now moved from the era of climate change to the era of global boiling." Now, he's not a nobody. He's the head of the United Nations, which has, sort of, led this crusade against carbon dioxide. He said that we're in this new era of global boiling. I was just wondering, has there been any discussion in your department about rebranding as the office of energy and global boiling?

JAMES HAY: No.

The Hon. JOHN RUDDICK: I am pleased to hear that, but it does demonstrate, I think, that this whole movement has been built on hysteria. This was an example of the hysteria going too far. My second question is we know that, throughout history, there have been minority positions on science which have been demonised but, with the passage of time, they have been vindicated. Some of the greatest scientists in history, like Copernicus, Galileo and Charles Darwin, fit in that category. Within the whole bureaucracy we've got here trying to re-engineer our economy off fossil fuels, is there anybody who is monitoring or keeping an eye on those scientists who are sceptical of the orthodoxy that a room like this can change the weather outside? The Minister did say earlier that it would be fabulous if the underlying science was wrong. There are good scientists who say it is wrong, so I think it would be helpful if we could have at least one part of this massive bureaucracy that was thinking, "Well, we do need to keep a check on whether the weather really is changing?"

JAMES HAY: I just hasten to add, my part in the bureaucracy is to lead the Energy Corporation of NSW, which is the infrastructure planner coordinating the investment and transmission. Based off the CSIRO advice that firmed renewables are the cheapest options to replace existing generation, that isn't inherently linked to climate change or any views of that. My colleague Mr Lewis leads the climate change part of the team. He may wish to comment on that but, in terms of our work, we are looking to pursue the lowest cost forms of generation for the future of New South Wales.

The Hon. JOHN RUDDICK: Obviously, the lowest cost to produce energy is coal. Now, we've overly regulated, but if we had a laissez faire market, people would be tending to want to use coal. Can Mr Lewis add anything to my question about whether there is anybody in the bureaucracy who has an open mind on whether this is all a trillion dollar folly?

KIERSTEN FISHBURN: May I ask the Chair—that feels like public servants are being asked to speculate. We obviously follow direction from the Government's policy.

The CHAIR: Thanks, Ms Fishburn. I think Mr Ruddick's time is done and his position stated. I will move over to Ms Boyd.

Ms ABIGAIL BOYD: Could I just start, perhaps, with you, Mr Hay, in relation to contractors at EnergyCo. I'm just picking up on a discussion that we started in the Public Accountability and Works Committee hearing in relation to the staffing structure of EnergyCo. I understand that you have approximately 98 contractors, 23 contingent labour staff and about 74 employees. Does that sound right?

JAMES HAY: Those are the numbers which I gave to your committee.

Ms ABIGAIL BOYD: Yes.

JAMES HAY: They change. It's in that order.

Ms ABIGAIL BOYD: Excellent. So about half of them are contractors. From the answers to questions on notice to the committee, I now see that—on par with the Sydney Metro contractor spend—we're looking at an

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average daily rate paid to contractors of just shy of \$2,300. How does that compare with the average employee at EnergyCo?

JAMES HAY: I would have to take that on notice.

Ms ABIGAIL BOYD: Some of the contractors at EnergyCo are earning up to—there's one here at \$557,280 for their annual salary. What kind of role would that be?

JAMES HAY: Again, it's hard to be specific. Different roles have different durations. Some are working two days a week. Some are working five or more days a week. Some are out in the field doing long hours. It's very hard to be specific about that.

Ms ABIGAIL BOYD: You have got more than five contractors who are earning more than half a million dollars on an annual salary basis. Can you give us a flavour of what any of those people would be doing?

JAMES HAY: Many of those would be very specialist infrastructure people at project director level, or directly in there, or highly specialist engineers and others.

Ms ABIGAIL BOYD: In total, there are over 15 contractors at over \$400,000. That's a significant chunk of your overall workforce. Does it concern you that EnergyCo is quite reliant on highly paid contractors?

JAMES HAY: I don't think "concern" is the right word. We look to get the right people for the job at the time. Some of the work we do we need to get going, and then we look to recruit over time. The process of recruitment is a long one. You want to get the right people in the long term. For some of our jobs, I would hasten to add—and this is the nature of the development phase of infrastructure—you need very good people doing specialist jobs for not necessarily a long period of time. So, again, there's horses for courses here. When we're doing detailed assessment of environmental impacts, we need some very good specialist people. They're very much in demand across the country, not just the State.

Ms ABIGAIL BOYD: EnergyCo is a relatively new organisation. I think we are fortunate to be able to look now at what we've seen, for example, in Sydney Metro, where they have had over—you know, some of their contractors have been sitting with them for 12 years. When they were first hired, you can imagine the arguments about, "Well, there's not many people with these skills. We want to bring them in. It's for a short period of time," et cetera. But now that we see the enormous spend on contractors within that organisation, does EnergyCo have a plan to ensure that it brings people on board and actually has permanent employees going forward rather than this continued reliance on contractors?

JAMES HAY: We're very focused on that, and we have to try and work that—in our project side, we have, as I said, the development phase, which is that phase of getting planning approvals and working through regulatory approvals. It tends to be quite a diverse phase. There's lots of different activities. Once you get to delivery, you've got a contract, you've got much more traditional roles and you know you've got a four-year construction period so you know you can employ people for longer. The roles are more defined as well. Some of our roles in these projects—take the Waratah Super Battery—had to be done at very short notice, and it's quite a short duration project. It will be complete by August next year. It's on time and on track, and we needed very specialist people to help us with batteries, because they're quite new. It's a classic example of having the right people to do the job at the right time.

In parallel with all of that, we've been working through a brand-new regulatory structure under the Electricity Infrastructure Investment Act. So we've had to bring in some regulatory specialists and some planning law specialists as well to focus on doing things for the first time. There's a real blend there that we're trying to hit the sweet spot on with getting the right specialist in, who can really think, not just in the National Electricity Market context but in this new regulatory context, bring that in and capture the IP and bring on our staff. You may have seen we've recently got quite a recruitment going on. That's the first stage of that recruitment, to phase in those employees that you're talking about.

Ms ABIGAIL BOYD: I might come back to you later, but I'll definitely be coming back to you in next year's estimates and checking on those figures. I wanted to ask, in the period of time I've got left—my office has received a number of complaints in relation to the list of approved suppliers on the government website for encouraging people to switch from gas to electricity if you wanted to replace your hot water system, say. A lot of people out in the regions are saying there's just not approved suppliers in their areas, and also the website is very difficult to use. What is the department doing to try and provide that information and have more approved suppliers outside of Sydney?

ANDREW LEWIS: Certainly. Thank you for the question. It is an issue we are aware of, that, due to the lower number, whether it be electricians or plumbers that are in regional locations, they have either not been aware of what they can do under the relevant scheme or have simply not had, say, the time to become accredited

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through that process. So we are doing things like working with the peak bodies that represent those small businesses or large businesses to encourage awareness of what is being done under the scheme and the opportunities it does present, because ultimately it does generate more work opportunities for what are often small businesses in regional locations. So we are taking a number of efforts to try and increase awareness and focus. Ultimately, we are not responsible for choosing or selecting. It is a company and business that needs to go through the relevant accreditation process. Your comments around the website are also noted, and we do have a current program to try and improve both the searchability and the information on the website to assist with further promoting the benefits under the program.

Ms ABIGAIL BOYD: Thank you. Has any work been done in terms of developing a program that ensures the gasfitters are paired up with electricians in order to swap out gas stoves to electric stoves and things like that? Has that been part of the general work on trying to electrify homes for climate change adaptation?

ANDREW LEWIS: I'm not aware of that work, if any of that work has been necessarily done. I'm happy to make further inquiries and come back. But what I will say is that, certainly, there are a number of businesses that offer multiple types of utility services, that, within their own organisation, certainly are capable of organising, as in your example, the plumber and electrician to come out, because ultimately they do work for the same business. Similarly, by promoting this through the peak bodies and local chambers of commerce and that kind of thing, hopefully, there's just a natural matching-up. But, if a plumber is being engaged to disconnect and they don't have the skills or they don't have a colleague, they will generally know in the local community who potentially is there. The problem may be—and I'll be honest about this—that the local electrician that they often do this kind of work with may not be accredited under the scheme yet and may not be able to participate. As I said before, it's something that we're very conscious of, and we are making efforts to try and improve this, particularly for regional communities, because we do know that the proportion of providers in those locations is lower than in the metropolitan areas.

PETER DAY: Chair, just one very quick correction. The Waratah Super Battery is August '25, not '24, completion. My apologies.

Ms CATE FAEHRMANN: I wanted to turn to the Koala Strategy, particularly in relation to the koala surveying that is part of that Koala Strategy. I understand that there's the ongoing work, baseline surveys in up to 50 populations and ongoing monitoring at that minimum of 20 sites. I've had some in the community who are wanting to know, with those 20 sites, where are they—is there a publicly available map?—and wondering the progress of that work to date.

ATTICUS FLEMING: I'll ask Mr Bruce to expand. But can I just clarify. Are you taking about just in the Great National Park Koala area or across the State?

Ms CATE FAEHRMANN: No. Across the State.

ATTICUS FLEMING: I think it's 400-odd areas, isn't it, that you're doing your monitoring?

BRENDAN BRUCE: There is three different types of monitoring underway. I can give you an update on baseline survey if you like. The baseline survey commenced in October 2022. We're using both nocturnal drones and passive song meters, looking to survey 800 sites across the State by the end of next year. As of October, 401 sites have been surveyed by at least one method, and 179 sites have been fully sampled by both drones and song meters. We expect to deploy song meters at a further 350 sites by the end of this year, with follow-up drone surveys in the following year.

Ms CATE FAEHRMANN: What's the percentage of song meters versus drones, roughly? Ideally, it would be great to have drones surveying as many of those as possible. But it sounds like song meters are the go-to tool.

BRENDAN BRUCE: I think the expectation that you'll have both wherever possible—but I'll take on notice the exact breakdown of drones versus song meters.

Ms CATE FAEHRMANN: That's the baseline survey. The other part of it was this ongoing monitoring and minimum of 20 sites that was announced. What's that?

BRENDAN BRUCE: That's the koala monitoring program. That's a multi-year landscape-scale acoustic population monitoring program. You're right; it is targeting 20 sites. In this year, we have established monitoring in 12 of those locations, and looking to establish a further eight locations in spring next year.

Ms CATE FAEHRMANN: That's all publicly available in terms of what those sites are and what the monitoring is?

BRENDAN BRUCE: I'll take that on notice. I would expect so, but I've taken that on notice.

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Ms CATE FAEHRMANN: It would be great if the 20 sites could be provided, as opposed to just saying, "Yes, they're publicly available."

BRENDAN BRUCE: That's fine.

ATTICUS FLEMING: Ms Faehrmann, can I just add, there's also a program across our national parks, measuring ecological health. For example, in Kosciuszko we've got 125 sites, and embedded into that program is also song meters for koalas and other things. There's quite a range of measures being implemented.

Ms CATE FAEHRMANN: I wanted to also ask about the NSW Volunteer Wildlife Rehabilitation Sector Strategy, which, I understand, is coming to an end this year. Is there somebody that can talk about that?

ATTICUS FLEMING: I think Trish Harrup is the authority on that.

TRISH HARRUP: Yes. That strategy is due to end in 2023.

Ms CATE FAEHRMANN: What engagement has the Government had around next steps to support that sector? What is replacing that strategy?

TRISH HARRUP: That will be reviewed this year. We haven't yet developed a forward plan, but we have an ongoing engagement with the sector, and we'll engage with them as we work out the next steps for supporting that sector. It has also, you would be aware, been recognised in the Biodiversity Conservation Act review as an area that should be reviewed.

Ms CATE FAEHRMANN: The program has been evaluated? Is that correct?

TRISH HARRUP: I'll confirm this, but my understanding is it is under evaluation. However, it does continue for the rest of this year. The strategy itself hasn't completed yet.

Ms CATE FAEHRMANN: Can I just check, in terms of consultation with the wildlife rehabilitation sector, then, what consultation has taken place with that sector, around the ceasing of this strategy.

TRISH HARRUP: Can I come back to you with an answer on that?

ATTICUS FLEMING: I think we should take it on notice because there are a range of different initiatives. That particular strategy is coming to an end and will be reviewed. There are a range of other initiatives being rolled out to support groups. The Minister's, obviously, not here, but I've heard her say on a number of occasions to stakeholders how important it is for us to take a pretty holistic look at how government can best support volunteers across the State. So you should assume that that will be the way in which we proceed.

Ms CATE FAEHRMANN: That sounds like that's going to go over and through and beyond this summer period. I have had conversations with wildlife rescue groups who feel as though the promises and commitments that were made immediately post-fire have fallen in a bit of heap now. What is the support that is being provided to bolster wildlife rescue organisations coming into this fire season? Again, through a number of conversations that I've had, they don't feel that some of the recommendations, for example, from the Bushfire Inquiry have really been implemented either.

ATTICUS FLEMING: I do want to acknowledge those concerns, because I've heard the concerns as well. But we have been implementing aspects of the inquiry that relate to care of wildlife. For example—I'll let Naomi Stephens or Trish Harrup elaborate—there is an additional role that has been created to go into incident management teams specifically to provide for and plan for a response in terms of wildlife care. We're looking at standing up expert teams that can then be deployed to fire grounds to ensure that we are dealing with wildlife welfare issues. Ms Stephens, it's probably one that you can elaborate on.

NAOMI STEPHENS: Sure. I'm happy to talk some more about that. I should also mention that we're working with the EPA on this as well. In consultation with parks, the EPA are leading on the response plan. We have developed guidelines to assist people working in an incident management situation, looking after wildlife. We've also done role summaries that explain to people the roles, how they should be carried out and where they fit in, in terms of the structure. We haven't finalised those because the response plan is due to be finalised and adopted at the beginning of December, and we want to ensure all the work that we've done. We have a technical advisory wildlife officer that goes into incident management teams and provides technical advice. Also, where required, a wildlife emergency response team goes into the field.

Ms CATE FAEHRMANN: Thank you. Can I jump in with one last question on this in my final 10 seconds? I'm curious to know, when you're talking about this integrated response, whether that deals with the issue of the fact that wildlife rescue organisations had to wait sometimes four, five, six, seven or eight days to enter into a fire ground to rescue animals. That was one of their main concerns. Is that being addressed?

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NAOMI STEPHENS: I think having the technical advisory wildlife officer embedded in the incident management team—

Ms CATE FAEHRMANN: One officer across the State—is that what you mean?

NAOMI STEPHENS: No. An incident management team is per fire or per fire complex, and that person can also have somebody else with them. So it can be up to two officers. Having them embedded in the incident management team, dealing directly with the incident controller and having responsibility for wildlife will, I think you'll find, be much more responsive in terms of identifying that there's been an issue and the wildlife need to be responded to, in which case I think you'll find there will be better communication with the groups and more timely intervention through the incident management team, as all things are in bushfire.

TONY CHAPPEL: We can provide some additional content as well, perhaps on notice.

The CHAIR: Mr Chappel, on that point, we've had direct communication that the wildlife sector is feeling not consulted through your teams in terms of developing that fire response strategy. If you could take that on—

TONY CHAPPEL: Yes, absolutely.

The CHAIR: I think that we are literally breaking for a short break.

BRENDAN BRUCE: Chair, could I update the Committee in relation to the membership of that steering committee which is looking at both of the reviews?

The CHAIR: Yes, of course. Thank you. I felt it was a bit light on.

BRENDAN BRUCE: My apologies. The Cabinet Office is leading, with the Environment and Heritage group, Treasury, Aboriginal Affairs, Planning, Crown Lands, Transport, the Office of Energy and Climate Change, Infrastructure NSW and Local Land Services. My apologies to my valued colleagues.

The CHAIR: That's sounding much more fulsome. Thank you.

The Hon. NATALIE WARD: Thank you, Mr Bruce. I appreciate you coming back so quickly with that. That sounds much more like the normal way.

(Short adjournment)

The CHAIR: Welcome back, all. We'll recommence with more questions from the Opposition.

The Hon. NATALIE WARD: Welcome back. Can I direct a further Return and Earn question to Mr Chappel?

TONY CHAPPEL: Yes, of course.

The Hon. NATALIE WARD: Mr Chappel, commencing yesterday, people can get a 10¢ refund on glass, wine and pure spirit bottles when they're returned in Queensland to a container refund point. New South Wales once led the way with its return program. Can you elaborate on whether there are any plans for something similar here or whether that's contemplated? What are your thoughts on that?

TONY CHAPPEL: As I think I alluded to in an earlier answer, there's a proposal that has been out for consultation on not quite exactly the same expansion but very similar. We've been doing some ongoing, targeted consultation and expect to go back out to stakeholders later this year on how we can resolve some of the issues that have been raised by them.

The Hon. NATALIE WARD: Is there any indication of when that might come back?

TONY CHAPPEL: I think the next stage will be certainly this calendar year, to be going back out to the community and the industry—and particularly the wine industry has raised various concerns for small wineries and so on—about how to manage any cost implementation of introduction. We're hoping to ideally align that with other States as well, like WA and SA.

The Hon. NATALIE WARD: Okay, great. We can take our bottles over to Perth.

TONY CHAPPEL: No, hopefully we'll be doing it at the same time.

The Hon. NATALIE WARD: No, I'm joking. Can I turn to the NSW Waste and Sustainable Materials Strategy 2041, published in June 2021? It tells us that airspace for non-biodegradable waste or non-putrescible

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waste for Greater Sydney will expire in 2028 and airspace for biodegradable waste in 2026. What plans are there to build more landfill capacity to accommodate that?

TONY CHAPPEL: As the Minister alluded to, what we're really trying to do is drive resource recovery up what we call the waste hierarchy. Landfill is really an absolute last resort. We have a series of programs underway now around food, organic waste and kitchen scraps and so on, and garden waste, to divert a large amount of that material to landfill. We expect that about half a million tonnes per annum that currently goes to landfill, where the nutrients are wasted and it turns into greenhouse gases, can be turned into productive compost. That's progressively rolling out across the State. In terms of the broader infrastructure piece, I absolutely acknowledge there's a need for a variety of scenarios to be considered and an integrated plan to be developed that maps out the material flows by region and future infrastructure needs based on different scenarios. That work has commenced, and we've started engaging with stakeholders to inform that.

The Hon. NATALIE WARD: What's the time line and methodology around engaging with stakeholders?

TONY CHAPPEL: I might invite my colleague Ms Chang to give you a bit more detail.

NANCY CHANG: Just a few things to point out in the Waste and Sustainable Materials Strategy. It is a three-pronged approach in terms of, firstly, removing organics from the waste stream.

The Hon. NATALIE WARD: I understand that. What is the timing?

NANCY CHANG: In terms of the timing for the waste infrastructure plan, that is a key pillar of the Waste and Sustainable Materials Strategy. Consultation has commenced. We certainly expect that by mid next year, we will have a waste infrastructure plan.

The Hon. NATALIE WARD: Are there plans to provide any more landfill capacity?

NANCY CHANG: In terms of the waste infrastructure plan, there are a number of things that we need to understand in terms of the waste stream. First, if we remove the FOGO stream, which is the food organics and garden organics, there need to be anaerobic digesters. There needs to be composting for that. It's not necessarily a landfill solution. It will be about what is the residual waste once we have driven the beneficial re-use of a lot of that waste material.

The Hon. NATALIE WARD: But just on the landfill, have any locations been identified for additional landfill, if that's necessary?

NANCY CHANG: In terms of the forecasting for residual waste, there are a number of things that will inform the infrastructure for that. We need to firstly determine what is the residual waste. Then there is, as you know, the Energy from Waste Infrastructure Plan, which also is a residual waste solution, and then there is the landfill capacity. We will be working very closely with councils as well as industry to understand what is the landfill capacity that will then be required once we process the FOGO, which is the putrescible waste; have a look at how the energy from the waste proposals are going; and then we will determine the landfill requirements for New South Wales.

The Hon. NATALIE WARD: Sure. Understanding that process—and that's necessary—have any sites been identified as yet?

NANCY CHANG: No. We are currently in the process of consultation to understand the regional needs, like Mr Chappel indicated. It is very important to understand that in terms of residual waste, the transport logistics become very important. Understanding the residual waste of different regions will be dictating the need for landfill capacity.

The Hon. NATALIE WARD: Turning to not-the-regions—where, for example, more dense housing is proposed and you've got more people, therefore more waste in a more dense site—what is the consideration around those dynamics?

TONY CHAPPEL: Feel free to correct me, Ms Chang, but the regional analysis is regional across the State, including urban areas like Sydney, Newcastle, Wollongong and so on. It's really about when we look at the resource recovery opportunities for things like organic waste, for textiles and for other things that mainly go in through the red bin into landfill now. We look at getting contamination out of the yellow bin so we can recycle much more of that, because almost half of people's yellow bins now does go to landfill. Then we need look at the residual needs. We need to consider things like social licence, community benefit and other things. I think there are a lot of opportunities to do that in an integrated way, which historically perhaps hasn't been done. That's certainly the direction our Minister has pointed us as we work on that with industry. I expect that this time next year we'd be in a position to share more granularity around those issues.

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The Hon. NATALIE WARD: Can I just ask about biomass? Just around the draft native forest biomaterial reforms 2021-22, which were detailed in the GIPA EPA901, in a document entitled *Draft Native Forest Biomaterial Reforms* the EPA states: "At present, controls may not be sufficient to manage environmental impacts from the use of native forest biomaterial for energy." Does the EPA still hold this concern?

NANCY CHANG: In terms of the biomaterials regulation, we at the EPA absolutely believe that the more clarity provided to industry, the better. Certainly I think if we look at the regulation as it currently stands, it is quite clear that the higher order use of native forestry is not for electricity generation and that biomaterials should only be used for electricity generation when it is truly defined as waste, including consideration on whether it is better left on the forest floor for carbon sequestration. This is the clarity that we would seek to provide to the industry. I would be very pleased to update the Committee that we have updated our website to provide that clarity.

The Hon. NATALIE WARD: Thank you for that. That's helpful. Can I go to this South Coast carbon project? I'm not sure who I should direct this to; I might initially through you, Ms Fishburn, and you can direct me if you'd like to. Under the previous Government a proposal was developed that would see 87,000 hectares of State forests on the South Coast transferred to National Parks to generate carbon credits through an avoided harvesting method. Is that proposal still being looked at by the Minister?

KIERSTEN FISHBURN: I'll ask Mr Fleming.

ATTICUS FLEMING: I think you're referring to the fact that the National Parks and Wildlife Service at some stage last year asked for advice from an independent expert about if avoided harvesting methodology was developed, how that might apply in a particular scenario on the South Coast. I'd just refer to the Minister's response earlier this morning which is, in the context of the Great Koala National Park, one of the factors that will be considered is the potential carbon benefits, and that does depend on an avoided harvesting methodology being developed. That is actually a responsibility of the Federal Government.

The Hon. NATALIE WARD: I take it the Minister has been briefed on that proposal, specifically?

ATTICUS FLEMING: As I said, it's been a factor and I think it's been referred to by the Premier in estimates as well, the fact that carbon would be something that is considered.

The Hon. NATALIE WARD: I have a quick question on machinery-of-government changes. Secretary, in relation to the changes in the department arising from the machinery-of-government changes announced on 18 August by the Minister and the Premier, noting these changes are due to take place from 1 January 2024, are you able to advise what costs have been incurred to date in creating two departments and what the final estimated cost of these changes will be?

KIERSTEN FISHBURN: The machinery-of-government change to separate out to create two new departments—the Department of Planning, Housing and Infrastructure and the Department of Climate Change, Energy, Environment and Water—is being led by the Premier's department because it is a major machinery-of-government change. To date, no costs have been incurred. We're working through the process of understanding which areas in what will become the DFI area will go to DQ, and which will remain the shared services. So it would be impossible to quantify any changes because they haven't been landed on at present.

The Hon. NATALIE WARD: Do we have any indication of what they might be, though? Or are you able to take that on notice?

KIERSTEN FISHBURN: Not at present, no. We're working through the structure at the moment, obviously wanting to keep costs to a bare minimum.

The Hon. NATALIE WARD: Will those changes lead to an increase in the number of senior executives employed in each department in comparison to under current arrangements?

KIERSTEN FISHBURN: At this point I couldn't deny or confirm that. Obviously there will be a secretary position for the new DQ. However, the coordinator general position, which Mr Fleming is currently acting in, will be repurposed as that secretary position. There may well be the need for a few positions underneath that, but at present we haven't landed on the structure so I can't confirm or deny whether there will be any further senior executives.

The Hon. NATALIE WARD: Do you have a timing for that?

KIERSTEN FISHBURN: We're working through it now with the Premier's department. Obviously we need to have certain things in place by 1 January. Ultimately, to stand up a new department you need a secretary or an acting secretary and you need them to have delegations. You don't need to have the full structure in place. Ideally we'd like to understand the structure because it gives certainty to the staff, but to get to that 1 January point

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there are administrative orders that need to be done and delegations that need to be done, and the rest can be worked through.

The Hon. NATALIE WARD: Yes, a recruitment process perhaps.

The Hon. WES FANG: I was hoping to discuss some forestry matters with whoever is appropriately positioned to answer. Does the department accept the finding of the National Resources Commission in a public report that was concluded in December 2022, titled *Koala response to timber harvesting (2019-22)*, that selective harvesting "did not adversely impact koala density, nor the nutritional quality of koala habitat"?

TONY CHAPPEL: I can probably take that, Mr Fang. Certainly, the NRC does great work. I'm very familiar with that report and I've discussed it specifically with the executive director of the NRC. I think what's important to note and what the NRC themselves say is that it's important not to extrapolate those findings beyond the context in which they were concluded, that they were looking at a very specific forest type and canopy cover and harvesting operations at three sites. So we absolutely accept it, but—

The Hon. WES FANG: So you accept the findings?

TONY CHAPPEL: —I guess my point would be there is a broad range of evidence and scientific work in this space that needs to be considered.

The Hon. WES FANG: But you accept that the finding is accurate?

TONY CHAPPEL: I accept that, in that context, it's accurate.

The Hon. WES FANG: Qualifications or no qualifications?

TONY CHAPPEL: I think the way you're framing it, with respect, Mr Fang, is extrapolating it beyond what it concluded.

The Hon. WES FANG: We'll agree to disagree on that one. Do you accept that selectively harvesting timber in accordance with the rules set out in the Coastal Integrated Forestry Operations Approvals has no threatening impact on koala populations in State forests?

TONY CHAPPEL: The rules in the IFOA are set to ensure that the timber supply agreements the Government has entered into are met with the least possible environmental degradation. They inherently accept a level of degradation that will also impact various species. I don't think I could concur with the way you framed that.

The Hon. WES FANG: You don't believe that the rules under the Coastal IFOA do not impact koala populations?

TONY CHAPPEL: It's not accurate to portray the IFOA as prioritising the protection of threatened species. The IFOA is designed to meet the timber supply demands and minimise environmental impact in doing so. But, its overarching objective is to meet the contracted timber supply volume in what it considers the most sustainable way.

The Hon. WES FANG: Do you agree that the premise of the Great Koala National Park converting productive State forest into national park, that it will have a negligible benefit to increasing koala populations?

The Hon. PETER PRIMROSE: Chair, can I take a point of order? I'm reluctant to do so.

The Hon. WES FANG: Then don't.

The CHAIR: Thank you.

The Hon. PETER PRIMROSE: However, like everyone else, I'm bound to point out in relation to the procedural fairness resolution, section 10, public officials will not be asked to give opinions on matters of policy. Accordingly, asking that question itself is out of order.

The Hon. WES FANG: Okay. Well, let me—

The CHAIR: Rephrase?

The Hon. WES FANG: Rephrase, yes. Would it be fair to say that the Great Koala National Park that the Minister has proposed will have negligible benefit to increasing koala populations? Has there been any modelling around what's proposed?

ATTICUS FLEMING: Can I, Mr Fang, respond by saying we have a process set up now to meet the government policy, originally an election commitment, now a policy in this respect. The Minister again referred to it this morning. Three advisory committees have been set up, there's an interagency committee, there is a range

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of assessments to be undertaken, environmental, cultural—cultural heritage is important—as well as economic and social impacts. The one thing I would also just add in this context is the koala is obviously listed as a threatened species and the expert assessments that contributed to that listing identified a range of factors that were impacting on the koala, one of which is timber harvesting.

The Hon. WES FANG: I appreciate that, but I'm also trying to delve into the rationale and the scientific benefit of this, as opposed to the emotional benefit.

ATTICUS FLEMING: I would just add—

The Hon. WES FANG: I am trying to, I guess, determine if there's going to be any loss of jobs for those communities that are on the mid North Coast, North Coast, around this announcement, because ultimately those communities rely on those jobs. We rely on that timber for not only furniture, but for any number of economic and industrial benefits for across the State. There has to be a timber supply in this country, otherwise we have to import it and we don't know what environmental impacts they have overseas. I'm trying to delve into the actual issues here to make sure that what we're talking about has benefit.

ATTICUS FLEMING: The government commitment is quite clear in that there will be a detailed economic and social impact assessment.

The Hon. WES FANG: Do you have any modelling around how many timber jobs may or may not be lost with the announcement of the Great Koala National Park?

ATTICUS FLEMING: As I said, there is going to be a detailed economic and social impact assessment, which will look at how the proposal can benefit communities, not just on the North Coast, but elsewhere.

The Hon. WES FANG: Do you have any understanding as to how the Government is planning to mitigate any financial or job impacts of the Great Koala National Park being implemented on the mid North Coast, North Coast area and what time line do you expect that these things might be rolled out to the communities there?

ATTICUS FLEMING: I think it's premature to try and—I don't want to pre-empt what the assessments are. I think the time line is over the next 12 months we are conducting the assessments that need to be undertaken. I think if you look at the Government commitment here, they are certainly prioritising looking after jobs. That's quite clear in the Government's commitments.

The Hon. WES FANG: The unions have told them they have to, so yes.

ATTICUS FLEMING: I would just also draw your attention to the fact—referring to one of your earlier questions—that there is ample evidence of the ecological and economic benefits from protected areas. The assessments are going to be looking at the full range of activities that can benefit the community on the North Coast.

The Hon. WES FANG: Are you concerned about an increase in illegal protests in State forests as a result of the announcement of a koala national park?

ATTICUS FLEMING: I think that's a question best directed to Regional NSW or Forestry Corp.

The Hon. WES FANG: Okay, so there has been no modelling done on that. Do you think that the harassment, stalking and abuse of forest workers and their families and daily illegal protests in our State forests are creating issues for the State?

The CHAIR: There hasn't been a protest for months.

KIERSTEN FISHBURN: Excuse me, Chair, this feels somewhat outside of the remit.

The CHAIR: Yes. And, Mr Fang, I don't think there has been a forest protest for weeks in New South Wales.

The Hon. WES FANG: Good! This is great. Hopefully we don't see any more. I'm just curious to see if any modelling has been done.

The CHAIR: Modelling?

The Hon. WES FANG: Just modelling of the impacts, you know. It's how we seem to cover most things these days—we talk about modelling.

The Hon. PETER PRIMROSE: Modelling of protests—that's a new one on me.

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The CHAIR: On 15 September the Minister advised that the EPA was investigating allegations of destruction of Aboriginal cultural heritage sites in Ourimbah State Forest. Is it possible to give a brief update, if you can, on where that's up to?

TONY CHAPPEL: I think I have to take that one on notice. I'm sorry, Chair.

The CHAIR: That's fine.

TONY CHAPPEL: But I'm very happy to give you an update, provided we're not prejudicing the investigation.

The CHAIR: I understand that. If it is just something that is ongoing, it would be great if you could take that on notice. Can I ask, please, how the Cumberland Plain Conservation Plan is progressing and if there's any update on where that's up to?

ATTICUS FLEMING: I'll ask Mr Bruce to respond.

BRENDAN BRUCE: Responsibility for actions under the CPCP are actually a matter for the planning Minister as the applicant for the CPCP. I can give you an update on some of the initiatives, if you like, but responsibility rests with the planning Minister.

The CHAIR: I am aware of that. But I also thought that the environment Minister had indicated that there was something happening around that—potentially some review of it—and that that was her responsibility.

BRENDAN BRUCE: That's correct. The Minister has indicated that—or she has asked the department to consider whether there are opportunities to improve the environmental outcomes through the CPCP. We're working closely with our colleagues and the planning side of the department to understand what some of those might be. But it will be a matter for the planning Minister to then submit any proposals through to the department and for us to provide advice to the Minister on what those look like.

The CHAIR: Have you been asked to provide that advice?

BRENDAN BRUCE: Not as yet, no.

The CHAIR: From where you have looked, if at all, are there places to improve that?

BRENDAN BRUCE: Some of the things that we've been looking at are are there opportunities to fast-track some of the existing commitments but also are there opportunities to add additional commitments. We're working through those with our planning colleagues at the moment.

The CHAIR: Are you aware of any time frame that you've been given around that?

BRENDAN BRUCE: No time frame has been committed to.

The CHAIR: Mr Fleming, I know the Minister took it on notice, but have you got anything in relation to Gaanha Bula?

ATTICUS FLEMING: No. The only thing I will add is that I think Ken Henry and his panel, in their report, did refer to the Areas of Outstanding Biodiversity Value mechanism and I think effectively invited the Government to consider how that might sit with the no-go map that is also part of his recommendations. I guess I would just flag that that part of the Government response to the two reviews—the BC Act and the LLS Act review—will include considering how the no-go map might operate and how the AOBV mechanism might interact with that.

The CHAIR: How many AOBV matters have you got?

ATTICUS FLEMING: I don't know how many have been proposed. I think there are four that have been declared, but I'm ready to be corrected if that's incorrect.

The CHAIR: I was referring more to how many applications you have received.

ATTICUS FLEMING: I'll ask Mr Bruce if he can answer that.

BRENDAN BRUCE: I think we'll have to take that on notice.

The CHAIR: Thank you very much. When you're feeding into this enormous Ken Henry response—it's sounding bigger and bigger and bigger—where are you going to look or where have you already looked in providing advice around his recommendations of nature positive, and what are you looking to to understand what he means?

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BRENDAN BRUCE: I think the first starting point is we're working very closely with our Commonwealth colleagues who are also progressing reforms around a nature positive agenda. We're working closely with them to understand the direction they're heading in and the lessons that they've learnt. But also there was quite a lot of research undertaken to inform the review that Dr Henry did as well. Those are a couple of the key inputs that we're working to at the moment.

ATTICUS FLEMING: I think, to an extent, your question gets to the point of restoration. Fundamentally, when we're talking about nature positive or when Ken Henry and the panel are talking about nature positive, I think central to that is that we need to protect as much as we can of what's left, but that's not going to be sufficient. There are certainly some areas of the State where we need to be focused on restoration. The Minister spoke about that this morning, but I think that concept of restoration is picked up in the recent international agreements. The Commonwealth is talking about it and it feeds into the Ken Henry review as well.

The CHAIR: In looking at responding to the review, it's pretty clear that Mr Henry is talking about nature positive potentially replacing or looking to leverage beyond the concept that we've been working with legally for decades—ecologically sustainable development. What work are you being tasked to feed into looking at how we translate nature positive through a legal lens or a legal test?

BRENDAN BRUCE: I think the starting point for that will be discussing with our colleagues across government, within the confines of that new TCO-led steering committee. There will obviously be views across government around ESD and nature positive. The starting point is having those discussions across government and over time we will then have discussions with our external stakeholders as well.

ATTICUS FLEMING: I think it is important to emphasise that it is a very significant review. As a result, there are implications for a number of government agencies and sectors in the economy. Clearly, we're working very closely to develop a whole-of-government position that can factor all of those things in. But we all acknowledge that the Ken Henry review does signal that change is needed. I think that's widely acknowledged. But how we map out how that change occurs in a manner that supports the community and that supports social and economic outcomes as well as obviously the ecological restoration and conservation that we need—that's the challenge.

The CHAIR: When you say you're looking at the international work et cetera, when we talk about nature positive, are we talking about it at the local scale? Or is that what you're still doing, in terms of looking at that work?

BRENDAN BRUCE: The definition of nature positive is part of those discussions across government. People have very different views around what nature positive is. That's something that we are tasked with, landing and providing advice to government around what a nature positive agenda could look like and how that could be framed within an amended Act.

ATTICUS FLEMING: I think you're asking for answers that will be developed through this process.

The CHAIR: I hope you look broad and wide in the process. It's very exciting work. With the use of drones and koalas, I saw some material where you were looking at that possibly with the Great Koala National Park and the ability to understand where koalas are in fact located rather than using mapping alone. There was an opinion or view that drones are not helpful in the warm months. Am I correct in reading it like that?

ATTICUS FLEMING: You probably should be asking someone who's technically equipped to respond to that question.

BRENDAN BRUCE: Which is not me.

The CHAIR: Is there no-one?

ATTICUS FLEMING: It's very general—and someone will correct me if I'm wrong—but, obviously, if it's colder, your thermal gear works better.

The CHAIR: That's what I thought. I think I saw that the recommendation is that it has to be between April and October if you are drone surveying for koalas. If that was the finding for a particular project in relation to Forestry, I'm just curious whether that is your position on that in terms of the koala surveys that have been happening?

ATTICUS FLEMING: I think for the Great Koala National Park I should just emphasise that we're at the beginning of a process. There'll be a rigorous ecological assessment, which will obviously look at all things koalas. There will be a rigorous process. All those sorts of issues that you are raising will be taken into account.

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The CHAIR: I think I want to know—and I think the public wants to know—what are the limitations around drone surveying and what have you learnt, as the public agency, around drone surveying for animals? Also the question is: Can we apply drone surveying and assessment for other threatened species like greater gliders et cetera? My understanding is perhaps that's being deployed in the south. I'm not sure.

ATTICUS FLEMING: Can we take that on notice so that we can talk to people who really know what they're talking about and then give you an informed answer?

The CHAIR: Okay.

BRENDAN BRUCE: I do have a text saying that drone surveys are better over autumn and winter but we can take the question on notice around any limitations there might be.

The CHAIR: Thank you. The other thing is, in the material I saw, there was a question around the cost of that. I think it was looking at, I don't know, 1.3 million or something for surveying the Great Koala National Park area and I think that was abandoned. It wasn't clear whether it was the cost or whether it was because of the period of time. Would somebody be able to get back to me and elaborate on why did we not deploy the koala drone survey for working out and informing the Minister in relation to what we could do to better protect koalas in the Great Koala National Park area?

ATTICUS FLEMING: We'll take that on notice and come back to you with an answer.

The CHAIR: Thank you. Can I just go back a couple of years to the Natural Resources Commission's recommendations post the 2019-20 fires? It made some clear recommendations—and the Minister referred to it this morning—around not logging certain areas. Forestry Corporation agreed to some specific requirements and then it abandoned those. Does the EPA still have concerns around the lack of implementation of those recommendations and the forests that were logged contrary to the NRC's recommendations?

TONY CHAPPEL: Well, a few points there, Chair. We've agreed with our colleagues in DPI to commission the NRC to update that advice and analysis, and I think that should be commencing shortly. Of particular concern to the EPA was the conclusion of the NRC that whilst the IFOA in many respects represents best practice, it was designed without any contemplation of the scale or severity of the bushfire events we saw in the summer of 2019-20 and, therefore, it needed to be updated to include, for example, a disaster trigger that when events of that scale occur, it's fit for purpose and can adapt and respond. We've had discussions regarding those matters and I'm confident they'll be incorporated in the review of the IFOA next year.

The CHAIR: Do you hold concerns, though—because I know I do from going to the ground of some of those fire areas that were subsequently logged that shouldn't have been—of the condition of those forests? It's quite shocking all these years after, and including after the rains that we've had. There are some forest areas that look like they are in significant ill health. Has the EPA, as the regulator of forest health or forest regulation, formed any views along those lines?

TONY CHAPPEL: Certainly our view would be that the scale and severity of those fire impacts, which I think remain globally unprecedented to date, do potentially require more adaptive, active intervention to enable recovery and ecological recovery because a lot of the seeds that historically have been fairly resistant to fire in the Australian landscape were also incinerated. I think there's important work to be done there to improve those settings as we review the IFOA in terms of the impact of that kind of event.

The CHAIR: I remain gravely concerned from what I've seen. In relation to the broad area surveys that Forestry Corporation is required to undertake, do you have any purview over how they're undertaken, and do you have any concerns around those or how they could be improved?

TONY CHAPPEL: I think yes would be the answer to both of those questions. Part of the stop work order that has been referred to at Tallaganda relates to those issues—that the IFOA is an outcomes-based instrument—but I think our observation is sometimes the way the Forestry Corporation seeks to operationalise those outcomes lacks, in our view, sufficient rigour. It needs to be developed in a competent manner. That's, I think, at the heart of some of our concerns in Tallaganda regarding the way surveys were conducted for den trees and so on. We proposed to Forestry Corporation some adjustments to protocols to both install further precautionary measures within the proposed Great Koala National Park area, but also improve how Forestry Corporation identify and protect important threatened species habitat. So we'll be aiming to finalise those in the near term.

The CHAIR: Mr Chappel, do you have the power to amend the protocols—as in, the EPA?

TONY CHAPPEL: The conditions of the IFOA are set by the two Ministers, but the IFOA provides that the EPA can adjust or update protocols to deliver adaptive management to some extent within those conditions

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that are set. The conditions can only be adjusted or remade by a process that involves the consent of both Ministers, but the EPA is empowered to adjust protocols.

The CHAIR: So you can amend protocols?

TONY CHAPPEL: That's what we're proposing to do in both of the contexts I just referred to.

The CHAIR: There is real concern around when we do recommend an improvement in forest practice that it is done through site-specific operating conditions, and that they are unenforceable. If the EPA has the power to amend protocols and there is the case to do so, then the public interest would dictate that that is a good regulatory approach.

TONY CHAPPEL: Yes, I think that's fair. The site-specific conditions where they are implemented are enforceable, but they have to be requested by the Forestry Corporation. The protocol changes that have been made in the koala hubs, for example, are enforceable prohibitions on harvesting. I guess the caveat to freedom of action here as the regulator is we are obligated to consider any impact on timber supply, through the IFOA, of any adjustment. That's obviously an important consideration, but we'll make adjustments based on evidence where we assess they're required, and that's a process we're now undertaking.

The CHAIR: You would be aware that Forestry Corporation's barrister in the Land and Environment Court a few weeks ago stood and said several times, "If the EPA wants to change the protocols, they will. They can. They have the power to do so."

TONY CHAPPEL: I am aware of that. We've put to Forestry Corporation the form of some potential protocol amendments and we're obviously engaging with them. We need to do that with the full visibility of any impacts and understanding of that. We'll take that into account. We're also working with our colleagues in the Department of Primary Industries to get any feedback they might want to offer, but ultimately I think there's a strong case for clarifying some of the requirements that the IFOA sets out for various threatened species that have been up-listed or severely impacted by fire since the IFOA was made.

The CHAIR: Should impacts outside of the harvest plan area that have been caused by harvesting be considered by the EPA in terms of environmental harm? Specifically, for example, new State forests—there is now clear evidence that logging operations have caused the penetration of protected rainforest areas by noxious weeds, including lantana. What do we do about that if we are literally watching the degradation of the environment that another operator wouldn't be able to undertake without some form of control? Does the EPA's role expand to that level of harm and requirement on Forestry Corporation to take responsibility?

TONY CHAPPEL: I think that there are a number of matters currently before the court regarding Newry, so I might just take that on notice.

The CHAIR: Okay. It doesn't have to be Newry. It could be another area of forest, because this is what we're seeing: Forestry Corporation undertakes its logging operation, a whole bunch of detrimental environmental impacts are caused by that operation outside of the actual harvest area, and then they walk away. And that's the public forest estate. Who's responsible for sorting out and cleaning up this legacy?

TONY CHAPPEL: I think invasive species are the purview of the Department of Regional NSW. In terms of water pollution or other environmental harm or pollution, I think that would fall within the remit of the EPA to take action on. But, again, I'm happy to give you a comprehensive answer, because I know the IFOA interacts with some of these other legislative instruments in various ways.

The CHAIR: Just finally, why is there such a disparity at the moment between the broad area surveys in the south and to the north, say? I hear that you're making improvements within the Great Koala National Park. Are you looking across the whole forest estate?

TONY CHAPPEL: Yes, the conditions that I referenced earlier would apply in the IFOA estate as a whole.

The Hon. NATALIE WARD: Mr Chappel, how was the decision made to award the contract to KPMG for the delivery of the new Integrated Waste Tracking Solution? I believe it's called KPMG Origins.

TONY CHAPPEL: The EPA has been working with the Queensland Department of Environment and Science to develop what we call an Integrated Waste Tracking Solution as a key step towards delivering some of the commitments under the National Waste Policy Action Plan and to establish for the first time a nationally consistent hazardous waste tracking system, because, at the moment, each State has their own regime and, obviously, a lot of this waste does travel across State boundaries and is quite complex to then track and make sure the systems speak to each other.

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We ran a multistage competitive procurement process and, through that, the panel selected KPMG to develop and operate the Integrated Waste Tracking Solution through that KPMG Origins platform that you mentioned. This will replace the existing online waste tracking systems this year. I might just ask my colleague Ms Chang to elaborate. We're also talking to a number of other States about their interest in participating in this platform.

NANCY CHANG: In terms of that national hazardous waste tracking system that KPMG has developed, we are currently in conversations with a number of jurisdictions across the State, where we will be providing a sandbox environment for them to trial before they buy.

The Hon. NATALIE WARD: Thank you, I might come back to that, if necessary. Can I ask you, Mr Chappel, as head of the EPA, have you been happy with how KPMG has been rolling out that system?

TONY CHAPPEL: Yes. To date I haven't had any concerns raised with me.

The Hon. NATALIE WARD: Since the initial procurement, has the EPA had to pay any additional money to KPMG for their delivery of the Integrated Waste Tracking Solution?

TONY CHAPPEL: I think I might ask my colleague.

NANCY CHANG: The total funding available for this tracking system is \$5 million. That was funding that was secured under the Waste and Sustainable Materials Strategy that was announced by the previous Government. This project remains on track and on budget.

The Hon. NATALIE WARD: So no additional money has been paid to KPMG for the delivery?

NANCY CHANG: Not in addition to the \$5 million that has been committed for this project.

The Hon. NATALIE WARD: And that number is consistent with the initial procurement.

NANCY CHANG: Yes, correct. So we have had a few contract variations, but it does not exceed the \$5 million that was initially budgeted for this particular project.

The Hon. NATALIE WARD: Have the variations resulted in additional costs?

NANCY CHANG: The variations have added to a total of \$5 million.

The Hon. NATALIE WARD: Right. So what was the initial procurement amount then?

NANCY CHANG: I will take that on notice to give you the precise amount, but it was close to \$5 million. The recent variations to the contract were to the tune of \$30,000 and \$110, 000.

The Hon. NATALIE WARD: What were those variations?

NANCY CHANG: Those variations related to conversations that we had with other jurisdictions, and, understanding that if this is to be a national waste system, what are some of the key features that might be unique to other jurisdictions because of the way that waste is classified across the various jurisdictions and some of the features that Queensland and New South Wales may not need, but other jurisdictions may need. So we made the decision to include some of those features in order to support a national system.

The Hon. NATALIE WARD: We may come back to that. For those two variations, could you elaborate what they related to, specifically?

NANCY CHANG: Yes. It's certainly related to some of the—I will take that on notice, and I will come back before the end of the session today.

The Hon. NATALIE WARD: Understanding to fit into the national context and to comply with that, but if you could just elaborate on those two and what they specifically were in relation to, that would be helpful.

NANCY CHANG: Yes, I will get that detail and come back to you.

The Hon. NATALIE WARD: Thank you. Has anyone inside the EPA or outside of the EPA raised concerns with you about KPMG's delivery of the project?

NANCY CHANG: We have received some correspondence in relation to the delivery of the KPMG project. We have investigated those concerns, and, like I said, it's a project that is currently on track and on budget.

The Hon. NATALIE WARD: What were those concerns?

NANCY CHANG: The concerns raised were relating to delays. They were very generic in terms of the delays. I'm not aware of any delays in terms of the project to date. They also related to the procurement process. I would just like to put on the record that these complaints came from an unsuccessful tenderer to the process.

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The Hon. NATALIE WARD: Was it just the one unsuccessful tenderer that made the complaint or were there other complainants?

NANCY CHANG: Just this one that I am aware of.

The Hon. NATALIE WARD: In relation to delay and delivery and—

NANCY CHANG: The procurement process.

The Hon. NATALIE WARD: —the procurement process.

NANCY CHANG: And why they were unsuccessful.

The Hon. NATALIE WARD: Has the Minister been briefed, Mr Chappel, on the new IWTS? Is she satisfied with KPMG's work, to the best of your knowledge?

TONY CHAPPEL: I think at a high level we've shared the project, but let me take on notice the specific briefing that might have been provided.

The Hon. NATALIE WARD: When is KPMG Origins due to take over the tracking of asbestos waste in New South Wales?

NANCY CHANG: I believe that the movement of asbestos waste tracking within New South Wales has commenced, and then we will move to interstate movement shortly.

The Hon. NATALIE WARD: So it has already commenced?

TONY CHAPPEL: Within New South Wales.

NANCY CHANG: Within New South Wales, yes, it has commenced. It has transitioned.

The Hon. NATALIE WARD: When was that?

NANCY CHANG: I will come back to you before the end of the session.

The Hon. NATALIE WARD: Thank you very much. I appreciate that. Given their work today, can you say that you and the Minister have confidence in KPMG's ability to track the movement of asbestos waste in New South Wales?

NANCY CHANG: I have no evidence to the contrary.

TONY CHAPPEL: The tender was very much an outcomes-based tender that required outcomes like that to be demonstrated. KPMG was the superior offering that was proposed, and we haven't got any evidence to suggest that they're doing anything other than meeting those specifications.

The Hon. NATALIE WARD: Thank you. There were just the two tenderers?

NANCY CHANG: No. We did receive a number of expressions of interest. So it was an expression of interest, and we received a number of proposals from various jurisdictions as well, not just in New South Wales. So we did receive a number of proposals, and KPMG were awarded the contract after a competitive assessment and process.

TONY CHAPPEL: There are a number of other significant global firms that participated.

The Hon. NATALIE WARD: Can I turn to Mr Bruce next—the Byron Bay Wildlife Hospital. Mr Bruce, there was no allocation of funding in the budget for the Byron Bay Wildlife Hospital mobile facility that provides unique and critical services to sick and injured wildlife. You're looking to somebody else.

BRENDAN BRUCE: Mr Fleming may take this one.

The Hon. NATALIE WARD: I'm sorry, once again.

ATTICUS FLEMING: No, I will endeavour to answer your question.

The Hon. NATALIE WARD: My apologies, Mr Fleming. Whoever is appropriate. I'm following my directions. Obviously, it's a good facility. I understand the Minister has met with the hospital and encouraged them to submit a new proposal for funding. Is that correct?

ATTICUS FLEMING: I can't comment on that, sorry. It's not within my knowledge, but I can take it on notice.

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The Hon. NATALIE WARD: If you don't mind, thank you. If you need to take this on notice, fine, but could you also help the Committee to understand what work the department is doing on finding funding for this hospital?

ATTICUS FLEMING: What I can say is that there was a process conducted in accordance with the grant guidelines. I think this is on the public record, but the decision at the end of that was not to make a grant.

The Hon. NATALIE WARD: All right. Given that—

ATTICUS FLEMING: What I will take on notice is anything that has happened after that decision.

The Hon. NATALIE WARD: If they have been asked to submit a new proposal, if yes, then what work has been done?

ATTICUS FLEMING: I'm not aware that they have, but it's not within my knowledge. So I'll take it on notice and give you an update.

The Hon. NATALIE WARD: That would be helpful, and any other steps that have been undertaken to find funding for them, if not the grant process, anything else that might be applicable. Is there any intention of providing funding to the hospital this financial year? I assume that that is also going to be subject to—

ATTICUS FLEMING: Again I'll have to take that on notice.

The Hon. NATALIE WARD: Koala Strategy. I don't know if that's—Mr Bruce is smiling. I've got one right. Mr Bruce, \$10.9 million has been allocated in infrastructure spending for the Koala Strategy in 2023-24. Can you advise what further agency spending there is for the strategy for the 2023-24 financial year?

BRENDAN BRUCE: For the 2023-24 financial year, I'll have to take the annual breakdown on notice.

The Hon. NATALIE WARD: You may need to take this on notice also. What will the \$10.9 million be spent on?

BRENDAN BRUCE: I'll take that on notice as well.

The Hon. NATALIE WARD: That breakdown will be helpful. Has the Minister asked the department to commence any work on updating or making changes to the Koala Strategy as it currently exists?

BRENDAN BRUCE: Yes. The work is underway to plan for a koala summit, which the Minister has committed to. As part of that, the koala summit will inform the refresh of the Koala Strategy.

The Hon. NATALIE WARD: When is that anticipated to be held?

BRENDAN BRUCE: No date's been committed for either the summit or the strategy at this stage.

The Hon. NATALIE WARD: We don't have a location or date otherwise?

BRENDAN BRUCE: Not that I'm aware of. I can take that on notice.

The Hon. NATALIE WARD: I've just got pictures of everyone turning up to a summit in koala onesies.

The CHAIR: That would be great.

The Hon. NATALIE WARD: I know. It'd be fun. It's getting late in the afternoon, clearly. Mr Fleming, when will the Georges River koala national park be completed?

ATTICUS FLEMING: Can I also just say that, in relation to your earlier question about \$10 million, if that was capital, you may be referring to funds available for land acquisition for national parks for koalas.

The Hon. NATALIE WARD: So 10.9, I think. It's under "Infrastructure", so it might be.

ATTICUS FLEMING: That could easily be the case. So that's there, and there will be acquisitions for koalas this year from that funding, and they'll be announced in due course. In terms of the Georges River koala national park, the Government's commitment—the Government's policy—is to transfer the publicly owned land within three years. That's approximately 1,100 hectares of land. That will be transferred in stages. By June next year you should expect to see gazettals of the first areas, and by December 2026 that full 1,100 hectares, approximately, should be transferred and gazetted.

The Hon. NATALIE WARD: I'll direct all my other questions to you, Mr Fang.

The Hon. WES FANG: I'm just curious. The new Forestry Industry Roadmap—will it be DPI that's going to lead the work on that? Or will EPA and Environment be doing the work?

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TONY CHAPPEL: I think multiple agencies, including those three agencies, will be feeding into it.

The Hon. WES FANG: Who will have primary responsibility?

TONY CHAPPEL: I think that's a matter that Cabinet's yet to determine.

The Hon. WES FANG: When do you expect the decision will be provided to the departments by Cabinet?

TONY CHAPPEL: In the near term.

The Hon. WES FANG: What does that mean?

KIERSTEN FISHBURN: I don't think a public servant can speculate on what time a government decision is going to be made. That's for the Government to determine.

The Hon. WES FANG: Surely the relevant Ministers would have provided some throughput as to how they're expecting the departments to be working on this issue. No guidance has been provided as to expected workflow?

KIERSTEN FISHBURN: There's work occurring at present, but I can't speak to when the Government would make a decision.

The Hon. WES FANG: Of the work that's occurring, which department has the lead on that?

KIERSTEN FISHBURN: At present?

The Hon. WES FANG: Yes.

KIERSTEN FISHBURN: It's allocated between DPE and the Department of Regional NSW. It's a joint piece of work. Obviously the EPA sits in the cluster but is an independent agency, and the EPA has inputs into that as well as they have some responsibility for the Act. Does that provide clarity for you?

The Hon. WES FANG: It does. I just don't understand why that answer wasn't provided initially because I was asking who had the primary carriage of that.

KIERSTEN FISHBURN: Sorry, I should have jumped in earlier—yes.

The Hon. WES FANG: The EPA issued an immediate stop work order on Forestry Corporation after a southern greater glider was found outside forest harvesting operations in August. Are you familiar with that issue?

TONY CHAPPEL: I am, yes.

The Hon. WES FANG: What advice did you receive from the EPA on the cause of death of that southern greater glider?

TONY CHAPPEL: I understand that's still under investigation. There's an autopsy underway. I think, just to give you a bit more context, Mr Fang, the EPA inspection identified a number of potentially very serious breaches of IFOA conditions, which led to the issuing of the stop work order. Those matters are still subject to an investigation that may lead to further legal process, so I won't comment further on it.

The Hon. WES FANG: Have you not got any preliminary advice on that matter?

TONY CHAPPEL: I have, but—

The Hon. WES FANG: Then can you share that with us?

TONY CHAPPEL: No, because I don't want to prejudice any legal process that may eventuate here, and the investigation is still very much live.

The Hon. WES FANG: Yes. However, there has been preliminary advice provided to you. I'm asking now—

The Hon. MARK BUTTIGIEG: Point of order: The witness has clearly said that they do not wish to prejudice the outcome. Then you persist, despite you getting a straight answer. I ask that you call him to order and move on.

The Hon. NATALIE WARD: To the point of order: He can pose the further question about the preliminary advice and the witness can potentially say the same thing.

The Hon. MARK BUTTIGIEG: He was repeating the question.

The Hon. WES FANG: I can repeat it 20 times if I like.

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The Hon. MARK BUTTIGIEG: Do that.

The Hon. WES FANG: The point is that there's preliminary advice. I'm seeking an understanding of what is known about the issue. I understand that you don't want to provide that, but we're still a parliamentary committee and I'm entitled to ask the question. Will you commit to making the information public?

TONY CHAPPEL: At the relevant point in time, absolutely. It's not that I don't want to provide the information.

The Hon. WES FANG: You have it; you're just not going to give it.

TONY CHAPPEL: I think there's a very important principle for any public servant not to jeopardise proceedings, legal proceedings or investigations, that are underway.

The Hon. WES FANG: Have you been asked to not provide that?

TONY CHAPPEL: No, I think it's standard practice for appearing in front of any committee, when you're talking about a potential criminal investigation or a serious regulatory matter, that you are very mindful not to in any way act prejudicially to those proceedings. So I will take some advice on it and I'm happy to come back to you on notice with the appropriate information.

The Hon. WES FANG: If you could take it on notice, that would be great. Have you been briefed on whether forestry operations were to blame as to the cause of the death of the glider?

TONY CHAPPEL: Again, I think I'll refer to my previous answer and take some advice on how I answer that.

The Hon. WES FANG: Have you been briefed as to who reported the glider to the EPA?

TONY CHAPPEL: My understanding is that EPA officers identified that particular animal.

The Hon. WES FANG: If you could take that on notice.

TONY CHAPPEL: Sure, I'm happy to confirm that.

The Hon. WES FANG: If you're not able to provide it now, will you make that information public in the future?

TONY CHAPPEL: Look, absolutely, at some point, whether that's a legal process or some other channel.

The Hon. WES FANG: Are you comfortable with the stop work order being extended after 40 days without any update as to the cause of the death of the glider or any link to forestry operations?

TONY CHAPPEL: Look, I think it's important to understand that the EPA doesn't issue stop work orders lightly. I know there has been a lot of attention around this glider, but there were a number of serious concerns that our officers have and had about compliance with the IFOA obligations by the relevant contractor in that forest. We've been working through those concerns and are looking to resolve them with Forestry Corporation, but they go to the rigour of surveys and other matters. I think we're looking to resolve those matters, but they're not yet resolved.

The Hon. WES FANG: Do you have any other indication as to why that stop work order needed to be extended?

TONY CHAPPEL: Well, the matters that led to the issuing of the stop work order had not been satisfactorily resolved, and on that basis the order was extended.

The Hon. WES FANG: Can you provide some details as to what they were?

TONY CHAPPEL: Again, I'll take that on notice.

The Hon. WES FANG: Is there any other indication that the forestry operations in the Tallaganda State Forest are occurring outside the prescriptions of the IFOA?

TONY CHAPPEL: Yes.

The Hon. WES FANG: Can you provide what they are?

TONY CHAPPEL: I'll take that on notice.

The Hon. WES FANG: Can you indicate why there's been no provision of information publicly about the investigation so far?

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TONY CHAPPEL: As with any matter with the EPA or, in my understanding, other regulators or enforcement agencies, when there's an investigation underway, it's important that it's not prejudiced, and providing commentary on those matters is not helpful.

The Hon. WES FANG: Neither is shutting down an industry, but anyway—

The Hon. PETER PRIMROSE: Point of order: My point of order is simply—

The Hon. WES FANG: Don't waste my time.

The Hon. PETER PRIMROSE: You're wasting your own time, friend. My point of order is simply that if these questions were being asked in the House, with legal proceedings pending, they would be ruled out of order, and that applies equally here.

The Hon. WES FANG: I have one minute left; I'll move on.

The Hon. PETER PRIMROSE: You have already ruled and the member keeps—

The Hon. WES FANG: I have one minute left; I'll move on.

The Hon. PETER PRIMROSE: The member is—

The Hon. WES FANG: I'm going to ask—

The Hon. PETER PRIMROSE: I'm asking the Chair to please rule.

The Hon. WES FANG: Stop wasting my time, Peter.

The CHAIR: Thank you, Mr Primrose. You're moving on now, aren't you, Mr Fang?

The Hon. WES FANG: Yes, I'm moving on.

The Hon. PETER PRIMROSE: It's about time.

The Hon. WES FANG: Have you proposed any changes to the Coastal IFOA?

TONY CHAPPEL: Yes. I answered that question earlier in this session.

The CHAIR: Yes, we've covered that.

The Hon. WES FANG: Yes, and what are they?

TONY CHAPPEL: They cover a number of matters. Particularly of relevance to the Tallaganda forest that you were referring to would be providing more clarity about what a competent and rigorous survey would be constituted by for various threatened species.

The Hon. WES FANG: Have you discussed those changes with the relevant Ministers, including the agriculture Minister?

TONY CHAPPEL: No. Those are matters for the EPA to ultimately determine, but we have been engaging with the agencies that report to the Minister for Agriculture. We haven't directly communicated with the Minister for Agriculture, but we are in communication with her department and, of course, the Forestry Corporation.

The CHAIR: Can I turn briefly to the biodiversity offsets system? Are we still accepting and retiring credits at the moment?

BRENDAN BRUCE: Yes.

ATTICUS FLEMING: Yes.

The CHAIR: I understand that some improvements have been made to the system compared to where we were when the Auditor-General and the parliamentary upper House inquiry delivered its findings in relation to the effectiveness of the offsets scheme. As the officers operating the scheme, what degree of confidence do you have that the offsets credits that are being granted can now actually be offset with equivalent biodiversity?

ATTICUS FLEMING: I'm not sure I fully understand the question. We've got a very rigorous process in place. Mr Bruce may want to elaborate on this, but we've got a very rigorous system in place to provide assurance that the scheme is operating as well as it possibly can. But you need to consider that in the context of a review that we've just got from Ken Henry and the panel suggesting a second range of reforms.

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The CHAIR: Yes, I understand that. I suppose where I'm coming from is that what's really clear and welcomed is that the Henry review response is going to be a long time—I think we need to be realistic—or it's going to be some time, hopefully not a long time.

ATTICUS FLEMING: Yes.

The CHAIR: In the meantime, we're literally fuelling the fire of biodiversity loss, possibly. What my question is going to is that I don't think it's clear what we've changed or what we've improved of the Biodiversity Offsets Scheme compared to—other than the previous Government's response to the parliamentary inquiry. They tabled that some things had happened, but I think it is fair to say there was no commitment yet provided that the biodiversity that we are losing is not necessarily in the bank to be offset. That is what I mean when I ask do we have some confidence that there have been improvements.

BRENDAN BRUCE: I can probably add a little further. There is an improvements program that is underway, as you mentioned already, ahead of any consideration of the BC Act review recommendations. Two of the key ones are the establishment of the Biodiversity Credits Supply Taskforce and the Biodiversity Credits Supply Fund, which is really about making sure that we have those in-demand credits available to be offset when developments progress, so that's a couple of the key things.

The CHAIR: If that's the reform, what is the effect? The Auditor-General said that we're granting offsets that just don't exist. Have we caught up, or are we still really outstanding in terms of the biodiversity we don't have?

BRENDAN BRUCE: I can maybe ask Dr Mamouney to provide an update on the outcomes from the taskforce, if that's helpful.

ATTICUS FLEMING: While Dr Mamouney is coming, I'm not sure I agree that that was an accurate representation of what the Auditor-General said. The Auditor-General certainly identified the series of issues that needed to be addressed. There is a series of mechanisms that we've done to improve the integrity of that process around generating the credits.

The CHAIR: My point was going to the retirement of those. I think that we were literally looking at this bulk over here with nowhere to put them because we were—you're nodding your head, Mr Bruce. I think maybe I hadn't phrased the question properly.

BRENDAN BRUCE: I think it's really around the creation of the in-demand credits, which is the ability to then offset. Dr Mamouney is probably best placed to give you an update on how that's progressing.

LOUISA MAMOUNEY: The new taskforce was established in July 2022. It has been in operation since that time. The main role is to increase the supply of biodiversity credits, and we also operate the Biodiversity Credits Supply Fund. To the latest quarter—30 September 2023—the taskforce has approved creation of 239,160 credits and 93 per cent of these are considered in-demand credits. They are the types of credits that are needed to deliver those offsets. These credits have been created by landholders entering into biodiversity stewardship agreements. The taskforce has approved an additional 50 biodiversity stewardship agreements to 30 September 2023. That now covers an additional 27,000 hectares of land. To put that into context for you, this has more than doubled the area under BSA compared to the first three years of the scheme's operations. So it's quite a significant increase in the conservation outcomes through the scheme but also the supply of credits that are needed for those offsets.

The CHAIR: The visibility is still a bit difficult, but from what we could see there were large parcels of land that were subject to stewardship agreements that were retired late last year. Is there an explanation for that? Is that adequate in terms of the compensation that has taken place?

LOUISA MAMOUNEY: Each infrastructure or development project in New South Wales is assessed using the biodiversity assessment method, and then that report prepared by an accredited assessor is submitted to the consent authority to build in to the conditions of approval, if that project is approved. It is then up to the developer to seek the credits that they need. They can also establish their own biodiversity stewardship agreement, and we work with a number of developers who are doing it that way. We also work with developers who are seeking to buy credits on the market through the supply fund as well.

The supply fund has purchased around \$30 million of biodiversity credits. We've run three complete reverse auctions, and we are currently completing a fourth reverse auction—that is to buy and resell credits to developers that need those credits to offset. We are delivering those conservation outcomes on the ground through those biodiversity stewardship agreements and working with the landholders who have committed to managing their land for conservation and protecting the threatened species and habitats within their property.

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The CHAIR: In a snapshot, what are the things that have been most difficult in terms of species or assistance? Which are the top four or five?

LOUISA MAMOUNEY: I'm happy to take that on notice. We do have data that we release and the information is on our credit registers about the types of credits that are being generated.

The CHAIR: Can I ask about the BCT's Revolving Fund? Is that something that is operating and swinging properties and putting covenants on? Is that happening?

ERIN GIULIANI: Yes, that is still one of our program mechanisms that goes across a number of our different programs—our Conservation Management Program, which is our funded conservation agreements that go on title. It's principally run through tenders and a fixed price offer. We can also manage our conservation management program through a revolving fund mechanism, equally with our conservation partners program which is effectively the scheme that we talked about earlier which can attract grant funding but doesn't attract an annual management funding. Again, a revolving fund could be a mechanism through which we secure hectares in that program and it also can be used for the offset scheme in terms of our obligations to retire our obligations.

The CHAIR: I understand. I probably understand it a bit too well and disclose a previous interest in it. The effectiveness of the revolving fund under the old system before the BCT came into effect, under the old NCT—is the revolving fund mechanism not as effective? Is it fair to say it's not as effective under a government-controlled program to a non-government-controlled program?

ERIN GIULIANI: I don't believe so. I would have to look into the details of what the NCT achieved through the time managing the fund. I would say that the revolving fund is an effective mechanism to secure hectares. But I'd have to honestly look at how it worked under the NCT and compare efficiencies and performance, but I don't have any information on that.

The CHAIR: I think it's a really good question because there was an independent audit of the revolving fund at the time and, again, it's a bit close to home for me. That review actually said it was industry best practice. I'm really curious from a totally objective perspective whether it's as successful running as a government system as opposed to a non-government system. I think it's a genuine kind of question to look at and whether or not, in future, we would look at setting up another non-government system.

ERIN GIULIANI: My understanding is that it does effectively operate very similarly. There have been some additional changes made to the way that policy has operated but nothing material, and from a performance and efficiency perspective, it remains one of our program mechanisms that we would point to which is effective for securing conservation hectares both in our conversation partners and conservation management program. It can also be used to secure credits that are transferred to the BCT, but I don't believe to date we've principally used it for that purpose. Generally it's the management program that it's targeted towards.

The CHAIR: Mr Fleming, the building of the protected area network, what are we looking at? If I can help you out, the Minister spoke about it earlier. She sounded enthusiastic and I know she's genuinely enthusiastic about it. She did talk about cross tenure.

ATTICUS FLEMING: It's a great question. The Minister referred to the fact that we're developing an updated establishment plan for the public part of the protected area estate for the National Parks and Wildlife Service. That obviously needs to sit with the work that the BCT and others are doing on private land and with some of our other programs. It also needs to speak to the overarching national commitment around 30 by 30. So there's lots of complexities there. Speaking for the National Parks and Wildlife Service component, I think it's a process of developing the establishment plan and looking at what all of the priority targets, if you like, are in terms of protection of landscapes and sub-landscapes. We've got 84 per cent of all threatened species represented in the parks estate. Which threatened species are missing? Or of those that are represented but not in viable populations, which need to be prioritised? I think it is a really important time to be asking all of those questions.

But we do need to try and look at it in the context of how we work across tenures and incorporate restoration. As you'll know, if you look at places like the coast or the south-east, we've got relatively high levels of reservation in the parks estate in terms of percentages of bioregions, but there still may be gaps in terms of threatened species and so on. If you go into the centre of the State, we have very low levels of reservation in the national park estate, high levels of clearing, and so restoration becomes a more significant factor.

If you go further west, the level of clearing hasn't been as high. There are still opportunities to add to the park estate and still some significant gaps. Across the State, you need tailored strategies for the different priorities and the different gaps and challenges. As I said, I think the central part of the State is a good one to look at because that's where we're really going to need to be looking at, yes, where there are important areas to add parts to the park estate. But how does that speak to the work that the BCT is doing in terms of corridors, connectivity,

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resilience and all of those things? And then we need to look at the programs that are being implemented like Saving our Species, the investment—whether it's in threatened species, wetlands or other factors—and integrate that as well. And, without wanting to go back to the discussion earlier, all of this is within a nature positive framework.

The CHAIR: What sort of climate modelling do we use for the National Parks Establishment Plan? What feeds in from a climate adaptation and resilience perspective?

ATTICUS FLEMING: I think that's one of the factors that you need to build into the planning. I said resilience a moment ago, but climate resilience is a big part of that. All I can say is that's a key factor that will have to drive how we think about what's needed for the next 50 years in the protected area estate. I think the other lens that is really important is to think a bit about the baseline, because we tend to think about the baseline 10 or 20 years ago. But if you wind the clock back a little further, 100 or 200 years, and look at the accounts of early explorers and listen to what Aboriginal people have to say about what country was like, that gives you a better sense of how much has been lost from our natural environment.

You can, as I said, listen to Aboriginal people talk about the way country looked. You can read the accounts of early explorers who saw so many animals in the Australian bush, and for much of the State, that's gone. In many parts of the State, we're talking about being so far below baseline that we're at 5 per cent, 2 per cent or 3 per cent of the level where we were a couple of hundred years ago. I think that's an important backdrop to how you think about what we need over the next 50 or 100 years.

The CHAIR: Absolutely. With the nature positive and the 30 by 30 discourse, there's some fantastic policy literature about half the nature, and our ambition is actually quite low when you have to factor in some of that. While we're talking about environmental adaptation and resilience, there's been some very interesting discussion in the inquiry into the Government's climate bill at the moment about how we factor in loss and damage. We need to start doing that across the whole of government, whether it's infrastructure, transport, energy or utilities. But the most important place to start is our protected area network, because that's the strength of our landscapes.

The Hon. WES FANG: Is that a question or a lecture?

The CHAIR: I'm sorry, I was so engaged with Mr Fleming, I forgot where I was. We were about to build the protected area network together to get to half the nature.

The Hon. WES FANG: It still sounds like a lecture to me, but I could be confused.

ATTICUS FLEMING: Can I just say, cultural heritage is something we didn't talk about a moment ago but is obviously also a really critical part of both looking at where there might be additional national parks and, much more broadly, thinking about country and what it should look like.

The CHAIR: We're working very closely with Minister Harris on the cultural heritage reforms, and it sounds like they're progressing. How are the platypus going in the Royal National Park?

ATTICUS FLEMING: The last I heard, they were going well, but that was a few weeks ago. I don't think there's been any news since then.

The CHAIR: In earnest, have there been any detrimental responses, or is everything looking positive? It was a big experiment.

ATTICUS FLEMING: I haven't been told that there's any bad news, any negative news, so I think it's positive. But I will take that on notice as well and, if there's anything different, I'll ensure we inform the Committee.

The CHAIR: With all of that, are there any broader plans for platypus introduction in any other parts of the State, in the Sydney Basin or elsewhere?

ATTICUS FLEMING: I think we would certainly—there are no specific plans, but part of what we've just been talking about is the importance of restoration. People think of that as planting trees, but it's also returning species to areas where they've become extinct, and there are a whole different lot of mechanisms for doing that. It's probably a good time to say that this morning at about seven o'clock, I think, there were 14 regent honeyeaters released in Capertee National Park. That's a nice indication of what we're trying to achieve. I mention the Saving our Species team, Taronga Zoo and BirdLife International, who were there with National Parks and Wildlife staff doing that release. It was a great team effort across the board.

The CHAIR: We may have saved their love song yet, is that what you're saying?

ATTICUS FLEMING: I hope that we will, yes.

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The CHAIR: We may have. In terms of the platypus, realistically, if we had a koala plan 20 years ago we would have been in a very different position than what we are now. My understanding, from the work of WWF and others, is we're very much in that position with the platypus now. Is that the approach that the agencies understand in terms of that particular species?

ATTICUS FLEMING: I'm afraid I can't probably give you much more detail about plans for the platypus specifically. All I can say is the general approach is that obviously we want to protect what's left. We recognise that that requires a mix of the species-specific actions and the broader ecosystem approaches. It's not just about saving what's left, obviously; it's about trying to restore country and restore species.

The CHAIR: Was the idea to get an evaluation of the southern forests and their potential for carbon your idea?

ATTICUS FLEMING: That was a government initiative, yes.

The CHAIR: So you were asked to do it?

ATTICUS FLEMING: It was an initiative of the National Parks and Wildlife Service. But there were a range of agencies and a range of experts who had been asking questions at the time. Like all things, there's never one agency or one entity that is the origin; it's an idea that's born from discussion and dialogue and collaboration.

The CHAIR: Thanks for starting it.

The Hon. NATALIE WARD: Mr Fleming, just about staffing and staff cuts, when did the Minister first indicate to you that there would have to be staff cuts in the Environment and Heritage Group?

ATTICUS FLEMING: If I can just give you the broader context of the last budget—

The Hon. NATALIE WARD: Very briefly, if you don't mind. I've got three minutes.

ATTICUS FLEMING: Very briefly, there are a number of election commitments and other initiatives that were funded in the budget. That was new money. There were modest and targeted savings. The net impact of all that is that there will be more staff over the next 12 months rather than less. Where we have had to make some savings, and I'm referring specifically to staff in the—you mentioned the nature positive team earlier and the community engagement team—(a) those staff are really highly valued and our priority has been to ensure that they have jobs—

The Hon. NATALIE WARD: Yes, I appreciate all of that, but I have three minutes. My question was, though, when did the Minister first indicate to you that there would have to be those staff cuts in that group?

ATTICUS FLEMING: I'd have to take that on notice. I can't recall.

The Hon. NATALIE WARD: Thank you. In your email to staff, Mr Fleming, regarding the staff cuts, did anybody from the Minister's office advise you on the wording of your email?

ATTICUS FLEMING: No.

The Hon. NATALIE WARD: What was the decision-making process that led to the sacking of at least seven Indigenous officers?

ATTICUS FLEMING: I don't believe that's an accurate number. I think in the community engagement team, and Mr Bruce can correct me if I'm wrong, there are two Aboriginal staff who are impacted. As I was saying a little earlier, our objective is to ensure that everyone who is impacted is able to find another role within EHG. I'm confident that that will be the outcome.

The Hon. NATALIE WARD: Can you take it on notice about the number and the decision-making process that led to those changes?

ATTICUS FLEMING: Yes.

The Hon. NATALIE WARD: Would you agree that the decision to sack those Indigenous officers, as a government staff member said, jeopardises the progress being made in building connections with the Indigenous communities?

ATTICUS FLEMING: If we had longer, I could go through all of the initiatives that we have underway to try and build our engagement with Aboriginal communities. All I can say is it's incredibly important. It's embedded in everything we do and we will continue to strive to do better. But that is just a fundamental part of the way in which we do business.

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BRENDAN BRUCE: I think it's important to say that we're still working with those employees to try and identify other opportunities for them.

The Hon. NATALIE WARD: So they're not yet identified? You're working through that now?

BRENDAN BRUCE: The impacted staff have been identified, but there is a process of trying to match those staff to other suitable opportunities within the department. That's still ongoing.

ATTICUS FLEMING: We're hoping that there are no staff who leave the agency.

The Hon. NATALIE WARD: I understand; I need to ask. To Mr Kidman, just briefly, in November last year the Minister said, "We are in the shameful position of having very poor protection for Aboriginal cultural heritage in this State. It is managed under the National Parks and Wildlife Act 1974, which, in itself, is shameful", and standalone Aboriginal cultural heritage legislation is "long overdue". I know we've touched on this area. If it's to you or someone else, let me know. Has the Minister directed the department to commence any work on an Aboriginal cultural heritage bill? Forgive me if this has been covered already.

SAM KIDMAN: This reform is in the process of being led by Minister Harris, who is the Minister for Aboriginal Affairs, so we've had no instruction from the Minister about commencing work on a reform bill.

The Hon. NATALIE WARD: Within this department?

SAM KIDMAN: I'm sorry?

The Hon. NATALIE WARD: It seems that it is managed under the National Parks and Wildlife Act?

SAM KIDMAN: Yes, that's right. Currently, Heritage NSW administers the provisions of the National Parks and Wildlife Act as they relate to Aboriginal places, repatriation and conservation programs and the regulation, the issuing of permits under section 90 of the Act.

The Hon. NATALIE WARD: So it is administered under this department but no request has been made for the department to do any work on an Aboriginal cultural heritage bill?

SAM KIDMAN: No, that work is being led by Minister Harris.

The Hon. NATALIE WARD: Will you have input to it?

SAM KIDMAN: Yes, I would, undoubtedly.

The Hon. NATALIE WARD: Could you come back to the Committee with what the structure is and timing, and what input you might have on it?

SAM KIDMAN: Well, no, that's a matter for Cabinet. I couldn't comment on that.

The Hon. NATALIE WARD: Are you able to inform the Committee of the time line or who is involved in that?

SAM KIDMAN: No, that's not—

The Hon. NATALIE WARD: I'll take it as a no.

The CHAIR: I think Minister Harris, in an inquiry earlier in the budget session, said we would expect something in the first part of next year. I'm fairly sure that's what he said.

The Hon. NATALIE WARD: That would be helpful. I was probably in another inquiry.

The CHAIR: Yes, we have been running around.

The Hon. NATALIE WARD: We have. Could I just also thank everybody who has come along. But also all of those who haven't had a question today, thank you for your patience and for attending. We very much appreciate it.

The CHAIR: I have a couple of questions left, one on heritage. I did ask the Minister earlier about Ravensworth.

SAM KIDMAN: Yes.

The Hon. NATALIE WARD: Sorry, is this our time still?

The CHAIR: No, this is my time.

The Hon. NATALIE WARD: I'm sorry. Apologies.

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The CHAIR: Ravensworth, is that imminent? Is there something that's going to happen very soon?

SAM KIDMAN: It is. I would anticipate that the recommendation to list or make a decision brief will be with the Minister in early December.

The CHAIR: Thank you very much. That's very helpful. There are a lot of people waiting. Can I ask about the incentives at the moment in terms of distributed power generation capacity? I know we're talking about the big battery and it's fantastic. Do we have streams for other smaller distributed incentives? Is that something that's happening already? Is it underway or is it something that's in the pipeline?

ANDREW LEWIS: I'm happy to answer that one, Chair. The short answer is yes, we are doing work on that. The Minister, earlier, mentioned the Energy Security Corporation. So whilst the work is currently underway to look at what the Energy Security Corporation will fund and support, distributed energy solutions is certainly one of the streams that we're actively looking at in that space. I might ask Mr Hay to give some comment in a moment, but there has already been some existing work that EnergyCo has done in the context of the renewable energy zones to identify opportunities, and where there are opportunities associated with the renewable energy zones there are potential incentives through the LTESA framework and other incentives, including through the consumer trustees' activities. We're currently developing a consumer energy response strategy for the Government's consideration and distributed energy and distributed energy options will be a key part of that. That's just some highlights and there are more that are underway.

The CHAIR: Is there a particular focus on community projects as well or is it mainly private or proven in the sector?

ANDREW LEWIS: It's all of the above. Certainly community batteries, community solar is a strong focus of what we're looking at. The distribution businesses have been working under the Commonwealth Government's incentive scheme to look at community battery solutions as well, and we will be open to all different solutions that will contribute to our net zero and our transition targets.

The CHAIR: Is there a particular capacity for land councils on land council-owned land in relation to batteries, distributed energy? Is there a stream happening or something that in the future—

ANDREW LEWIS: There's not a dedicated stream that I am currently aware of. But provided those communities are grid-connected, there are a number of existing programs that they would be eligible for. We are certainly keeping that in mind as we look for—not sure, James, if there's anything that you wanted to add from an EnergyCo perspective?

JAMES HAY: You may have picked up recently the Minister announced the commencement of the community and employment benefits grant scheme in Central-West Orana REZ. Each renewable energy zone that has an access regime will have a community and employment benefits grant scheme. It's funded through payments from the generators that connect the new network. That scheme will include looking at ways communities can participate in the energy transition, as well as looking at—so that can be part of the community grant scheme. We've certainly got groups that we're engaging with in the Central-West Orana and New England around those kind of concepts, particularly working very closely with Essential Energy. So, bring together distribution, the ability to put things on people's property, whether it's Aboriginal Land Council or others, to make sure that there's a local energy solution, there's not just the utility energy solutions.

ANDREW LEWIS: I can also further add that we're working with the Commonwealth on some First Nations energy initiatives as well. Through our Peak Demand Reduction Scheme there are incentives for home batteries and where that can be optimised there are potentially greater benefits available. They are just a couple of extra examples that we have.

The Hon. MARK BUTTIGIEG: First of all, thank you all for attending what's been a very long and arduous day and the excellent answers, and of course, the Minister this morning also for her excellent answers. Is there anything—

The CHAIR: It's their job.

The Hon. MARK BUTTIGIEG: Is there anything you'd like to place on the record or clarify before we leave?

TONY CHAPPEL: Thank you, Chair. If I may table—I know Ms Boyd was asking the Minister some questions earlier about the coal ash inquiry and progress of those recommendations. I have a comprehensive update on each of those recommendations and the Government response that I think will probably be useful to table for the Committee, so I will do that.

The CHAIR: Thank you very much.

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BRENDAN BRUCE: I can respond to three questions taken on notice. The question in relation to the baseline koala survey—I can confirm that both song meters and drones will be used on each site. In relation to the question of Areas of Outstanding Biodiversity Value, I can confirm that we have one application with the department. We previously received four draft applications and we have requested further information and waiting for those to be resubmitted. The third question was around the 23-24 Koala Strategy capital breakdown. There is \$10,498,000 for land acquisition, and \$500,000 for science data assets.

The Hon. NATALIE WARD: Sorry, science?

BRENDAN BRUCE: Science data assets.

TONY CHAPPEL: Chair, sorry, my colleague, Ms Chang, has some clarification as well.

NANCY CHANG: Thank you. I just wanted to come back in terms of the contract variations for KPMG. The \$30,000 related to phone support and the \$100,000 to—

The Hon. NATALIE WARD: Sorry, related to what support?

NANCY CHANG: Phone support, for callers to ask for help or any questions in terms of the trial of the hazardous waste tracking system. Also, the \$100,000 related to the feature, so that people could track the consignments on their mobile devices.

ATTICUS FLEMING: Can I just then say a huge thank you to all of our teams who aren't here today, because they do an amazing amount of work to prepare us for this, and some of them will be still listening. But there's also an amazing amount of work that happens just day in and day out. I wanted to say a huge thank you to them. Probably a special thank you to Sandra Harris and her team who are behind—Sandra's behind me—because they have to run the day for us and all the lead-up to it. It's a massive, massive thing to do.

The Hon. WES FANG: You should have a code word at the end of the day and those that can't tell you the code word get sacked.

The CHAIR: Thank you. It is absolutely the case and our role here is all about transparency, accountability and thank you very much for contributing so much to that. As the Minister said earlier, it's an incredibly important function and whilst it might feel weary and questionable at times, it is something I think that the public very much appreciates. That's what we're all here to do and who we're all here to serve. We're all very grateful. Thank you to all the government officers for your attendance today. The Committee secretariat will be in touch in the very near future regarding any questions taken on notice and any supplementary questions.

(The witnesses withdrew.)

The Committee proceeded to deliberate.