

(1)

The Hon. WALT SECORD: Are you familiar with any plans to expand the Kiama Arts Trail and the tourism initiatives related to the arts on the South Coast?

The Hon. DON HARWIN: I have had a number of meetings with a number of organisations on the South Coast but I do not think the arts trail is one of them and I do not recall having received any requests from them. I will be happy to check.

The Hon. WALT SECORD: Has Mr Ward made any representations to you about the Kiama Arts Trail?

The Hon. DON HARWIN: I have had representations from Mr Ward about a number of projects in his electorate, but I would have to check whether that was one of them.

(1) Answer:

I am advised that neither the Department nor my Office has received any representations from Mr Ward in relation to the Kiama Arts Trail.

(2)

The Hon. DON HARWIN: It is calculated according to an easily understood formula of net present value.

Mr JEREMY BUCKINGHAM: Would you be prepared to provide the formula you used for that? Is that a formula you use for all of these types of—

The Hon. DON HARWIN: Treasury makes those calculations.

Mr JEREMY BUCKINGHAM: Surely you would be privy to them?

The Hon. DON HARWIN: Treasury makes those calculations and obviously we use them and rely on them.

Mr JEREMY BUCKINGHAM: Would you be prepared to table those?

The Hon. DON HARWIN: Technically, it is a question you should ask the Treasurer but I will see what we can do.

(2) Answer

This question would be more appropriately referred to the Treasurer

(3)

The CHAIR: In the Gas Plan has there been any discussion about reservation of New South Wales domestic gas supplies?

The Hon. DON HARWIN: The gas reservation policy initiative has been discussed over many years at all levels of government. This Government's view has been that a reservation policy is not desirable. But in large part, if there are benefits that could have been achieved by a reservation policy, I would expect that what the Federal Government has done recently with the Australian Domestic Gas Security Mechanism will go some of the way, if not all of the way, towards delivering the benefits that such a policy could deliver.

The CHAIR: Is it this Government's view that we should have a 15 per cent gas reservation target for domestic use?

The Hon. DON HARWIN: The State Government is not in favour of having a reservation policy.

The CHAIR: Can you give the Committee an index of the price per unit gas is sold at when exported?

The Hon. DON HARWIN: I am happy to take that question on notice and provide a detailed answer.

The CHAIR: And can you then replicate that index to show what people in New South Wales pay for the same unit of gas?

The Hon. DON HARWIN: Yes, I will include an answer to that as well.

(3) Answer:

I am advised that Energy Quest publicly reports that average wholesale domestic gas prices continued to be around \$3 per gigajoule lower than export prices in the June quarter, on both west and east coasts. For further information visit

<http://www.energyquest.com.au/insightsandanalysis.php?id=290>

(4)

The Hon. WALT SECORD: My question relates to the Logies awards. You have an answer in Parliament and said that it will be Tamworth, Dubbo and Albury. Can you give us the details? Maybe your arts adviser could do that. In response, you said Tamworth, Dubbo and Albury.

The Hon. DON HARWIN: In terms of whether I will be able to attend a particular event, I have to see what other commitments I have to fulfil at that particular time. If there are some events in relation to the Logies—and I think it is an initiative that is being pursued by the Minister for Major Events and Tourism, the Hon. Adam Marshall—as a result of Destination NSW's good work if he asked me to attend them on his behalf I would certainly give that very close consideration.

The Hon. WALT SECORD: Has your department done any work on this proposal?

The Hon. DON HARWIN: We will take that on notice, but my understanding is that this is an initiative of Destination NSW.

(4) Answer:

I am advised that the Arts, Screen and Culture has not provided any advice on the proposal.

(5)

The Hon. ADAM SEARLE: Just returning to the Shenhua Watermark matter, your press release with the Hon. Niall Blair makes a big song and dance about how you are protecting the black soil but, in fact, when you look at the proposed site of the three mine pits and you look at the overburden dumps and you also look at the floodplain areas and also the land that I think Planning has mapped as being biological and strategic agricultural land, if you lay them all over each other you can see that the mine will still impact on those areas, particularly the BSAL lands. That is correct, is it not? Your measure does not protect all of the black soil at all.

Mr JEREMY BUCKINGHAM: He does not know what BSAL is.

The Hon. DON HARWIN: My advice is that it will not.

The Hon. ADAM SEARLE: At all? It does not touch on the floodplain areas at all?

The Hon. DON HARWIN: That is the advice. It might assist both myself and the deputy secretary if you supply a copy of that map.

The Hon. ADAM SEARLE: I am happy to table that.

The Hon. DON HARWIN: If you would like a response would you provide a copy to us?

The Hon. ADAM SEARLE: I am happy to provide a copy, and the other one I think was a submission to the PAC from Mr Duddy. I am happy for you to take it on notice.

The Hon. DON HARWIN: Could I just be clear on that? In terms of that question, you are happy for us to respond to you on notice?

(5) Answer:

This Government is protecting the flat fertile areas of the Liverpool plains, known as the “black soil” plains. The existing development consent is located on the ridge lands, it is not located on the flat fertile plains and thus the negotiations to buy-back 51.4% of the EL outside of the existing development consent area have secured the high quality soils on the flat areas, known as the “black soil” plains.

The already approved project would impact up to 96 hectares of mapped BSAL on the ridge lands during operation however the development consent requires the company to re-establish at least 100 hectares of verified BSAL as part of the rehabilitation of the mine. These areas identified on the map do not form part of the flat land known as the “black soil” plains.

Further questions relating to the existing development consent, should be referred to the Minister for Planning.

(6)

The Hon. ADAM SEARLE: That might be a problem if Wollongong Coal did not pay because they had a financial difficulty. But the creditors' report suggests that there are other aspects to their behaviour as well. Have you read the creditors' report?

Ms SHEARER: No, I have not.

The Hon. ADAM SEARLE: I would recommend you do. Would you be prepared to look into those matters?

Ms SHEARER: Absolutely.

The Hon. ADAM SEARLE: I will send them to you. Obviously making sure that those who do hold mining licences are fit and proper is an important matter for the integrity of the industry. You would accept that?

Ms SHEARER: Yes.

(6) ANSWER:

The Resources Regulator is reviewing the administrator's report as part of its investigation.

(7)

The Hon. ADAM SEARLE: Are you looking into whether or not there are outstanding probity issues involving the parent company, and if not, why not?

Ms SHEARER: If I could take that precisely on notice, but we have commenced an investigation into a number of mining titleholders, KEPCO being one.

The Hon. ADAM SEARLE: Yes, because there was an issue about some photographs they were using. You were prosecuting but you decided not to prosecute them but to take an enforceable undertaking, is that correct?

Ms SHEARER: Absolutely correct, yes.

The Hon. ADAM SEARLE: So they have a bit of form here in New South Wales already for not necessarily playing by the rules, is that correct?

Mr JEREMY BUCKINGHAM: For lying.

The Hon. ADAM SEARLE: I acknowledge that interjection.

Ms SHEARER: That is correct but any regulatory framework is a framework in this State that is considered to be proportionate and Wollongong Coal is exactly an example of how we have scaled up properly, within a regulatory framework, and taken prosecution proceedings after having taken other steps to ensure compliance.

The Hon. ADAM SEARLE: Will you look at those other matters relating to KEPCO's conduct overseas in Korea, including the issues for which I think the New York Securities Exchange was investigating them?

Ms SHEARER: We will absolutely look at that.

(7) ANSWER:

The Resources Regulator can confirm that it is currently conducting an investigation into Kepco Bylong Australia Pty Ltd in relation to allegations of corruption and bribery by its parent company, Kepco Electric Power Corp in South Korea, and other subsidiaries.

(8)

Mr JEREMY BUCKINGHAM: There is no gas being produced and delivered to a power station?

The Hon. DON HARWIN: That is the advice given by my deputy secretary.

Mr JEREMY BUCKINGHAM: Is your deputy secretary and your department maintaining that the scores of gas wells in the Pilliga are just for exploration?

The Hon. DON HARWIN: I will take that question on notice simply because there is an aspect of the question that you have asked and the information that needs to be provided to you to give you a full answer that I would like to check.

(8) Answer:

Santos are currently approved for the beneficial use of gas from their prospecting activities being conducted on Petroleum Assessment Lease 2. This includes the ability to provide a proportion of gas released during prospecting to the Wilga Park gas power station. This is permitted under the Petroleum Onshore Act, under the beneficial use of gas provisions, in recognition of environmental benefits associated with generating energy from prospecting gas which would otherwise be released (or flared) into the atmosphere.

(9)

The CHAIR: How far do you absorb renewable energy if it is unaffordable to the householder—single parents, pensioners, vulnerable people? How far do we push renewable energy in an ideological way? How many disconnections have there been in Australia over the past 12 months?

The Hon. DON HARWIN: Which question would you like me to answer? The disconnections question?

The CHAIR: If you answer the disconnections question, I think you will answer the prior question. Can you clarify whether those disconnections are gas and electricity or one utility?

The Hon. DON HARWIN: I am concerned about that issue. I have seen the level that disconnection rates have reached in South Australia and it is of concern to me. I am thankful that they have not reached that level in New South Wales. The pressures being felt by families are cost-of-living pressures and the need to put downward pressure on energy prices is obviously absolutely critical. Recently, I was part of a group of people involved in energy that was convened by the Grattan Institute. One of those people was Rosemary Sinclair from Energy Consumers Australia. She has been following what is happening in South Australia quite closely. It is certainly top of mind. We have strong protections here for consumers to avoid disconnections. Retailers have to contact customers several times and offer a payment plan before disconnecting a residence. That is an important protection.

The CHAIR: How many times?

The Hon. DON HARWIN: I will check that and see if we can provide that to you before the end of the hearing.

(9) Answer:

The Australian Energy Regulator publicly reports that the total number of electricity disconnections at aer.gov.au/retail-market/retail-statistics.

Where a customer is a hardship customer or a residential customer who has informed their retailer either in writing or over the phone that they are experiencing payment difficulties, the retailer cannot arrange disconnection of the customer's premises unless the retailer has offered the customer two payment plans in the previous 12 months and:

- The customer has agreed to neither of them; or
- The customer has agreed to one but not the other of them but the plan to which the customer agreed has been cancelled due to non-payment by the customer; or
- The customer has agreed to both of them but the plans have been cancelled due to non-payment by the customer.

(10)

The CHAIR: Do you have figures for business disconnections?

The Hon. DON HARWIN: We do not have those figures for business customers. I would be happy to take that on notice.

(10) Answer:

The Australian Energy Regulator publicly reports disconnection for non-payment for small business customers using less than 100 megawatt hours of electricity per year or less than 1,000 gigajoules of gas.

(11)

The CHAIR: The Shoalhaven community has put its concerns on record about having coal seam gas in the Shoalhaven area. The New South Wales Government made a lot of promises not only to people in the Shoalhaven but also in New South Wales about how this industry would be better managed. Can you indicate to us what happened to those commitments?

The Hon. DON HARWIN: You can be reassured that the Shoalhaven is not the subject of any current exploration.

The Hon. WALT SECORD: What about Kiama? Tell us about Kiama.

Mr JEREMY BUCKINGHAM: Why is that reassuring? Why should Shoalhaven be reassured?

The Hon. WALT SECORD: What is happening in Kiama? A little bit is happening down there.

Mr JEREMY BUCKINGHAM: Should they not be disappointed?

The Hon. DON HARWIN: I will wait until honourable members have completed their interplay across—

The CHAIR: Please do not. It is my time.

The Hon. DON HARWIN: I am sorry. I am happy to answer that question on notice.

(11) Answer:

- The Chief Scientist's independent review was completed in September 2014.
- The NSW Gas Plan was introduced in November 2014 in response to the Chief Scientist and Engineers' findings.
- It put forward a strategy to pause, reset and restart a safe, sustainable and reliable gas industry that puts downward pressure on gas prices for NSW consumers.
- We have delivered on all 17 actions of the NSW Gas Plan.
- We have reduced the footprint of petroleum titles from 60% of the state to 7%.
- We have introduced stronger regulation to protect the environment in particular:
 - o Removing exploration titles from national parks
 - o Introducing the Aquifer interference policy to protect groundwater resources
 - o Banning the use of evaporation ponds
 - o Introducing stronger regulation and standards for well- integrity
 - o Banning the use of BTEX chemicals
 - o Making the Environmental Protection Authority the lead regulator for non-WHS compliance and enforcement
 - o And establishing the gateway process for projects proposed on Biophysical Strategic Agricultural Land.
- As a result of the Gas Plan, landholders and communities who choose to host gas developments can also share in the economic benefits.
- Land access arrangements have been better defined and balanced to ensure landholders are compensated for the reasonable cost of negotiating these agreements.
- The community now has access to independent environmental data through the SEED, our Sharing and Enabling Environmental Data portal
- And lastly, any new exploration areas will only be released through the new transparent and rigorous Strategic Release Framework process.

(12)

The Hon. WALT SECORD: Minister, has your department provided any advice on the Bondi Pavilion plan?

The Hon. DON HARWIN: I will have to take that on notice, but my recollection is that there has not been any advice provided to me on the Bondi Pavilion plan. But I will check it by taking the question on notice.

(12) Answer:

I am advised that the Division of Arts, Screen & Culture has not provided any advice on Waverley Council's plans for the Bondi Pavilion.

(13)

The Hon. ADAM SEARLE: On 21 June in Parliament you said the amount allocated for the life support rebate has been increased again, but the actual rates for the individual amounts have not been increased since 2015, have they?

The Hon. DON HARWIN: I would have to check what my remarks in Parliament were. I am happy to take that question on notice so I can give you a proper answer.

The Hon. ADAM SEARLE: In last year's budget papers it said that you were going to provide \$259 million worth of assistance to help 800,000 households. In this year's budget papers it says you are going spend \$257 million—which is \$2 million less—to support 900,000 households. You also said that these are protected items in the budget, so no individual claimant would lose money. Can you tell us what the estimated percentage of uptake that informed the figures in the previous year's budget was; what the actual percentage of uptake was; and what the assessed percentage of uptake is for the figures you have provided in this year's budget?

The Hon. DON HARWIN: I have previously responded to the member in the House on a number of aspects of the question, including in a supplementary answer that I gave to the House on the issue. However, there are a number of aspects to his question that I will have to take on notice. I am sure the honourable member will understand why I am going to do that. I have been advised that my officials do not have all of those figures.

(13) Answer:

Figures are based on uptake trends and past budget performance. There are a number of factors, such as changes to Commonwealth rules regarding concession card eligibility, which also influence uptake.

(14)

The Hon. WALT SECORD: How many films have we lost to Queensland?

The Hon. DON HARWIN: I am very happy to go through some of the information.

The Hon. WALT SECORD: No, I want to know how many films we have lost to Queensland.

The Hon. DON HARWIN: The New South Wales Government invested \$22.9 million in screen development in 2016-17. This included Made in NSW and Screen NSW funding programs of \$9.7 million. The Made in NSW fund was announced in June 2016 and has provided \$20 million over two years to attract international feature films and television projects to New South Wales and to support the production of major new Australian television drama series. Five overseas productions and 16 local television drama series have been supported by the Made in NSW fund to date. These include feature films such as *Peter Rabbit*, *Bleeding Steel* and *Pacific Rim: Uprising*, the television series *Chosen* and local television productions such as series five of *Rake*.

The Hon. WALT SECORD: Great series, but that is set in Sydney.

The Hon. DON HARWIN: I am delighted to hear that you think *Rake* is great.

The Hon. WALT SECORD: It is set in Sydney.

The CHAIR: Did you say *Riptide*? That was made on the South Coast.

The Hon. DON HARWIN: No, I said *Pacific Rim: Uprising*. Given that the time allocated for your questions has expired, perhaps it might be fairest to the rest of the Committee if I give the rest of my response on notice.

(14) Answer:

Film negotiations are commercial-in-confidence. The reasons for filmmakers choosing a particular jurisdiction vary, but can include the availability of specialist infrastructure, or the level of incentives available.