

General Purpose Standing Committee No. 3

# **Budget Estimates 2012 - 2013**

Ordered to be printed 30 November 2012 according to  
Standing Order 231

New South Wales Parliamentary Library cataloguing-in-publication data:

**New South Wales. Parliament. Legislative Council. General Purpose Standing Committee No. 3**

Budget estimates, 2012-2013 / General Purpose Standing Committee No. 3 [Sydney, N.S.W.] : the Committee, 2012. [30] viii, 25 p. ; 30 cm. (Report no. 27 / General Purpose Standing Committee No. 3)

“November 2012”.

Chair: Hon. Natasha Maclaren-Jones, MLC.

ISBN 9781921286865

1. New South Wales. Parliament. Legislative Council. General Purpose Standing Committee No. 3—  
Appropriations and expenditures.
  - I. Maclaren-Jones, Natasha.
  - II. Title.
  - III. Series: New South Wales. Parliament. Legislative Council. General Purpose Standing Committee No. 3. Report ; no. 27

328.94407 (DDC22)

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The Director

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## Terms of reference

1. That upon tabling, the Budget Estimates and related papers for the financial year 2012-2013 presenting the amounts to be appropriated from the Consolidated Fund be referred to the General Purpose Standing Committees for inquiry and report.

2. That the initial hearings be scheduled as follows:

### Day One: Monday 8 October 2012

GPSC1	Finance and Services, The Illawarra	9.00 am	–	1.00 pm
GPSC2	Ageing, Disability Services	9.00 am	–	11.00 am
GPSC5	Primary Industries, Small Business	10.00 am	–	1.00 pm
GPSC2	Health, Medical Research	2.00 pm	–	6.00 pm
GPSC1	Planning and Infrastructure	3.45 pm	–	6.00 pm

### Day Two: Tuesday 9 October 2012

GPSC1	Treasury, Industrial Relations	9.00 am	–	1.00 pm
GPSC3	Trade and Investment, Regional Infrastructure and Services	9.00 am	–	12.00 pm
GPSC3	The Legislature	12.15 pm	–	1.00 pm
GPSC1	Premier, Western Sydney	2.00 pm	–	6.00 pm
GPSC3	Transport	2.00 pm	–	6.00 pm

### Day Three: Wednesday 10 October 2012

GPSC2	Citizenship and Communities, Aboriginal Affairs	9.00 am	–	10.30 am
GPSC2	Mental Health, Healthy Lifestyles, Western NSW	10.45 am	–	12.00 pm
GPSC2	Sport and Recreation	12.15 pm	–	1.00 pm
GPSC2	Education	2.00 pm	–	6.00 pm
GPSC4	Attorney General, Justice	2.00 pm	–	6.00 pm

### Day Four: Thursday 11 October 2012

GPSC5	The Environment, Heritage	9.00 am	–	1.00 pm
GPSC4	Police and Emergency Services, The Hunter	2.00 pm	–	6.00 pm
GPSC5	Local Government, The North Coast	2.00 pm	–	3.30 pm
GPSC5	Fair Trading	3.45 pm	–	5.45 pm

### Day Five: Friday 12 October 2012

GPSC5	Resources and Energy, Special Minister of State, The Central Coast	9.00 am	–	1.00 pm
GPSC3	Tourism, Major Events, Hospitality and Racing, The Arts	9.00 am	–	1.00 pm
GPSC2	Family and Community Services, Women	2.00 pm	–	5.00 pm
GPSC3	Roads and Ports	2.00 pm	–	6.00 pm

3. That an initial round of supplementary hearings be scheduled as follows:

### Day One: Monday 26 November 2012

GPSC1

GPSC2

**Day Two: Tuesday 27 November 2012**

GPSC1  
GPSC3

**Day Three: Wednesday 28 November 2012**

GPSC4  
GPSC2

**Day Four: Thursday 29 November 2012**

GPSC4  
GPSC5

**Day Five: Friday 30 November 2012**

GPSC5  
GPSC3

4. That each scheduled day for the initial round of hearings will begin at 9.00 am and conclude by 6.00 pm.
5. The committees must hear evidence in public.
6. The committees may ask for explanations from Ministers in the House, or officers of departments, statutory bodies or corporations, relating to the items of proposed expenditure.
7. There is no provision under this resolution for a Minister to make an opening statement before the committee commences questions.
8. A daily Hansard record is to be published as soon as practicable after each day's proceedings.
9. The committees are to present a final report to the House by the last sitting day of the first sitting week in February 2013.
10. Members may lodge questions on notice with the Clerk to the committee during a Budget Estimates hearing and up to two days following.
11. All answers to questions taken on notice during the hearing, and questions on notice lodged up to two days following the hearing, must be provided within 21 days, or as otherwise determined by the committee.

These terms of reference were referred to the Committee by the House on 15 March 2012, see *LC Minutes* (15/3/2012) 819, Item 19; amended by *LC Minutes* (19/09/2012) 1247, Item 8.

## Committee membership

<b>The Hon Natasha Maclaren-Jones MLC</b>	Liberal Party	<i>Chair</i>
<b>The Hon Niall Blair MLC</b>	The Nationals	<i>Deputy Chair</i>
<b>The Hon John Ajaka MLC</b>	Liberal Party	
<b>The Hon Cate Faehrmann MLC</b>	The Greens	
<b>The Hon Paul Green MLC</b>	Christian Democratic Party	
<b>The Hon Penny Sharpe MLC</b>	Australian Labor Party	
<b>The Hon Mick Veitch MLC</b>	Australian Labor Party	

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## Non-substantive members who attended the hearings

<b>The Hon Jan Barham MLC</b>	The Greens
<b>The Hon Jeremy Buckingham MLC</b>	The Greens
<b>The Hon Gregory Donnelly MLC</b>	Australian Labor Party
<b>The Hon Amanda Fazio MLC</b>	Australian Labor Party
<b>Dr John Kaye MLC</b>	The Greens
<b>The Hon Sarah Mitchell MLC</b>	Liberal Party
<b>The Hon Lynda Voltz MLC</b>	Australian Labor Party
<b>The Hon Steve Whan MLC</b>	Australian Labor Party

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## Chair's foreword

I am pleased to present the report of General Purpose Standing Committee No. 3 on the 2012-2013 Budget Estimates. During the inquiry, the Committee held five public hearings, receiving nearly 14 hours of evidence to examine the portfolio areas of:

- Trade and Investment, Regional Infrastructure and Services
- The Legislature
- Transport
- Tourism, Major Events, Hospitality and Racing, Arts
- Roads and Ports.

On behalf of the Committee, I would like to thank the Ministers, their witnesses who gave evidence during the Inquiry and Committee staff.



Hon Natasha Maclaren-Jones MLC  
Chair

# Chapter 1 Introduction

## Referral of the 2012-2013 Budget Estimates

- 1.1 On 15 March 2012, the Legislative Council resolved that ‘the Budget Estimates and related papers for the financial year 2012-2013 presenting the amounts to be appropriated from the Consolidated Fund be referred to the General Purpose Standing Committees for inquiry and report’.<sup>1</sup>
- 1.2 The resolution (hereafter referred to as the ‘Budget Estimates Resolution’) requires each committee to examine the Budget Estimates for the relevant portfolios and report to the House by the last sitting day of the first sitting week in February 2013.

## Hearings

- 1.3 The Committee held five public hearings as follows:
- Tuesday 9 October 2012 – Trade, Investment, Regional Infrastructure and Services
  - Tuesday 9 October 2012 – The Legislature
  - Tuesday 9 October 2012 – Transport
  - Friday 12 October 2012 – Tourism, Major Events, Hospitality and Racing, The Arts
  - Friday 12 October 2012 – Roads and Ports.
- 1.4 A brief summary of the key issues raised during the hearings is contained in Chapter 2.

## Transcripts

- 1.5 Transcripts of the hearings are available on the Committee's web page at: [www.parliament.nsw.gov.au/gpsc3](http://www.parliament.nsw.gov.au/gpsc3).

## Questions on notice

- 1.6 Questions taken on notice, and the answers to these questions, are also available on the Committee's web page.

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<sup>1</sup> *LC Minutes* (15/03/2012) 819, Item 19; as amended by *LC Minutes* (19/09/2012) 1247, Item 8.



## Chapter 2 Issues raised during hearings

This chapter provides a brief summary by portfolio of the key issues raised during the hearings.

### Trade and Investment, Regional Infrastructure and Services

2.1 A hearing examining the portfolios of Trade and Investment, and Regional Infrastructure and Services was held on Tuesday 9 October 2012. The following issues were raised during the hearing:

- Regional Relocation Grants
- Ministerial travel within NSW and overseas
- Change management plans being undertaken in the Department of Trade and Investment, Regional Infrastructure and Services
- Efforts to secure defence contracts for NSW
- Upgrade of Orange Airport
- Investments in regional infrastructure
- Resources for the Region program
- Contribution to the economy of agriculture products
- Strategic regional land use planning and policy
- ‘Decade of Decentralisation’
- Maldon to Dombarton rail line
- Sale of ‘paper roads’ in regional and rural areas.

### The Legislature

2.2 A hearing to examine the portfolio of The Legislature was held on Tuesday the 9 October 2012. The following issues were raised:

- Departmental practices and policies with regard to bullying
- Use of the Parliament Crest and letter head
- Efficiency savings
- Third party parliamentary monitoring
- Security arrangements at rear of Parliament
- Upgrade of Parliament email system
- Expansion of wireless internet in the Parliament building
- Sustainability initiatives
- Broadcasting system

- Twinning Program.

## **Transport**

**2.3** A hearing to examine the portfolio of Transport was held on Tuesday 9 October 2012. The following issues were raised:

- North West rail line
- Infrastructure NSW Strategy and its relationship with the NSW Long Term Transport Master Plan
- Second Sydney Harbour rail crossing
- Public Private Partnerships
- Community transport
- Light Rail
- Customer and employee safety
- Seat belts on school buses
- Overcrowding of City Circle stations.

## **Tourism, Major Events, Hospitality and Racing, and The Arts**

**2.4** A hearing examining the portfolios Tourism, Major Events, Hospitality and Racing, and The Arts was held on 12 October 2012. The following issues were raised:

- Policy responses to the alcohol related issues in the Kings Cross precinct
- Government services and support for problem gamblers
- Allegations of corruption in the New South Wales greyhound industry
- The redevelopment of Royal Randwick Racecourse
- Levels of government funding and support for the film and television industry
- Initiatives to attract major events to New South Wales
- Strategies to increase the number of Chinese tourists to New South Wales
- The work of the Visitor Economy Taskforce.

## **Roads and Ports**

**2.5** A hearing examining the portfolios of Roads and Ports was held on Friday 12 October 2012. The following issues were raised:

- Progress on the Pacific Highway Upgrade projects including funding contributions from the State and Commonwealth Governments

- Road projects recommended by Infrastructure NSW including the WestConnex project
- Progress on various road projects including in the Shoalhaven region
- Proposed privatisation of Port Kembla
- Proposed lease of Port Botany
- Potential development of the former BHP Steelworks site in Newcastle.



## Appendix 1 Witnesses at hearings

### 1 Trade and Investment, Regional Infrastructure and Services - Tuesday 9 October 2012

Name	Position and Organisation
Hon. Andrew Stoner MP	Deputy Premier, Minister for Trade and Investment, and Minister for Regional Infrastructure and Services
Mr Mark Paterson	Director General, Department of Trade and Investment, Regional Infrastructure and Services
Ms Jeannine Biviano	Deputy Director General, Finance Strategy and Operations, Department of Trade and Investment, Regional Infrastructure and Services
Ms Renata Brooks	Deputy Director General, Catchments and Lands, Department of Primary Industries
Mr Mark Duffy	Acting Deputy Director General, Industry Innovation and Investment, Department of Trade and Investment, Regional Infrastructure and Services

### 2 The Legislature - Tuesday 9 October 2012

Name	Position and Organisation
Hon. Don Harwin MLC	President, NSW Legislative Council
Mr David Blunt	Clerk of the Parliaments, NSW Parliament
Mr Robert Stefanic	Executive Manager, Department of Parliamentary Services, NSW Parliament
Mr John Gregor	Director, Financial Services Branch, Department of Parliamentary Services, NSW Parliament

### 3 Transport - Tuesday 9 October 2012

Name	Position and Organisation
Hon. Gladys Berejiklian MP	Minister for Transport
Mr Les Wielinga	Director General, Transport for NSW
Mr Chris Lock	Deputy Director General, Transport Projects, Transport for NSW
Ms Carolyn McNally	Deputy Director General, Planning and Programs, Transport for NSW
Mr Fergus Gammie	Deputy Director General, Transport Services, Transport for NSW
Mr Rodd Staples	Project Director, North West Rail Link
Mr Rob Mason	Chief Executive, Rail Corporation NSW, Transport for NSW
Mr Peter Rowley	Chief Executive, State Transit Authority of NSW, Transport for NSW

### 4 Tourism, Major Events, Hospitality and Racing, The Arts - Friday 12 October 2012

Name	Position and Organisation
Hon. George Souris MP	Minister for Tourism, Major Events, Hospitality and Racing, and Minister for the Arts
Mr Mark Paterson	Director General, Department of Trade and Investment, Regional Infrastructure and Services
Ms Elizabeth Tydd	Executive Director, Office of Liquor, Gaming and Racing
Ms Mary Darwell	Executive Director, Arts NSW
Ms Sandra Chipchase	Chief Executive Officer, Destination NSW

**5 Roads and Ports - Friday 12 October 2012**

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<b>Name</b>	<b>Position and Organisation</b>
Hon. Duncan Gay MLC	Minister for Roads and Ports
Mr Peter Duncan	Chief Executive, Roads and Maritime Services
Mr Geoff Fogarty	Director, Infrastructure Development, Roads and Maritime Services
Mr Paul Hesford	Director, Corporate Services, Roads and Maritime Services
Mr Peter Wells	Director, Customer & Compliance, Roads and Maritime Services
Mr Tim Reardon	Deputy Director General, Policy and Regulation, Transport for NSW
Ms Margaret Prendergast	General Manager, Policy and Regulation, Centre for Road Safety, Transport for NSW
Mr Tony Middleton	Director, Maritime, Roads and Maritime Services
Mr Grant Gilfillan	Chief Executive Officer, Sydney Ports Corporation
Mr Dom Figliomeni	Chief Executive Officer, Port Kembla Port Corporation,
Mr Gary Webb	Chief Executive Officer, Newcastle Port Corporation
Ms Rachel Johnson	Deputy Director General, Freight and Regional Development, Transport for NSW
Mr Les Wielinga	Director General, Transport for NSW

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## Appendix 2 Tabled documents

**Tuesday 9 October 2012**

**Trade and Investment, Regional Infrastructure and Services**

- 1 Singleton Council and Muswellbrook Council, *Resources for Regions– Applications for funding consideration submitted by Singleton Council and Muswellbrook Council*, tendered by the Hon Andrew Stoner MP, Deputy Premier, Minister for Trade and Investment, Minister for Regional Infrastructure and Services.

**Friday 12 October 2012**

**Tourism, Major Events, Hospitality and Racing, The Arts**

- 2 The Hon George Souris MP, *List of events secured from March 2011 to September 2012*, tendered by the Hon George Souris MP, Minister for Tourism, Major Events, Hospitality and Racing, Minister for the Arts
- 3 The Hon George Souris MP, *Statement regarding tourism from China*, tendered by the Hon George Souris, Minister for Tourism, Major Events, Hospitality and Racing, Minister for the Arts.

**Roads and Ports**

- 4 A photo of motorway signage, tendered by the Hon Duncan Gay MLC, Minister for Roads and Ports.



## Appendix 3 Minutes

### Minutes No. 15

Thursday 20 September 2012

General Purpose Standing Committee No. 3

Members' Lounge, Parliament House, Sydney at 1.00 pm

#### 1. Members present

Mrs Maclaren-Jones (*Chair*)

Mr Ajaka

Mr Blair

Ms Faehrmann

Mr Green

Ms Sharpe

Mr Veitch

#### 2. Confirmation of previous minutes

Resolved, on the motion of Mr Blair: That draft Minutes No. 14 be confirmed.

#### 3. Inquiry into Budget Estimates 2012-2013

##### 3.1 Correspondence

The Committee noted the following items of correspondence sent:

- 9 August 2011 – From Director, Committees to Minister Berejiklian, Minister for Transport, regarding the Minister's scheduled appearance for the Inquiry into the Budget Estimates 2012-2013
- 9 August 2011 – From Director, Committees to Minister Gay, Minister for Roads and Ports, regarding the Minister's scheduled appearance for the Inquiry into the Budget Estimates 2012-2013
- 9 August 2011 – From Director, Committees to Minister Souris, Minister for Tourism, Major Events, Hospitality and Racing, and Minister for the Arts, regarding the Minister's scheduled appearance for the Inquiry into the Budget Estimates 2012-2013
- 9 August 2011 – From Director, Committees to Minister Stoner, Minister for Trade and Investment, and Minister for Regional Infrastructure and Services, regarding the Minister's scheduled appearance for the Inquiry into the Budget Estimates 2012-2013
- 9 August 2011 – From Director, Committees to President Harwin, Legislative Council, NSW Parliament, regarding the President's scheduled appearance for the Inquiry into the Budget Estimates 2012-2013.

##### 3.2 Order for examination of portfolios:

Resolved, on the motion of Mr Veitch: That, on Tuesday 9 October 2012, the portfolio of Trade and Investment and the portfolio of Regional Infrastructure and Services be examined concurrently, with a 15 minute break at 11.00 am.

Resolved, on the motion of Ms Faehrmann: That, on Tuesday 9 October 2012, the Transport portfolio be examined as follows:

2.00 - 3.30 Transport

3.30 - 4.00 Ferries

4.00 - 4.15 Break

4.15 - 5.30 Rail

5.30 - 6.00 State Transit

Resolved, on the motion of Mr Veitch: That, on Friday 12 October 2012, the Tourism, Major Events, Hospitality and Racing portfolios be examined as follows:

9.00 - 10.00	Tourism
10.00 - 11.00	Major Events
11.00 - 11.15	Break
11.15 - 12.15	Hospitality and Racing
12.15 - 1.00	Arts

Resolved, on the motion of Mr Ajaka: That, on Friday 12 October 2012, the Roads portfolio be examined from 2.00 pm to 3.30 pm and the Ports portfolio from 3.45 pm to 4.45 pm and that no time is allocated to the Government members to ask questions.

### 3.3 Witness requests

Members were advised that their requests for specific witnesses be forwarded to the Secretariat by 5.00 pm Monday 24 September 2012.

### 3.4 Timing of questions

Resolved, on the motion of Mr Blair: That, during the Budget Estimates hearings, the allocation of time for questioning be divided evenly between the Government, Opposition and Cross Bench, except for the portfolio of Roads and Ports in relation to which the time be divided evenly between the Opposition and Cross Bench.

## 4. Adjournment

The Committee adjourned at 1.00 pm, until 8.45 am on Tuesday 9 October 2012, Macquarie Room (Budget Estimates: Trade, Investment, Regional Infrastructure and Services).

Rachel Callinan

**Clerk to the Committee**

## Minutes No. 16

Tuesday 9 October 2012

General Purpose Standing Committee No. 3

Macquarie Room, Parliament House, Sydney, at 8.45 am

### 1. Members present

Mr Blair (*Deputy Chair, Acting as Chair*)

Mr Ajaka

Mr Buckingham (*Ms Faehrmann, until 12.15 pm*)

Ms Fazio (*Mr Veitch, from 12.15 pm*)

Mr Green

Mrs Mitchell (*Mrs MacLaren-Jones*)

Ms Sharpe

Mr Veitch

Mr Whan (*until 12.00 pm*)

### 2. Apologies

Mrs MacLaren-Jones.

In the absence of the Chair, the Deputy Chair took the Chair for the purposes of the meeting.

### 3. Substitutions

The Acting Chair advised that the following members would be substituting for the hearing:

- Mrs Mitchell for Mrs MacLaren-Jones
- Mr Buckingham for Ms Faehrmann (*Trade, Investment, Regional Infrastructure and Services*)
- Mr Whan for Ms Sharpe (*Trade, Investment, Regional Infrastructure and Services*)

- Ms Fazio for Mr Veitch (*The Legislature*).

#### 4. **Participating members**

The Acting Chair advised that for the periods that Ms Sharpe is present during the hearing, Mr Whan would be attending the hearing as a participating member.

#### 5. **Draft minutes**

Resolved, on the motion of Mr Ajaka: That draft Minutes No.15 be confirmed.

#### 6. **Correspondence**

The Committee noted the following items of correspondence:

##### ***Received***

- 21 September 2012 – From the Hon Amanda Fazio MLC to the Secretariat, providing a list of witness requests for the Roads and Ports portfolios
- 25 September 2012 – From Ms Gail Broadbent, Office of the Hon Cate Faehrmann MLC, to the Secretariat, requesting an additional witness
- 26 September 2012 – From Ms Louise Talbot, Policy Advisor/PLO, Office of the Minister for Roads and Ports, providing a list of witnesses for the Roads and Ports portfolio hearing
- 28 September 2012 – From Ms Louise Talbot, Policy Advisor/PLO, Office of the Minister for Roads and Ports, advising that one of the requested witnesses is no longer working for the Department
- 2 October 2012 – From Mr Morgan Forrest, Policy Adviser, Office of the Minister for Transport, to the Secretariat, providing a list of witnesses from the Transport portfolio
- 2 October 2012 – From Mr Sean O’Connell, Senior Policy Adviser, Office of the Deputy Premier, providing a list of witnesses for the Trade, Investment, Regional Infrastructure and Services portfolio
- 8 October 2012 – From Mr Sean O’Connell, Senior Policy Adviser, Office of the Deputy Premier, regarding the allocation of question time for the Trade, Investment, Regional Infrastructure and Services portfolio.

##### ***Sent***

- 26 September 2012 – From the Secretariat to Mr Morgan Forrest, Policy Adviser, Office of the Minister for Transport, informing the Ministry of the allocation time for portfolios and witness requests
- 26 September 2012 – From the Secretariat to Ms Louise Talbot, Policy Advisor / PLO, Office of the Minister for Roads and Ports, informing the Ministry of the time allocation for portfolios and witness requests
- 26 September 2012 – From the Secretariat to Mr Cavill, Parliamentary Advisor, Office of Hon George Souris MP, Minister for Tourism, Major Events, Hospitality and Racing, Minister for the Arts, informing the Ministry of the time allocation and witness requests.

#### 7. **Allocation of question time**

Resolved, on the motion of Mr Veitch: That for the initial round of hearings into the Budget Estimates 2012-2013, the sequence of questions to be asked alternate between Opposition, Cross Bench and Government members, in that order, with 20 minutes allocated to each.

#### 8. **Public hearing: Budget Estimates 2012-2013 – Trade and Investment, Regional Infrastructure and Services**

Witnesses, the public and media were admitted.

The Acting Chair made an opening statement regarding the broadcasting of proceedings and other matters. The Acting Chair reminded Minister Stoner that he did not need to be sworn, as he had sworn an oath to his office as a member of Parliament.

The following officials were sworn:

- Mr Mark Paterson, Director General, Department of Trade and Investment, Regional Infrastructure and Services
- Ms Jeannine Biviano, Deputy Director General, Finance Strategy and Operations, Department of Trade and Investment, Regional Infrastructure and Services
- Ms Renata Brooks, Deputy Director General, Catchments and Lands, Department of Primary Industries
- Mr Mark Duffy, Acting Deputy Director General, Industry Innovation and Investment, Department of Trade and Investment, Regional Infrastructure and Services.

The Acting Chair declared the proposed expenditure for the portfolio of Trade and Investment, Regional Infrastructure and Services open for examination.

The Minister and departmental witnesses were examined by the Committee.

Ms Sharpe left the meeting at 9.29 am.

Ms Sharpe rejoined the meeting at 10.11 am.

Minister Stoner tendered the following document:

- 'Resources for Regions – Applications for funding consideration submitted by Singleton Council and Muswellbrook Council'.

Ms Sharpe left the meeting at 10.35 am.

Ms Sharpe rejoined the meeting at 11.00 am.

Ms Sharpe left the meeting at 11.24 am.

Ms Sharpe rejoined the meeting at 11.58 am.

The Minister and the departmental witnesses withdrew.

The public hearing concluded at 12.00 pm.

The public and media withdrew.

## **9. Public hearing: Budget Estimates 2012-2013 – The Legislature**

The public hearing resumed at 12.15 pm.

Witnesses, the public and media were admitted.

The Acting Chair made an opening statement regarding the broadcasting of proceedings and other matters. The Acting Chair reminded President Harwin that he did not need to be sworn, as he had sworn an oath to his office as a member of Parliament.

The following officials from the NSW Parliament were sworn:

- Mr David Blunt, Clerk of the Parliaments, NSW Parliament
- Mr Robert Stefanic, Executive Manager, Department of Parliamentary Services

- Mr John Gregor, Director, Financial Services Branch, Department of Parliamentary Services.

The Acting Chair declared the proposed expenditure for the portfolio of The Legislature open for examination.

The President and the departmental witnesses were examined by the Committee.

The President and the departmental witnesses withdrew.

The public hearing concluded at 1.03 pm.

The public and media withdrew.

#### 10. **Tendered documents**

Resolved, on the motion of Mr Green: That the Committee accept and publish the following document tendered during the hearing:

- 'Resources for Regions – Applications for funding consideration submitted by Singleton Council and Muswellbrook Council', tendered by Minister Stoner.

#### 11. **Supplementary hearings**

Resolved, on the motion of Ms Fazio: That the Committee hold a further meeting to deliberate on whether to hold supplementary hearings for the portfolios of Trade and Investment, Regional Infrastructure and Services, and The Legislature on a date to be determined following receipt of answers to questions on notice.

#### 12. **Adjournment**

The Committee adjourned at 1.10 pm, until 1.45 pm, Tuesday 9 October 2012, Macquarie Room (*Transport*).

Rachel Callinan  
**Clerk to the Committee**

#### **Minutes No. 17**

Tuesday 9 October 2012  
 General Purpose Standing Committee No. 3  
 Macquarie Room, Parliament House, Sydney, at 1.45 pm

#### 1. **Members present**

Mr Blair (*Deputy Chair, Acting as Chair*)  
 Mr Ajaka  
 Ms Faehrmann  
 Mr Green  
 Ms Sharpe  
 Mr Veitch  
 Mrs Mitchell (*Mrs Maclaren-Jones*)

#### 2. **Substitutions**

The Chair advised that the following members would be substituting for the hearing:

- Mrs Mitchell for Mrs Maclaren-Jones.

**3. Order for examination of portfolios**

Resolved, on the motion of Ms Mitchell: That on Tuesday 9 October 2012 the Transport portfolio be examined as follows:

- Transport from 2.00 pm until 3.00 pm
- Ferries from 3.00 pm until 3.20 pm
- Rail from 3.30 pm until 4.20 pm
- State Transit from 4.20 pm until 4.40 pm.

**4. Allocation of question time**

Resolved, on the motion of Mrs Mitchell: That for the hearing into the Budget Estimates 2012-2013 for the Transport portfolio, the sequence of questions to be asked alternate between Opposition and Cross Bench, in that order, with an initial 15 minutes allocated to each.

**5. Public hearing: Budget Estimates 2012-2013 – Transport**

Witnesses, the public and media were admitted.

The Chair made an opening statement regarding the broadcasting of proceedings and other matters. The Chair reminded Minister Berejiklian that she did not need to be sworn, as she had sworn an oath to her office as a member of Parliament.

The following officials were sworn:

- Mr Les Wielinga, DG, Transport for NSW
- Mr Chris Lock, Deputy DG, Transport Projects, Transport for NSW
- Ms Carolyn McNally, Deputy DG, Planning and Programs, Transport for NSW
- Mr Fergus Gammie, Deputy DG, Transport Services, Transport for NSW
- Mr Rodd Staples, Project Director, North West Rail Link.

The Chair declared the proposed expenditure for the portfolio of Transport open for examination.

The Minister and the departmental witnesses were examined by the Committee.

The Committee adjourned at 3.20 pm for afternoon tea.

The Committee resumed at 3.30pm.

The following witness withdrew:

- Ms Carolyn McNally.

The following officials from Transport for NSW were sworn:

- Mr Rob Mason, Chief Executive, Rail Corporation NSW
- Mr Peter Rowley, Chief Executive, State Transit Authority of NSW.

The Minister and the departmental witnesses withdrew.

The public hearing concluded at 4.40 pm.

The public and media withdrew.

**6. Supplementary hearings**

Resolved, on the motion of Ms Sharpe: That the Committee hold a further meeting to deliberate on whether to hold supplementary hearings for the portfolios of Transport on a date to be determined following receipt of answers to questions on notice.

**7. Adjournment**

The Committee adjourned at 4.41 pm, until 8.45 am, Friday 12 October 2012, Jubilee Room (*Tourism, Major Events, Hospitality and Racing, The Arts*).

Stewart Smith  
**Clerk to the Committee**

## **Minutes No. 18**

Friday 12 October 2012

General Purpose Standing Committee No. 3

Jubilee Room, Parliament House, Sydney, at 8.45 am

### **1. Members present**

Mr Blair (*Deputy Chair, acting as Chair*)

Mr Ajaka

Mr Green

Dr Kaye (*Ms Faehrmann – Hospitality and Racing until 10.00 am; and Major Events: 11.02 - 11.59 am*)

Mrs Mitchell

Ms Voltz

Mr Whan

Ms Barham (*Ms Faehrmann – The Arts: 10.00 - 11.02 am; participating: 11.05 - 11.59 am; Ms Faehrmann – Tourism 11.59 - 12.30 pm*)

### **2. Apologies**

Mrs Maclaren-Jones.

In the absence of the Chair, the Deputy Chair took the Chair for the purposes of the meeting.

### **3. Substitutions**

The Chair advised that the following members would be substituting for the hearing:

- Mrs Mitchell for Mrs Maclaren-Jones
- Ms Barham for Ms Faehrmann (*Tourism*)
- Dr Kaye for Ms Faehrmann (*Major Events, Hospitality and Racing*)
- Ms Barham for Ms Faehrmann (*The Arts*)
- Ms Voltz for Ms Sharpe
- Mr Whan for Mr Veitch.

### **4. Participating members**

The Chair advised that he has not received any advice about participating members.

### **5. Order for examination of portfolios**

Resolved on the motion of Mr Green: That on Friday 12 October the Tourism, Major Events, Hospitality and Racing, and The Arts portfolios be examined as follows:

- Hospitality and Racing: 9.00 am until 10.00 am
- The Arts: 10.00 am until 10.45 am
- Major Event: 11.00 am until 12.00 pm
- Tourism: 12.00 pm until 1.00 pm.

### **6. Allocation of question time**

Resolved on the motion of Dr Kaye: That for the hearings into the Budget Estimates 2012-2013 for the Hospitality and Racing, Major Events, and Tourism portfolios, the sequence of questions be asked alternate between Opposition, Cross Bench and Government members, in that order with an equal split of time allocated to each.

**7. Public hearing: Budget Estimates 2012-2013 – Tourism, Major Events, Hospitality and Racing, and The Arts**

Witnesses, the public and media were admitted.

The Chair made an opening statement regarding the broadcasting of proceedings and other matters. The Chair reminded Minister Souris that he did not need to be sworn, as he had sworn an oath to his office as a Member of Parliament.

The Chair also advised the following witness that as he had previously sworn an oath before the Committee at a previous Budget Estimates hearing he did not need to be sworn again:

- Mr Mark Paterson AO, Director General, Department of Trade and Investment, Regional Infrastructure and Services.

The following official was sworn:

- Ms Elizabeth Tydd, Executive Director, Office of Liquor, Gaming and Racing.

The Chair declared the proposed expenditure for the portfolio of Hospitality and Racing open for examination.

The Minister and the departmental witnesses were examined by the Committee.

The following departmental witness withdrew:

- Ms Tydd, Executive Director, Office of Liquor, Gaming and Racing.

The following official was sworn:

- Ms Mary Darwell, Executive Director, Arts NSW.

The Chair then declared the proposed expenditure for The Arts open for examination.

Ms Barham joined the meeting at 10.00 am.

Dr Kaye left the meeting at 10.00 am.

The following departmental witness withdrew:

- Ms Darwell, Executive Director, Arts NSW.

The Committee adjourned at 10.45 am for morning tea.

The Committee resumed at 11.00 am.

The following official was sworn:

- Ms Sandra Chipchase, Chief Executive Officer, Destination NSW.

The Chair then declared the proposed expenditure for Major Events open for examination.

Dr Kaye rejoined the meeting at 11.02 am.

Ms Barham became a participating member at 11.02 am.

Minister Souris tendered the following document:

- 'List of events secured from March 2011 to September 2012'.

Dr Kaye left the meeting at 11.59 am.

Ms Barham became the substitute member for Ms Faehrmann at 11.59 am.

The Chair declared the proposed expenditure for Tourism open for examination.

Minister Souris tendered the following documents:

- 'Statement regarding tourism from China'.

Ms Barham left the meeting at 12.30 pm.

The Minister and the departmental witnesses withdrew.

The public hearing concluded at 12.40 pm.

The public and media withdrew.

#### 8. **Tendered documents**

Resolved, on the motion of Mr Whan: That the Committee accept and publish the following documents tendered during the hearing:

- 'List of events secured from March 2011 to September 2012', tendered by Minister Souris
- 'Statement regarding tourism from China', tendered by Minister Souris.

#### 9. **Supplementary hearings**

Resolved, on the motion of Mr Whan: That the Committee hold a further meeting to deliberate on whether to hold supplementary hearings for the portfolios of Tourism, Major Events, Hospitality and Racing, and The Arts on a date to be determined following receipt of answers to questions on notice.

#### 10. **General business**

The Committee noted correspondence from Ms Belinda Cone requesting permission to film a portion of the Roads and Ports Budget Estimates hearing this afternoon for the purposes of a documentary.

Resolved, on the motion of Mr Whan: That Ms Belinda Cone, documentary student at the Australian Film Television and Radio School, for the purposes of her studies, be allowed to film a portion of the Roads and Ports Budget Estimates hearing specifically concerning questioning put to the Minister for Roads and Ports, the Hon Duncan Gay MLC, about safety issues related to a heritage bridge in Windsor, that the Minister be informed of this at the commencement of the hearing, that Ms Cone be asked to comply with the Broadcasting Resolution and be informed that she is to only use the footage for the purpose of her documentary.

#### 11. **Adjournment**

The Committee adjourned at 12.46 pm, until 1.45 pm, Friday 12 October 2012, Jubilee Room (*Roads and Ports*).

Alex Stedman

**Clerk to the Committee**

#### **Minutes No. 19**

Friday 12 October 2012

General Purpose Standing Committee No. 3

Jubilee Room, Parliament House, Sydney, at 1.45 pm

**1. Members present**

Mr Blair (*Deputy Chair, acting as Chair*)

Mr Ajaka

Mr Donnelly (*Mr Veitch*)

Ms Faehrmann

Ms Fazio (*participating*)

Mr Green (*until 3.30pm*)

Mrs Mitchell (*Mrs Maclaren-Jones*)

Ms Sharpe

**2. Substitutions**

The Chair advised that the following members would be substituting for the hearing:

- Mr Donnelly for Mr Veitch
- Mrs Mitchell for Mrs Maclaren-Jones.

**3. Participating members**

The Chair advised that Ms Fazio would be attending the hearing as a participating member.

**4. Public hearing: Budget Estimates 2012-2013 – Roads and Ports**

Witnesses, the public and media were admitted.

The Chair made an opening statement regarding the broadcasting of proceedings, and other matters. The Chair reminded Minister Gay that he did not need to be sworn, as he had sworn an oath to his office as a member of Parliament.

The Chair also reminded Mr Les Wielinga, Director General, Transport for NSW, that he did not need to be sworn, as he had been sworn at an earlier Budget Estimates hearing.

The following officials were sworn:

- Mr Peter Duncan, Chief Executive, Roads and Maritime Services
- Mr Geoff Fogarty, Director, Infrastructure Development, Roads and Maritime Services
- Mr Paul Hesford, Director, Corporate Services, Roads and Maritime Services
- Mr Peter Wells, Director, Customer & Compliance, Roads and Maritime Services
- Mr Tim Reardon, Deputy Director General, Policy and Regulation, Transport for NSW
- Ms Margaret Prendergast, General Manager, Policy and Regulation, Centre for Road Safety, Transport for NSW.

The Chair declared the proposed expenditure for Roads open for examination.

The Minister and the departmental witnesses were examined by the Committee.

Minister Gay tendered a photo of motorway signage.

The departmental witnesses withdrew.

The Committee adjourned at 3.30pm for afternoon tea.

The Committee resumed at 3.45pm.

The following officials were sworn:

- Mr Tony Middleton, Director, Maritime, Roads and Maritime Services
- Mr Grant Gilfillan, Chief Executive Officer, Sydney Ports Corporation, Department of Transport

- Mr Dom Figliomeni, Chief Executive Officer, Port Kembla Port Corporation, Department of Transport
- Mr Gary Webb, Chief Executive Officer, Newcastle Port Corporation.
- Ms Rachel Johnson, Deputy Director General, Freight and Regional Development, Transport for NSW.

The Chair then declared the proposed expenditure for Ports open for examination.

The Minister and the departmental witnesses withdrew.

The public hearing concluded at 4.45 pm.

The public and media withdrew.

**5. Tendered documents**

Resolved, on the motion of Mrs Mitchell: That the Committee accept and publish a photo of motorway signage tendered by Minister Gay during the hearing.

**6. Supplementary hearings**

Resolved, on the motion of Mr Donnelly: That the Committee hold a meeting to deliberate on whether to hold supplementary hearings for the portfolios of Roads and Ports on a date to be determined following receipt of answers to questions on notice.

**7. Adjournment**

The Committee adjourned at 4.46 pm, *sine die*.

Madeleine Foley  
**Clerk to the Committee**

**Minutes No. 20**

Wednesday 14 November 2012

General Purpose Standing Committee No. 3

Members' Lounge, Parliament House, Sydney, at 1.00 pm

**1. Members present**

Mrs Maclaren-Jones (*Chair*)  
 Mr Blair (*Deputy Chair*)  
 Mr Ajaka  
 Ms Fachrmann  
 Mr Green  
 Ms Sharpe  
 Mr Veitch

**2. Minutes**

Resolved, on the motion of Mr Ajaka: That Draft Minutes Nos. 16- 19 be confirmed.

**3. Correspondence**

The Committee noted the following items of correspondence:

***Received***

- 3 October 2012 – From Ms Louise Talbot, Parliamentary Liaison Officer, Office of the Minister for Roads and Ports, to the Secretariat, advising availability of witnesses requested by committee members
- 8 October 2012 – From Mr Morgan Forrest, Policy Adviser, Office of the Minister for Transport to the Secretariat, advising of an additional witness
- 2 November 2012 – From President Harwin, NSW Legislative Council, to the Secretariat, providing answers to questions on notice and answers to supplementary questions for the portfolio of the Legislature
- 2 November 2012 – From Minister Berejiklian to the Secretariat, providing answers to questions on notice and supplementary questions for the portfolio of Transport
- 2 November 2012 – From Minister Stoner to the Secretariat, providing answers to questions on notice and answers to supplementary questions for the portfolios of Trade and Investment and Regional Infrastructure and Services
- 7 November 2012 – From Minister Souris to the Secretariat, providing answers to questions on notice and answers to supplementary questions for the portfolios of Tourism, Major Events, Hospitality and Racing and The Arts
- 7 November 2012 – From Minister Gay to the Secretariat, providing answers to questions on notice and answers to supplementary questions for the portfolio of Roads and Ports.

***Sent***

- 8 October 2012 – From the Secretariat to Mr Sean O’Connell, Senior Policy Advisor Office of the Deputy Premier, informing Minister’s office of the new time allocation and order of the examination of the portfolios of Tourism, Major Events, Hospitality and Racing, and The Arts
- 8 October 2012 – From the Secretariat to Mr Morgan Forrest, Policy Adviser, Office of the Minister for Transport, informing the Minister’s office that there would be no government question time
- 12 October 2012 – From the Secretariat to Minister Stoner, Minister for Trade and Investment and Minister for Regional Infrastructure and Services, forwarding highlighted transcript and supplementary questions
- 12 October 2012 – From the Secretariat to President Harwin, NSW Legislative Council, forwarding highlighted transcript and supplementary questions
- 12 October 2012 – From the Secretariat to Minister Berejiklian, Minister for Transport, forwarding highlighted transcript and supplementary questions
- 17 October 2012 – From the Secretariat to Minister Souris, Minister for Tourism, Minister for Major Events, Minister for Hospitality and Racing and Minister for Arts, forwarding highlighted transcript and supplementary questions
- 17 October 2012 – From the Secretariat to Minister Gay, Minister for Roads and Ports, forwarding highlighted transcript and supplementary questions.

**4. Inquiry into Budget Estimates 2012-2013 - Supplementary hearings**

Mr Veitch moved: That the Committee hold no further hearings into the portfolios examined during the initial Budget Estimates round, with the exception of the portfolios of Trade and Investment, Regional Infrastructure and Services, Roads and Ports, and Transport and that the Ministers and the public officials who appeared at the initial hearings for those portfolios be invited to appear at the supplementary hearings.

Question put.

The Committee divided.

Ayes: Ms Faehrmann, Ms Sharpe, Mr Veitch.

Noes: Mr Ajaka, Mr Blair, Mr Green, Mrs McLaren-Jones.

Question resolved in the negative.

Ms Sharpe moved: That the Committee note the dismissive answers provided by the Minister for Transport to supplementary questions on notice.

Question put.

The Committee divided.

Ayes: Ms Faehrmann, Ms Sharpe, Mr Veitch.

Noes: Mr Ajaka, Mr Blair, Mr Green, Mrs McLaren-Jones.

Question resolved in the negative.

## 5. Adjournment

The Committee adjourned at 1.30 pm, *sine die*.

Rachel Callinan

**Clerk to the Committee**

## Draft Minutes No. 21

Thursday 22 November 2012

General Purpose Standing Committee No. 3

Members' Lounge, Parliament House, Sydney, at 2.20 pm

### 1. Members present

Mrs Maclaren-Jones (*Chair*)

Mr Blair (*Deputy Chair*)

Mr Ajaka

Ms Faehrmann

Mr Green

Ms Sharpe

Mr Veitch

### 2. Minutes

Resolved, on the motion of Mr Blair: That Draft Minutes No. 20, as amended, be confirmed.

### 3. Inquiry into Budget Estimates 2012-2013 – Chair's draft report

The Chair tabled her draft report entitled Budget Estimates 2012 - 2013, which having been previously circulated, was taken as being read.

Chapter 1 read.

Ms Sharpe moved: That after paragraph 1.4, the following paragraphs be inserted:

“The Opposition members of GPSC 3 sought to have a call back for the following portfolios:

- Regional Infrastructure and Services

- Transport

- Roads and Ports

These Ministers were requested to come back as a result of the poor approach taken to answering questions taken on notice during the hearings and subsequent questions asked after the committee meeting.

To use the Minister for Transport as an example, the answers provided to the committee by the Minister were in many cases:

- flippant
- deliberately omitting detail requested in the question
- a deliberate misinterpretation of the question asked

The role of the Budget Estimates process is outlined on the Parliament website:

Each year Government ministers and senior public servants attend an annual Budget Estimates inquiry to answer questions about the expenditure, performance and effectiveness of their departments.

Budget Estimates is a key process for government accountability and transparency. The Budget Estimates inquiries involve hours of detailed questioning by members of the Legislative Council on the decisions, actions and advice of ministers and public servants.

The answers given by Ministers in 2012 made a mockery of the budget estimates process.'

Question put.

The Committee divided.

Ayes: Ms Faehrmann, Ms Sharpe, Mr Veitch

Noes: Mr Ajaka, Mr Blair, Mr Green, Mrs Maclaren-Jones

Question resolved in the negative.

Resolved, on the motion of Mr Blair: That the draft report be the report of the Committee and be presented to the House, together with transcripts of evidence, tabled documents, answers to questions on notice and correspondence relating to the Inquiry.

#### 4. **Adjournment**

The Committee adjourned at 2.30 pm, *sine die*.

Madeleine Foley

**Clerk to the Committee**

## Appendix 4 Dissenting statement

**By Hon Penny Sharpe MLC and Hon Mick Veitch MLC**

The Opposition members of GPSC 3 sought to have a call back for the following portfolios:

- Regional Infrastructure and Services
- Transport
- Roads and Ports

These Ministers were requested to come back as a result of the poor approach taken to answering questions taken on notice during the hearings and subsequent questions asked after the committee meeting.

To use the Minister for Transport as an example, the answers provided to the committee by the Minister were in many cases:

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The answers given by Ministers in 2012 made a mockery of the budget estimates process.