

Budget Estimates 2003-2004

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How to contact the committee

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Terms of Reference

1. That the Budget Estimates and related papers for the financial year 2003 - 2004 presenting the amounts to be appropriated from the Consolidated Fund be referred to the General Purpose Standing Committees for inquiry and report.
2. That the Committees consider the Budget Estimates in accordance with the allocation of portfolios to the Committees.
3. For the purposes of this inquiry any Member of the House may attend a meeting of a Committee in relation to the Budget Estimates and question witnesses, participate in the deliberations of the Committee at such meeting and make a dissenting statement relating to the Budget Estimates, but may not vote or be counted for the purpose of any quorum.
4. The Committees must hear evidence on the Budget Estimates in public.
5. Not more than 3 Committees are to hear evidence on the Budget Estimates simultaneously.
6. When a Committee hears evidence on the Budget Estimates, the Chair is to call on items of expenditure in the order decided on and declare the proposed expenditure open for examination.
7. The Committees may ask for explanations from Ministers in the House, or officers of departments, statutory bodies or corporations, relating to the items of proposed expenditure.
8. The report of a Committee on the Budget Estimates may propose the further consideration of any items.
9. That a daily Hansard record of the hearings of a Committee on the Budget Estimates be published as soon as practicable after each day's proceedings.
10. The Committees have leave to sit during the sittings or any adjournment of the House.
11. That initial hearings of the Committees be according to a schedule prepared and circulated by the Leader of the Government.
12. The Committees may hold supplementary hearings as required.
13. The Committees present a final report to the House by Thursday 4 December 2003.

These terms of reference were referred to the Committee by the Legislative Council on 3 July 2003 (Minutes of Proceedings No 17 page 235), amended 29 October 2003 (Minutes of Proceedings No 28, Item 5).

Committee Membership

Revd the Hon Fred Nile MLC	Christian Democratic Party	<i>Chair</i>
Hon Peter Primrose MLC	Australian Labor Party	<i>Deputy Chair</i>
Hon Tony Burke MLC	Australian Labor Party	
Ms Jan Burnswoods MLC	Australian Labor Party	
Hon Catherine Cusack MLC	Liberal Party	
Hon Don Harwin MLC	Liberal Party	
Ms Lee Rhiannon MLC	The Greens	

Other Members who attended the hearings

Hon David Clarke MLC	Liberal Party
Hon Patricia Forsythe MLC	Liberal Party
Hon Michael Gallacher MLC	Liberal Party
Hon Jenny Gardiner MLC	The Nationals
Hon Duncan Gay MLC	The Nationals
Hon Melinda Pavey MLC	The Nationals
Hon Greg Pearce MLC	Liberal Party
Hon Christine Robertson MLC	Australian Labor Party
Hon John Ryan MLC	Liberal Party
Hon Henry Tsang MLC	Australian Labor Party

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Chair's Foreword

General Purpose Standing Committee No 1 has examined the Budget Estimates for 2003-2004 for the portfolio areas of:

Premier, Arts and Citizenship

Treasury and State Development

Special Minister of State, Commerce and Industrial Relations

Education and Training

The Legislature

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

Revd the Hon Fred Nile MLC
Chairman

Introduction

Referral of the 2003-2004 Budget Estimates

On 3 July 2003 the Legislative Council resolved that the Budget Estimates and related documents presenting the amounts to be appropriated from the Consolidated Funds be referred to the General Purpose Standing Committees for inquiry and report.¹ Each Committee was required to examine the Budget Estimates for their relevant portfolios and report to the House by Thursday 20 November 2003.²

Examination of the Budget Estimates

General Purpose Standing Committee No 1 examined the Budget Estimates and related documents for its portfolios at a series of public hearings held on the following dates:

1 September 2003	Premier, Arts and Citizenship
1 September 2003	Treasury and State Development
2 September 2003	Special Minister of State, Commerce and Industrial Relations
3 September 2003	Education and Training and Aboriginal Affairs
4 September 2003	The Legislature
17 November 2003	Education – supplementary hearing
1 December 2003	Commerce (WorkCover) – supplementary hearing
1 December 2003	Premier – supplementary hearing

This report summarises the main issues discussed at each hearing. The full transcript of evidence taken at these hearings can be found at the Committee's Web page accessible via the Parliament's home page at: www.parliament.nsw.gov.au. Hard copies of the transcript can be obtained by contacting the General Purpose Standing Committee Secretariat on 02 9230 3544.

During these hearings, Ministers took a number of questions on notice. In addition the Committee lodged written questions on notice for all the portfolio areas by following the usual procedure of placing questions on the notice paper with the Clerks at the Table on days that the House sits.

The Committee is pleased to note that answers have been provided to all questions placed on notice. Copies of the questions and answers can be found at the Committee's Web page at the above address or by contacting the secretariat on the above number. Appendix 2 contains details of response times for questions placed on notice by the Committee as part of the 2003-2004 Budget Estimates and related documents inquiry.

Relevant minutes of the Committee's proceedings appear at Appendix 3.

¹ Minutes of Proceedings 3 July 2003 No 17 p235 ("Budget Estimates Resolution"), amended 29 October 2003, Minutes No. 28, Item No. 5.

² Budget Estimates Resolution, para 13.

Chapter 1 Premier, Arts and Citizenship

- 1.1** The Hon Bob Carr, MP, Premier, Minister for the Arts and Minister for Citizenship appeared before the Committee together with Dr Col Gellatly, Director General NSW Premier's Department, Mr Roger Wilkins, Director General, The Cabinet Office and Ministry for the Arts and Chief Executive Officer, Sustainable Energy Development Authority, and Mr Stepan Kerkyasharian, Chairperson, Community Relations Commission at a public hearing on Monday 1 September 2003.
- 1.2** A brief summary of the topics discussed at the hearing is provided below. For further details on these matters see the Hansard record of the hearing, available on the Committee's web page accessible via the Parliament's website at www.parliament.nsw.gov.au.

Premier

- Departmental budget for public relations, media monitoring services and legal services
- Departmental budget for taxi fares
- Rail safety
- The Millennium train
- Staffing levels, particularly Senior Executive Service staffing
- Christie taskforce and cross-government savings
- Items stolen or missing from the Australian Museum
- Overseas travel
- Use of consultancies
- The use of public money for election campaigning
- Stem cell research
- Enforcement of electoral law by State Electoral Office
- Aircraft charters by the Premier
- Advertising campaigns and costs
- Office fit outs
- Wood chipping old-growth forests
- Redfern Everleigh Darlington (RED) strategy – use of consultancies and community engagement
- Energy Smart Homes policy and efficient use of energy.

Supplementary hearing

1.3 Dr C Gellatly, Director General, Mr B Fitzmaurice, Manager, Ministerial Parliamentary Services, both of the Premier's Department, and Mr R Wilkins, Director General, of The Cabinet Office, appeared before the Committee at a supplementary hearing on Monday 1 December 2003.

1.4 A brief summary of the topics discussed at the hearing is provided below. For further details on these matters see the Hansard record of the hearing, available on the Committee's web page accessible via the Parliament's website at www.parliament.nsw.gov.au.

- "SES look-alike" employees
- Number and classification of senior public sector officials
- Media monitoring
- Media and public relations/communications consultants
- Ports Growth Plan and the development of Port Botany
- Ministerial office expenditure
- Ministerial office staff numbers and remuneration levels
- Treasures of Palestine exhibition at the Powerhouse museum
- New Zealand visit by the Premier
- Press monitoring services
- Ministerial car pool
- Cabinet Office staffing

Chapter 2 Education and Training and Aboriginal Affairs

- 2.1** The Hon Dr Andrew Refshauge MP, Minister for Education and Training, and Minister for Aboriginal Affairs appeared before the Committee together with Ms Jody Brown, Deputy Director General, Department of Aboriginal Affairs, Ms Jan McClelland, Director General and Managing Director of TAFE NSW, Mr Martin Bowles, Deputy Director General, Corporate Services, Mr Ken Dixon, General Manager, Finance, Dr Alan Laughlin, Deputy Director General, Schools, Ms Robin Shreeve, Deputy Director General, TAFE, Dr John Bennett, General Manager, Board of Studies from the Department of Education and Training and Mr Mike Chouefate, Chief of Staff, at a public hearing held on Wednesday 3 September 2003.
- 2.2** A brief summary of the topics discussed at the hearing is provided below. For further details on these matters see the Hansard record of the hearing, available on the Committee's web page accessible via the Parliament's website at www.parliament.nsw.gov.au.

Department of Aboriginal Affairs

- Aboriginal land council – corporate governance
- Education
- Travel allowance
- Aboriginal Land Councils
- Aboriginal deaths in custody
- Number of Aboriginal youths in Juvenile justice centres
- Levels of imprisonment of Aboriginal women

Department of Education and Training

- Submissions to the Department's "Lifelong Learning" restructure plan
- The Computers in Schools Program
- Teacher remuneration
- Impact on staff of curricula changes
- The Grimshaw review of interest subsidy scheme payments to non-government schools
- Calculation of the non-government school per capita pupil allowance
- Percentage of students enrolled in non-government schools
- The class size reduction program

- Preschool, primary school and secondary school maintenance and capital works programs
- The Back to School Allowance
- Use of consultancies
- Maintenance budget for TAFE colleges
- Future plans for the Seaforth TAFE site
- TAFE fees

Supplementary hearing

2.3 Ms Jan McClelland, Director-General, Mr Martin Bowles, Deputy Director-General, Corporate Services, Mr Anthony Bendall, Manager, Freedom of Information and Privacy, all of the Department of Education and Training, appeared before the Committee at a supplementary hearing on Monday 17 November 2003.

2.4 A brief summary of the topics discussed at the hearing is provided below. For further details on these matters see the Hansard record of the hearing, available on the Committee's web page accessible via the Parliament's website at www.parliament.nsw.gov.au.

- Home School Liaison officers and truancy
- Theft of computers and security of school computers
- Code of conduct for department employees
- Freedom of Information: policies and procedures for handling applications
- Release of assessment reports of Interest Subsidies Management Committee
- Learning Materials Production Centre, particularly the impact of the restructure
- Rural education, particularly recruitment of teachers
- School fencing
- The Grimshaw Review of interest subsidies for building programs for non-government schools
- Costs of computing skills and other assessment tests for non-government schools
- Vinson Report implementation
- Improvements in learning outcomes for Aboriginal students in Walgett
- Class size reduction program
- Privately Financed Projects (PFPs) – construction of new school buildings, financial penalties for contractors and the handover process
- Disposal of unused assets
- Impact of teachers strikes

- Hunters Hill High School
- Redfern Public School and Alexandria Park Community School
- Assessment of Special Religious Education programs
- On line learning programs
- Literacy and numeracy programs
- Gifted and talented students programs
- Teacher supply and recruitment
- Order for papers on Tamworth West Public School
- Early learning difficulties programs for dyslexia
- SES officers

Chapter 3 Treasury and State Development

- 3.1** The Hon Michael Egan MLC, Treasurer and Minister for State Development appeared before the Committee together with Mr John Pierce, Secretary, NSW Treasury, Mr Peter Achterstraat, Chief Commissioner of State Revenue and Mr Loftus Harris, Director General Department of State and Regional Development, at a public hearing on Monday 1 September 2003.
- 3.2** A brief summary of the topics discussed at the hearing is provided below. For further details on these matters see the Hansard record of the hearing, available on the Committee's web page accessible via the Parliament's website at www.parliament.nsw.gov.au.

Treasury

- Departmental budget for public relations, the provision of media monitoring services and legal services
- Treasury's costing of Opposition election promises
- Revenue from gambling-related taxes
- Rentals and lease payments for Crown land
- Revenue from transfers of residential properties (stamp duty)
- Cost of the restructure of government agencies following the 2003 State election
- Electricity industry reform
- Use and cost of consultancies
- Incentives to encourage the consumption of low-alcohol beer

State and Regional Development

- Departmental budget for public relations, the provision of media monitoring services and legal services

Chapter 4 Special Minister of State, Commerce, Industrial Relations and the Central Coast

- 4.1** The Hon John Della Bosca, Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer and Minister for the Central Coast appeared before the Committee, together with Dr C Gellatly, Director-General Premier's Department, Mr D Bowen, General Manager Motor Accident's Authority, Mr J Blackwell, Chief Executive Officer, WorkCover Authority, Mr R Seljack, General Manager Occupational Health and Safety, WorkCover Authority, Ms K McKenzie, Director-General, Department of Commerce, Mr J Voss, Chief Financial Officer, Department of Commerce, and Ms M Thomas, Senior Principal Policy Officer, Office of Drug Policy, Cabinet Office, at a public hearing on Tuesday 2 September 2003.
- 4.2** A brief summary of the topics discussed at the hearing is provided below. For further details on these matters see the Hansard record of the hearing, available on the Committee's web page accessible via the parliament's website at www.parliament.nsw.gov.au

Work Cover

- Cost of premiums in NSW and Queensland
- Duties and numbers of WorkCover employees
- Travel expenses for WorkCover employees
- Trends in fraud convictions
- Industrial manslaughter legislation
- Level of the Scheme's unfunded liability
- Implementation of occupational health and safety regulations by non government organisations (NGOs)
- NGOs and the Premium Discount Scheme
- Costs of administering WorkCover

Commerce Department

- The Grellman Inquiry into the Home Warranty Insurance Scheme
- Open source software
- Creation and organisation of the new Commerce Department
- Tendering process for IT contracts
- Departmental budget for public relations, media monitoring and legal services
- Use of consultancies

Industrial Relations

- Government initiatives for the protection of clothing outworkers
- Employment conditions for labourers working on road developments
- Casualisation of labour

Central Coast

- Kincumber and Erina police stations
- Spurbest development proposal in Gosford
- Youth issues in Umina

Office of Drug Policy

- Evaluation report on the medically supervised injecting centre in Kings Cross

Supplementary hearing

4.3 Mr J Blackwell, Chief Executive Officer, Mr P Reed, General Manager, Corporate Services, Mr J Watson, Acting General Manager, Occupational Health and Safety, all of WorkCover NSW, appeared before the Committee at a supplementary hearing on Monday 1 December 2003.

4.4 A brief summary of the topics discussed at the hearing is provided below. For further details on these matters see the Hansard record of the hearing, available on the Committee's web page accessible via the Parliament's website at www.parliament.nsw.gov.au.

- Premium levels in NSW compared to other states
- Use of services provided by Outsource Australia
- WorkCover Legal Branch
- Legal fees paid to external legal providers 2002-2003
- Prosecutions for breaches of OH&S legislation
- Advertising budget
- Fraud investigation and prosecution
- Underpayment of premiums
- Investigations of hold ups and other violent events in a workplace
- Provision of psychiatric / psychological counselling to victims of violence
- Relocation of WorkCover head office to Gosford: financial benefits to Central Coast staff turnover

- Implementation of recommendations from the McKinsey & Co Scheme Design Review
- Assistance to non government organisations to fulfil OH&S obligations
- Workplace Safety Summit
- Impact of interest rate changes on investment earnings
- Return to work rates
- Injury Management Pilots
- Management of long-tail claims
- Regulation of self insurers
- Assistance to small businesses to comply with OH&S legislative framework
- Average Scheme continuance rates
- Operation of WorkCover Information Centre
- WorkCover inspectorate
- WorkCover Assist Program

Chapter 5 The Legislature

5.1 The Hon Meredith Burgmann MLC, President of the Legislative Council appeared before the Committee together with Mr John Evans, Clerk of the Parliaments, Mr Mike Wilkinson, Clerk Assistant-Procedure and Administration, Mr Ali Shariat, Manager, Information Technology Services, Mr David Draper, Manager, Food and Beverage Services, Mr Greg McGill, Financial Controller and Ms Yvette Andrews, Chief of Staff at a public hearing on Thursday 4 September 2003.

5.2 A brief summary of the topics discussed at the hearing is provided below. For further details on these matters see the Hansard record of the hearing, available on the Committee's web page accessible via the Parliament's website at www.parliament.nsw.gov.au.

- Software and software maintenance
- The use of open source software
- Speed and reliability of Members' laptop computers and remote connections
- Parliamentary catering
- Use of consultancies
- Staffing levels in printing services and catering
- Sources of revenue to Legislative Council
- Parliamentary Education service
- Sale of Parliamentary Library books
- Long term plan for the security of Parliament House
- ICAC inquiry into the Hon Malcolm Jones MLC
- Audits of Members' use of entitlements
- Members' office space

Appendix 1

Establishment, powers and portfolios of the General Purpose Standing Committees

Establishment, powers and portfolios of the General Purpose Standing Committees

1. Establishment of the General Purpose Standing Committees

Five General Purpose Standing Committees were first constituted in 1997.³ The Committees were reappointed on 3 July 2003, shortly after the commencement of the present Parliament.⁴ Since the inception of the General Purpose Standing Committees, the Budget Estimates and related papers have been referred to them for inquiry and report.

The functions of the General Purpose Standing Committees are to inquire into and report on:

- any matters referred to them by the House,
- the expenditure, performance or effectiveness of any department of government, statutory body or corporation,
- any matter in any annual report of a department of government, statutory body or corporation.⁵

2. Powers of the General Purpose Standing Committees

The General Purpose Standing Committees have the power to:

- send for and examine persons, papers, records and things
- adjourn from place to place
- make visits of inspection within the State
- request the attendance of and examine members of the House⁶

The committees also have the power to:

- publish, before presentation to the House, submissions received and evidence taken in public⁷ and
- report from time to time their proceedings, evidence taken in public and recommendations.⁸

³ Minutes of Proceedings, No 65, 7 May 1997, p. 677.

⁴ Minutes of Proceedings, No 17, 3 July 2003, pp. 222-235 (hereafter referred to as GPSC Resolution).

⁵ GPSC Resolution, para 3(1).

⁶ GPSC Resolution, para 4(a)-(d).

⁷ GPSC Resolution, para 16(1).

⁸ GPSC Resolution, para 18.

3. Portfolios

The five General Purpose Standing Committees have responsibility for Government Ministers' portfolio responsibilities,⁹ which are as follows:

General Purpose Standing Committee No. 1

Premier
Arts
Citizenship
Education and Training
Aboriginal Affairs
Treasury
State Development
Special Minister of State
Commerce
Industrial Relations
Central Coast
The Legislature

General Purpose Standing Committee No. 2

Health
Community Services
Ageing
Disability Services
Youth
Tourism
Sport and Recreation
Women
Gaming and Racing

General Purpose Standing Committee No. 3

Police
Attorney General
Juvenile Justice
Western Sydney
Fair Trading
Justice

⁹ GPSC Resolution, para 1.

General Purpose Standing Committee No. 4

Infrastructure and Planning
Natural Resources
Roads
Housing
Transport Services
Hunter
Energy and Utilities
Science and Medical Research

General Purpose Standing Committee No. 5

Environment
Rural Affairs
Local Government
Emergency Services
Regional Development
Illawarra
Small Business
Agriculture and Fisheries
Mineral Resources

Appendix 2

Response time for questions on notice

Response times for questions on notice

The Committee resolved on Monday 25 August 2003 that Ministers be requested to lodge answers to questions on notice taken during the hearings within 35 calendar days of the day on which the questions are forwarded to the Minister by the Committee secretariat. The return date for answers are set out in the table below.

Minister/Presiding Officer	Hearing date	Agreed time period	Date questions sent	Return date for answers	Date answers received
Hon RJ Carr MP	1 Sept 2003	35 days	9 Sept 2003	14 Oct 2003	14 Oct 2003
Hon MR Eagan MLC	1 Sept 2003	35 days	5 Sept 2003	9 Oct 2003	9 Oct 2003
Hon JJ Della Bosca MLC	2 Sept 2003	35 days	9 Sept 2003	14 Oct 2003	14 Oct 2003
Hon A Refshauge MP	3 Sept 2003	35 days	10 Sept 2003	15 Oct 2003	15 Oct 2003
Hon Dr MA Burgmann MLC	4 Sept 2003	35 days	10 Sept 2003	15 Oct 2003	15 Oct 2003

The Committee held three supplementary hearings during which some questions were taken on notice. Due to the shortened time frame the Committee was not able to give the normal 35 days for return of answers. The return date for answers are set out in the table below.

Department/Agency	Hearing date	Agreed time period	Date questions sent	Return date for answers	Date answers received
Education & Training	24 Nov 2003	14 days	25 Nov 2003	2 Dec 2003	2 Dec 2003
WorkCover	1 Dec 2003	1 day	2 Dec 2003	3 Dec 2003	4 Dec 2003
Premier & Cabinet	1 Dec 2003	1 day	2 Dec 2003	2 Dec 2003	2 Dec 2003

Appendix 3

Minutes of proceedings

Minutes of proceedings

Minutes No 2

Monday, 1 September 2003

At Parliament House at 5.30pm, Room 814/815

1. Members Present

Revd Fred Nile (*Chair*)

Mr Peter Primrose (*Deputy Chair*)

Mr Tony Burke

Ms Jan Burnswoods

Mr Duncan Gay (Cusack)

Mr Don Harwin

Ms Lee Rhiannon

2. Substitute arrangements

The Chair advised that Mr Gay would be representing Ms Cusack.

3. Correspondence

The Chair tabled the following items of correspondence:

Received

- Letter from the Government Whip, advising the Committee of Government substitutions for Estimates hearings.
- Letter from the Opposition Whip, advising the Committee of Opposition substitutions for Estimates hearings.
- Letter from the Hon Duncan Gay MLC requesting the attendance of the Director of Corporate Services, Premiers Department, and Cabinet Office: Management and Administration for the Budget Estimates Hearing examining the portfolio areas of Premier, Arts and Citizenship scheduled for Monday 1 September 2003.
- Letter from the Hon Patricia Forsythe MLC requesting the attendance of the Head of Finance, Office of Financial Management, NSW Treasury and Head of Finance, Department of State and Regional Development for the Budget Estimates Hearing examining the portfolio areas of Treasurer and Minister for State Development on Monday 1 September 2003.
- Letter from the Hon Michael Gallacher MLC requesting the attendance of the Head of Finance, Department of Commerce for the Budget Estimates Hearing examining the portfolio areas of Special Minister of State, Industrial Relations, Assistant Treasurer and the Central Coast on Tuesday 2 September 2003.
- Letter from the Hon Patricia Forsythe MLC requesting the attendance of the Head of Finance, Department of Education and Training, for the Budget Estimates Hearing examining the portfolio areas of Education and Training scheduled for Wednesday, 3 September 2003.

4. Budget Estimates 2003-2004

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

The Hon Bob Carr MP, Premier, Minister for Arts and Minister for Citizenship, was admitted and accompanied by the following advisers:

Premier's Department

Dr Colin Gellatly, Director General

The Cabinet Office

Mr Roger Wilkins, Director General

Ministry for the Arts

Mr Roger Wilkins, Director General

Community Relations Commission

Mr Stepan Kerkyasharian AM, Chairperson

Sustainable Energy Development Authority

Mr Roger Wilkins, Chief Executive

The public and media were admitted.

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

The Chair declared the proposed expenditure for the portfolio areas of Premier, Arts and Citizenship open for examination.

The Minister and his advisers answered questions by Members of the Committee.

Examination of the proposed expenditure for the portfolio areas of Premier, Arts and Citizenship concluded and the witnesses withdrew.

5. Adjournment

The Committee adjourned at 7.32pm until 8.00pm on Monday, 1 September 2003.

Rachel Simpson

Clerk to the Committee

Minutes No 3

Monday, 1 September 2003

At Parliament House at 8.00pm, Room 814/815

1. Members Present

Revd Fred Nile (*Chair*)

Mr Peter Primrose (*Deputy Chair*)

Mr Tony Burke

Ms Jan Burnswoods

Ms Jenny Gardiner (Cusack)

Ms Patricia Forsythe

Ms Lee Rhiannon

2. Substitute arrangements

The Chair advised that Ms Gardiner would be representing Ms Cusack.

3. Budget Estimates 2003-2004

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

The Hon Michael Egan, Treasurer, Minister for State Development, was admitted and accompanied by the following advisers:

NSW Treasury

Mr John Pierce, Secretary

Mr Peter Achterstraat, Chief Commissioner of State Revenue

Department of State Development

Mr Loftus Harris, Director General

The public and media were admitted.

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

The Chair declared the proposed expenditure for the portfolio areas of Treasury and State Development open for examination.

The Minister and his advisers answered questions by Members of the Committee.

Ms Gardiner tabled a document, *2003 Expenditure Proposal: Department of Education and Training – Renwick High School*

Mr Pierce tabled a document, *Interstate comparison of gambling rates over time*.

Examination of the proposed expenditure for the portfolio areas of Treasury and State Development concluded and the witnesses withdrew.

4. Deliberative

Resolved, on the motion of Ms Burnswoods, that under section 4 of the *Parliamentary Papers (Supplementary Provisions) Act 1975* and under the authority of Standing Order 252, the Committee authorises the Clerk to the Committee to publish the documents accepted by the Committee during today's hearing.

5. Adjournment

The Committee adjourned at 10.02pm until 5.15pm on Tuesday, 2 September 2003.

Rachel Simpson

Clerk to the Committee

Minutes No 4

Tuesday, 2 September 2003

At Parliament House at 5.30pm, Legislative Council Chamber

1. Members Present

Revd Fred Nile (*Chair*)
 Mr Peter Primrose (*Deputy Chair*)
 Mr Tony Burke
 Ms Jan Burnswoods
 Mr David Clarke (Harwin)
 Mr Michael Gallacher (Cusack)
 Ms Lee Rhiannon

2. Substitute arrangements

The Chair advised that Mr Clarke would be representing Mr Harwin and Mr Gallacher would be representing Ms Cusack.

3. Correspondence

The Chair tabled the following item of correspondence:

Received

- Letter from the Hon John Della Bosca MLC, Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer and Minister for the Central Coast, regarding the order of proceedings during the hearing.

4. Budget Estimates 2003-2004

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

The Hon John Della Bosca MLC, Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer and Minister for the Central Coast, was admitted and accompanied by the following advisers:

Department of Commerce

Ms Kate McKenzie, Director-General
 Mr John Voss, Chief Financial Officer

Premier's Department

Mr Col Gellatly, Director-General

WorkCover

Mr Jon Blackwell, Chief Executive Officer
 Mr Robert Seljack, General Manager Occupational Health and Safety

Motor Accidents Authority

Mr David Bowen, General Manager

The Cabinet Office

Ms Maree Thoms, Senior Principal Policy Officer, Office of Drug Policy
 The public and media were admitted.

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

The Chair declared the proposed expenditure for the portfolio areas of Special Minister of State, Commerce, Industrial Relations, and the Central Coast open for examination.

The Minister and his advisers answered questions by Members of the Committee.

Examination of the proposed expenditure for the portfolio areas of Special Minister of State, Commerce, Industrial Relations, and the Central Coast concluded and the witnesses withdrew.

5. Deliberative

Resolved, on the motion of Mr Gallacher, that the Committee seek advice from the Clerk regarding whether the report of the Inquiry into the NSW Home Warranty Insurance Scheme falls within the Committee's terms of reference for the budget estimates inquiry, and the Committee's power to call Mr Richard Grellman as a witness at a supplementary hearing. The Clerk is to report to the Committee at its next meeting on Wednesday 3 September 2003.

6. Adjournment

The Committee adjourned at 7:30pm until 7:45pm on Wednesday, 3 September 2003.

Rachel Simpson

Clerk to the Committee

Minutes No 5

Wednesday, 3 September 2003

At Parliament House at 8.00pm, Waratah Room

1. Members Present

Revd Fred Nile (*Chair*)
 Mr Peter Primrose (*Deputy Chair*)
 Mr Tony Burke
 Ms Jan Burnswoods
 Ms Catherine Cusack
 Mrs Patricia Forsythe (Harwin)
 Ms Lee Rhiannon

2. Substitute arrangements

The Chair advised that Mrs Forsythe would be representing Mr Harwin.

3. Correspondence

The Chair tabled the following items of correspondence:

Received

- Letter from the Government Whip advising the Committee of revised substitutions for the remaining budget estimates hearings.
- Advice from the Clerk of the Parliaments regarding the Committee's power to call Mr Richard Grellman as a witness at a supplementary hearing of the Budget Estimates Inquiry 2003-2004.

4. Budget Estimates 2003-2004

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

The Hon Dr Andrew Refshauge MP, Deputy Premier, Minister for Education and Training, and Minister for Aboriginal Affairs was admitted and accompanied by the following advisers:

Aboriginal Affairs

Ms Jody Brown, Deputy Director General

Education and Training

Ms Jan McClelland, Director General
 Mr Martin Bowles, Deputy Director General, Corporate Services
 Dr Alan Laughlin, Deputy Director General, Schools
 Ms Robin Shreeve, Deputy Director General, TAFE
 Mr Ken Dixon, General Manager, Finance
 Dr John Bennett, General Manager, Board of Studies

Ministerial Office

Mr Mike Choueifate, Chief of Staff.

The public and media were admitted.

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

The Chair declared the proposed expenditure for the portfolio areas of Education and Training, and Aboriginal Affairs open for examination.

The Minister and his advisers answered questions by Members of the Committee.

Examination of the proposed expenditure for the portfolio areas of Education and Training, and Aboriginal Affairs concluded and the witnesses withdrew.

Resolved, on the motion of Mrs Forsythe that the Committee consider the options contained in the Clerks' advice dated 3 September 2003 regarding the Committee's power to call Mr Grellman at a supplementary budget estimates hearing at its next meeting on Thursday 4 September 2003.

The Chair advised that the Treasurer, the Hon Michael Egan MLC, tabled Budget Estimates Paper 3.3 on Tuesday 2 September 2003 and referred this to the General Purpose Standing Committees for their inquiry and report as part of the 2003-2004 Budget Estimates inquiry.

5. Adjournment

The Committee adjourned at 10.00pm until 5.30pm on Thursday, 4 September 2003.

Rachel Simpson
Clerk to the Committee

Minutes No 6

Thursday, 4 September 2003

At Parliament House at 5.30pm, Room 814/815

1. Members Present

Revd Fred Nile (*Chair*)
 Mr Peter Primrose (*Deputy Chair*)
 Mr Tony Burke
 Mr Don Harwin
 Ms Lee Rhiannon
 Mr Henry Tsang (Burnswoods)
 Mr John Ryan (Cusack)

2. Substitute arrangements

The Chair advised that Mr Ryan would be representing Ms Cusack and Mr Tsang would be representing Ms Burnswoods.

3. Correspondence

The Chair tabled the following items of correspondence:

Received

- Letter from the Hon John Della Bosca MLC, dated 3 September 2003, correcting an answer given at the Committee's Estimates hearing of 2 September 2003.

4. Budget Estimates 2003-2004

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

The Hon Meredith Burgmann MLC, President of the Legislative Council, was admitted and accompanied by the following advisers:

Legislative Council

Mr John Evans, Clerk of the Parliaments
 Mr Mike Wilkinson, Clerk Assistant-Procedure and Administration

Information Technology Services

Mr Ali Shariat, Manager

Food and Beverage Services

Mr David Draper, Manager

Building Services

Mr Bob Walker, Manager

Office of the Financial Controller

Mr Greg McGill, Financial Controller

Office of the President

Ms Yvette Andrews, Chief of Staff
 The public and media were admitted.

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

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

The President and her advisers answered questions by Members of the Committee.

Examination of the proposed expenditure for the portfolio area of the Legislature concluded and the witnesses withdrew.

5. Deliberative

The Committee reconsidered the Clerk's advice regarding the Committee's power to call Mr Grellman to a supplementary Budget Estimates hearing.

Resolved, on the motion of Mr Primrose, that the Committee reconsider its options on this issue when answers from the initial hearing were received from Minister Della Bosca.

6. Adjournment

The Committee adjourned at 6.52pm *sine die*.

Rachel Simpson

Clerk to the Committee

Minutes No 7

Thursday 30 October 2003

At Parliament House, at 5.45pm, Room 1108

1. Members present

Revd Nile (*Chair*)

Mr Primrose (*Deputy Chair*)

Mr Burke

Ms Burnswoods

Mr Clarke (Harwin)

Ms Cusack

Ms Rhiannon

2. Substitute member

The Chair noted correspondence received from the Opposition Whip advising the Committee that Mr Clarke would substitute for Mr Harwin until 12 December 2003.

3. Minutes

Resolved, on the motion of Mr Burke, that Minutes Nos 1, 2, 3, 4, 5 and 6 be confirmed.

4. Correspondence

The Chair tabled the following items of correspondence:

Sent:

- Letter to the Treasurer and Minister for State Development dated 5 September 2003 re questions taken on notice during budget estimates hearing
- Letter to the Premier and Minister dated 9 September 2003 re questions taken on notice during budget estimates hearing
- Letter to the Special Minister for State, Minister for Commerce, Minister for Industrial Relations and Minister for the Central Coast dated 9 September 2003 re questions taken on notice during budget estimates hearing
- Letter to the President dated 10 September 2003 re questions taken on notice during budget estimates hearing
- Letter to the Minister for Education and Training and Aboriginal Affairs dated 10 September 2003 re questions taken on notice during budget estimates hearing

Received

- Letter from the Special Minister for State, Minister for Commerce, Industrial Relations and the Central Coast received 24 September 2003 enclosing a copy of the report prepared by McKinsey & Company, *Partnerships for Recovery: caring for injured workers and restoring financial stability to workers compensation in NSW*
- Letter from the Auditor-General, Mr RJ Sendt received 16 October 2003
- Answers to questions on notice from the Treasurer and Minister for State Development received 9 October 2003
- Answers to questions on notice from the Special Minister for State, Minister for Commerce, Industrial Relations and the Central Coast received 14 October 2003
- Answers to questions on notice from the Premier and Minister for Arts and Citizenship received 14 October 2003

- Answers to questions on notice from the President of the Legislative Council received 15 October 2003
- Answers to questions on notice from the Minister for Education and Training and Aboriginal Affairs received 9 October 2003

The Committee noted that the Chair would write to the Minister and thank him for forwarding the report by McKinsey & Company, Partnerships for Recovery: caring for injured workers and restoring financial stability to workers compensation in NSW to the Committee.

The Committee noted the Clerk's advice re the Committee's power to call Mr R Grellman as a witness and deferred consideration until a subsequent meeting.

5. Answers to questions on notice

The Committee considered answers to questions on notice taken during budget estimates hearings, previously circulated to the Committee.

Ms Cusack moved that GPSC No 1 hold two hearings of a maximum of three hours each and one hearing of a maximum of two hours duration and recall the following people:

Hearing 1

Mr Col Gelatly, Director General, Premier's Department

Mr Roger Wilkins, Director General, The Cabinet Office

Mr Brad Fitzmaurice, Manager Ministerial and Parliamentary Services, Premier's Department

Hearing 2

Ms Jan McLelland, Director General, Department of Education and Training

Mr Anthony Bendell, Manager, FOI Department, Department of Education and Training

Hearing 3

Mr J Blackwell, Chief Executive Officer, WorkCover Authority

The Committee deliberated.

Question put.

Ayes: Revd Nile, Mr Clarke, Ms Cusack, Ms Rhiannon

Noes: Mr Burke, Ms Burnswoods, Mr Primrose

Question resolved in the affirmative.

Resolved, on the motion of Ms Cusack, that where possible Committee members supply the secretariat with indicative areas of questioning to be attached to the witness' invitations to appear, being clearly identified as areas that have been raised by individual members of the committee, and requesting where possible that answers be provided prior to the hearing.

6. Adjournment

The Committee adjourned at 6.15pm *sine die*

Rachel Simpson
Senior Project Officer

Minutes No 8

Monday, 17 November 2003
At Parliament House at 2.00pm

1. Members Present

Revd Nile
Mr Burke
Ms Burnswoods
Ms Cusack
Mrs Forsythe (Clarke)
Ms Rhiannon

2. Substitute arrangements

The Chair advised that Mrs Forsythe would be representing Mr Clarke.

3. Budget Estimates 2003-2004 – Supplementary Hearings

The following departmental officers were admitted:

Department of Education and Training

Ms Jan McClelland, Director General and Managing Director of TAFE NSW
Mr Martin Bowles, Deputy Director General, Corporate Service
Dr Anthony Bendall, Manager, Freedom of Information Officer

The public and media were admitted.

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

The Chair declared the proposed expenditure for the portfolio area of Education and Training open for examination.

The departmental officers answered questions by Members of the Committee.

Examination of the proposed expenditure for the portfolio area of Education and Training concluded and the witnesses withdrew.

4. Deliberative after the hearing

Resolved, on the motion of Ms Cusack, that the minutes of meeting no. 7 be confirmed.

Correspondence

The Chair tabled the following items of correspondence:

Sent

- Letter to the Premier, Minister for Arts, and Citizenship dated 10 November 2003, regarding supplementary budget estimates hearings.
- Letter to the Minister for Aboriginal Affairs, and Education and Training dated 10 November 2003, regarding supplementary budget estimates hearings.

- Letter to the Special Minister of State, Minister for Commerce, Minister for Industrial Relations, and Minister for the Central Coast dated 10 November 2003, regarding supplementary budget estimates hearings.

Questions taken on Notice during the hearing

Resolved, on the motion of Ms Cusack, that the officers be requested to return answers to questions on notice taken during budget estimates with 14 days of the day on which the question

5. Adjournment

The Committee adjourned at 5:05 pm until 3.00pm on Monday, 1 December 2003 (Budget Estimates).

Rachel Simpson
Clerk to the Committee

Minutes No 10

Monday, 1 December 2003

At Parliament House at 3.00pm

1. Members Present

Revd Nile
Mr Primrose
Mr Burke
Ms Burnswoods
Ms Cusack (Premier's portfolio only)
Mr Clarke (Cusack for WorkCover portfolio)
Mr Gallacher (Harwin for WorkCover portfolio)
Mr Pearce (Harwin for Premier's portfolio)
Ms Rhiannon

2. Participating member

Ms Pavey

3. Substitute arrangements

The Chair advised that for the WorkCover portfolio, Mr Clarke would be representing Ms Cusack and Mr Gallacher would be representing Mr Harwin. For the Premiers Portfolio Mr Pearce would be representing Mr Harwin.

4. Budget Estimates 2003-2004 – Supplementary Hearings

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

The following departmental officers were admitted:

WorkCover NSW

Mr J Blackwell, Chief Executive Officer
Mr P Reed, General Manager, Corporate Governance
Mr J Watson, Acting General Manager, OH&S
Mr R Thomson, Assistant General Manager, Insurance

The public and media were admitted.

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

The Chair declared the proposed expenditure for the portfolio area of WorkCover NSW open for examination.

The departmental officers answered questions by Members of the Committee.

The departmental officers indicated they would be able to provide answers to questions taken on notice by the end of the following business day.

Examination of the proposed expenditure for the portfolio area of WorkCover NSW concluded and the witnesses withdrew.

5. Deliberative after the hearing

Resolved, on the motion of Mr Burke that the minutes of meeting no. 8 and 9 be confirmed.

Correspondence

The Chair tabled the following items of correspondence:

Received

- Letter from the Hon Catherine Cusack MLC to the Director dated 19 November 2003 enclosing indicative questions for the hearing on 1 December 2003.

Sent

- Letter to the Minister for Education dated 18 November 2003 regarding questions taken on notice during supplementary budget estimates hearings.
- Letter to the Premier dated 19 November 2003 regarding indicative questions received from Hon Catherine Cusack MLC for the supplementary budget estimates hearings.

Consideration of Chair's draft report

Resolved, on the motion of Ms Rhiannon, that the report be adopted as the Committee's final report, subject to (a) any members expressing dissatisfaction with answers received to questions taken on notice and (b) the report being amended by the secretariat to reflect today's hearings and circulated to Committee members.

The report be signed by the Chair and presented to the House before Thursday, 4 December 2003 in accordance with the resolution establishing the committee of 3 July 2003.

That pursuant to the provisions of section 4 of the Parliamentary Papers (Supplementary Provisions) Act 1975 and under the authority of Standing Order 224, the committee authorises the Clerk of the Committee to publish the report, correspondence and tabled documents, except those for which confidentiality has been requested.

6. Self Reference re Workers Compensation Scheme and workers compensation fraud

7. Budget Estimates 2003-2004 – Supplementary Hearings

The Chair reminded Members about his previous statement regarding procedural matters during budget estimates hearings.

The following departmental officers were admitted:

Premier's Department

Dr C Gellatly, Director General

Mr B Fitzmaurice, Assistant Director General

The Cabinet Office

Mr R Wilkins, Director General

The public and media were admitted.

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

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

The departmental officers answered questions by Members of the Committee.

Mr Fitzmaurice tendered a document entitled 'Ministerial Office Administration Handbook March 2003'.

The departmental officers indicated they would be able to provide answers to questions taken on notice by the end of the following business day.

Examination of the proposed expenditure for the portfolio area of Premiers concluded and the witnesses withdrew.

Resolved, on the motion of Mr Primrose, that the Committee publish the document tendered by Mr Fitzmaurice.

8. Adjournment

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

Steven Reynolds

Clerk to the Committee

Minutes No 11

Thursday, 4 December 2003
At Parliament House at 10.35am

1. Members Present

Revd Nile
Ms Burnswoods
Ms Cusack
Mr Clarke
Ms Rhiannon
Mr West (Primrose)

2. Substitute arrangements

The Chair advised that Mr West would be substituting for Mr primrose for the purposes of this deliberative.

3. Confirmation of minutes No 10

Resolved, on the motion of Ms Cusack, that minutes no 10 be confirmed.

4. Correspondence

The Chair noted the following item of correspondence received:

- Letter from Mr R Wilkins, Director General of The Cabinet Office, received 3 December 2003 regarding the Ministerial Handbook
- Answers to questions on notice taken during the supplementary budget estimates hearing into WorkCover, received 4 December 2003.

5. Adjournment

The Committee adjourned at 10.40am *sine die*.

Rachel Simpson
Clerk to the Committee