



LEGISLATIVE COUNCIL

PORTFOLIO COMMITTEES

BUDGET ESTIMATES 2017-2018 **Supplementary Questions**

Portfolio Committee No. 1 – Premier and Finance

INNOVATION AND BETTER REGULATION

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INNOVATION AND BETTER REGULATION

Questions from Dr Mehreen Faruqi MLC

Use of artificial intelligence

1. What current uses of artificial intelligence does the department undertake?

Note: Please include all uses of AI including uses for resource allocation and administrative support, big data analysis, replacement and assistance of experts and researchers, procedural matters, or summarising diverse data – for reference this might include:

- Chatbots for customer service or advice
- Customer management systems
- Scanning legal documents to find relevant case law
- Categorising and searching documents
- Directing petitions efficiently
- Translation
- Document drafting

2. What planned uses does the department have for artificial intelligence?
3. What policy guidelines, if any, guide the exploration and use of artificial intelligence by the department?
4. What research, if any, has the department undertaken regarding the use of AI in Government services?

ANSWER Q1 - 4:

As outlined in the Digital Government Strategy, the NSW Government will continue to explore the use of cognitive and machine learning, and related Artificial Intelligence technologies, to simplify processes, eliminate duplication, and improve customer experience.

Questions from the Hon Shaoquett Moselmane MLC (on behalf of the NSW Labor Opposition)

SafeWork NSW

5. What is the status of the investigation report into the death of Tim McPherson on 1 March 2017?
- (a) When does SafeWork NSW expect it to be completed?

ANSWER:

SafeWork NSW has allocated significant resources towards a comprehensive investigation into the death of Tim MacPherson and is in liaison with his family. As the matter is being investigated, I cannot provide further details regarding the specifics of the investigation. The SafeWork NSW investigation is expected to be completed early in the first quarter of 2018.

6. What steps have been taken by SafeWork NSW inspectors to lift the level of compliance checks by SafeWork inspectors on board crane barges since the death of Tim McPherson?
- (a) Does SafeWork NSW carry out routine compliance checks on crane barges?
- (b) Does SafeWork NSW adopt self-regulation when it comes to safety checks?

ANSWER:

- (a) SafeWork NSW compliance programs are both risk and evidence-based, drawn from an analysis of injury and compliance data and field observations. SafeWork NSW's proactive crane inspection program focuses primarily on the areas of highest risk, which are tower cranes. However, in 2016/17, SafeWork NSW conducted five compliance checks of Barge Mounted Cranes and has extended its proactive crane inspection program to include inspections of Barge Mounted Cranes in 2017/18, including the inspection of all Barge Mounted Cranes in the Sydney region.
- (b) No. NSW has a robust regulatory system for cranes which includes mandatory pre-use inspections, regular maintenance inspections and testing, third party inspections by a competent person, and proactive inspections by SafeWork NSW inspectors of cranes registered under the Work Health and Safety Regulation 2017. SafeWork NSW inspectors also respond to safety complaints (request for service) and incident notifications.

7. What checks were made by SafeWork NSW inspectors on the crane barge *Kochi* prior to the incident on 29 August 2017?

ANSWER:

Under work health and safety legislation the operator is required to have the crane inspected by a competent person. Since this incident, SafeWork has expanded its proactive crane inspection program to include barges mounted cranes.

8. In light of the Minister for Transport's comments on the *Kochi* incident, what investigations has SafeWork NSW undertaken to address general safety aboard crane barges?
- (a) When will the terms of reference of those inquiries be made public?

ANSWER:

SafeWork NSW is currently investigating two incidents involving the operation of cranes on barges; the death of Tim MacPherson at the Barangaroo Ferry hub project in March 2017 and the incident at Milsons Point in late August 2017.

SafeWork NSW has an existing crane safety program in place with a particular focus on the operation and maintenance of tower cranes. SafeWork NSW has expanded its proactive inspection program to the operation of mobile and fixed cranes, including cranes that operate from barges.

SafeWork NSW's inquiries are carried out in accordance with its statutory obligations and responsibilities, rather than with specific Terms of Reference for each.

9. How many incidents has SafeWork investigated since the Government introduced its changes to the Workers Compensation Scheme in NSW?
- (a) How many of these involved workers that were injured?
- (b) How many of these investigations have led to prosecution?

ANSWER:

For the period July 2015 – June 2017, SafeWork NSW received almost 11,500 incident notifications under the NSW *Work Health and Safety Act 2011*. All of these notifications were assessed and responded to by SafeWork NSW. Actions undertaken by SafeWork included: regulator communication with the business, inspector response, service of notices, investigation and, where serious offences are detected and able to be proven, the commencement of legal proceedings.

Almost 7,000 of the notifications received related to worker injury (including illness).

For the financial year 15/16 SafeWork NSW enforcement figures are as follows:

- 61 WHS prosecutions were completed. Of these 55 were successful and involved 45 defendants in 33 matters. The total fines awarded by the courts were \$4,062,725.
- 12 enforceable undertakings were agreed in relation to 10 workplace incidents resulting in \$3,500,000 of WHS improvements.

For the financial year 16/17 SafeWork NSW enforcement figures are as follows:

- 34 prosecutions were completed. Of these 33 were successful and involved 32 defendants in 29 matters. The total fines awarded by the courts were \$4,463,650
- 10 enforceable undertakings were agreed in relation to 10 workplace incidents resulting in \$3,000,000 of WHS improvement.

10. How many times has SafeWork NSW accepted enforceable undertakings from a guilty business rather than prosecuting them for a breach?

(a) Which businesses, and why?

ANSWER:

An enforceable undertaking (EU) is a legally binding agreement between SafeWork NSW and the person who proposed the undertaking. They are a potential alternative to a prosecution and can provide an opportunity for significant work health and safety benefits to be achieved.

Since their introduction in January 2012, SafeWork NSW has accepted 30 enforceable undertakings. The first was in December 2013 and the most recent in August 2017. They have resulted in over \$10 million being committed to work health and safety improvements.

The activities required under an enforceable undertaking are substantial. They include specific initiatives to be undertaken by the person that will deliver positive safety benefits to the workplace as well as benefits to the industry and community.

The full list of EUs is set out in the table below.

Entity Name
1. AGT (formerly Australia Milling Group)
2. BC Sands
3. Boom Logistics Limited
4. Borg Manufacturing
5. Bowling Centres Australia
6. Brookfield Multiplex Constructions
7. Caltex
8. Cape Cod Australia
9. CRS Martini

10. Health Administration Corporation
11. Hume Doors & Timber
12. Lendlease Building
13. Norco Cooperative
14. Northern Sydney Local Health District
15. Oakville Produce Pty Ltd
16. Offset Alpine Printing
17. Origin Energy
18. Primo Moraitis Fresh
19. Proway Livestock Equipment
20. Richards, David and Facey, Scott
21. Saint Charbel's College
22. Seeley International
23. Seery, John William
24. Shamrock Electrical
25. SHAPE (formerly ISIS)
26. SUEZ (formerly SITA Australia)
27. Sundance Racking
28. Terex Australia
29. Veolia (formerly Dalkia)
30. Woodgroup PSN

An enforceable undertaking will only be accepted having regard to three main principals:

- benefits to the workplace
- benefits to their industry
- benefits to the community

The evaluation process takes into account:

- the circumstances surrounding the incident
- the proposed enforceable undertaking's merits and benefits
- the person's financial ability to meet the terms of the proposed undertaking
- the significance of the commitment compared to the capability of the person
- the person's compliance history
- the support the person has provided to injured person/s
- the input from injured person/s
- the likely outcome should the matter be dealt with through legal proceedings
- if the incident involves a fatality or a very serious injury, any exceptional circumstances detailed by the proposer

11. I note that the Government has issued a further extension on the exemption for audiometric testing requirements under s58(2) of the *Work Health and Safety Regulation 2011*.

- (a) Do you continue to support the idea that audiometric testing is best practice for managing the risk of industrial deafness in noisy workplaces?
- (b) Will the Government commit to not extending the exemption a second time when it expires in 2018?

ANSWER:

- (a) NSW did not support the inclusion of mandatory audiometric testing during the development of the national Work Health and Safety framework or during subsequent review processes. NSW formed this position following consultation with stakeholders. Implementing clause 58(2) would be a blanket approach to addressing this risk and may create an unnecessary burden to some businesses without achieving better health and safety outcomes.
- (b) NSW is currently considering the experience of other WHS regulators who have, and have not, implemented a similar audiometric testing clause before determining if the exemption will be extended in NSW.

12. On average, how many workers compensation claims were made prior to the Government's reforms to the scheme?
- (a) How many claims, on average, have been made in the years since?
 - (b) Is this attributed to many of those injuries no longer being eligible for compensation?
 - (c) Is the Minister aware of significant under-reporting of workplace safety breaches as a result of the Workers Compensation legislation?

ANSWER:

- (a) & (b)

Matters relating to the regulations of workers compensation and the management of self and specialised insurers are overseen by the State Insurance Regulatory Authority, which falls within the portfolio responsibilities of the Minister for Finance, Services and Property. Matters relating to the management of all other workers compensation claims are the responsibility of iCare, which falls within the portfolio responsibilities of The Treasurer.

- (c) No.

13. Does the Minister support safe work places?

ANSWER:

Yes, every work-related death is a death too many. The NSW Government is committed to securing the safety of workers and to build the work, health and safety capability of NSW businesses.

The *Work Health and Safety Roadmap for NSW 2022*, provides a clear vision, targets and initiatives that will continue to build on NSW's steady and sustained decline in fatality and serious injury incidence rates.

14. Are you aware of significant under reporting of workplace safety breaches as a result of the Workers Compensation legislation?

ANSWER:

No.

15. Does SafeWork NSW actually attend to investigate every workplace incident involving a death, serious injury or serious incident?

ANSWER:

SafeWork NSW responds to and investigates workplace related deaths, serious injuries and serious incidents. SafeWork NSW works in partnership with the NSW Police Force and other emergency services in the response to and the investigation of serious incidents including fatalities.

SafeWork NSW's response and investigation focus is directed towards work related fatalities, serious injuries and incidents where the risk is serious and significant. Generally, these events will result in SafeWork NSW undertaking a workplace inspection and investigation. However, some work related incidents may not proceed to a workplace inspection and investigation by SafeWork NSW. For example where another regulator is the lead agency, such as some road, marine and air transport related fatalities. SafeWork NSW would undertake a liaison and support role in these cases.

When SafeWork NSW is notified of a serious workplace incident that involves a death, serious injury, serious incident or any other incident, the agency assesses and determines its response through the nationally agreed triage framework for WHS complaints and incidents. The framework guides SafeWork NSW in ensuring its inspectors are directed to the most serious of matters.

16. Is it the case that on a number of occasions, SafeWork NSW has left it to the business responsible to investigate the incident itself?
- (a) How many of these incidents involved workers that were injured?

ANSWER:

The *Work Health and Safety Act 2011* requires any person conducting a business or undertaking to notify incidents to SafeWork NSW.

All incidents notified to SafeWork NSW are actioned according to their risk profile and the consequence and the compliance history of the notifier. SafeWork NSW also considers priorities identified in the Work Health and Safety Roadmap for NSW 2022 in determining its response and prevention approaches. Roadmap priorities include high risk sectors such as: agriculture, manufacturing, government, transport, construction, health care and social assistance. The Roadmap also identifies specific workplace harms for attention which include falls from heights, quad bikes and forklifts, electrical safety and machine safety.

SafeWork NSW assesses and determines its response through the nationally agreed triage framework for WHS complaints and incidents, to ensure that the most serious incidents receive the necessary resourcing to manage the risks and to investigate the cause. Where there is a death or serious injury at work, SafeWork NSW responds by allocating inspectors to conduct investigations, and, where breaches are detected, take appropriate enforcement action.

SafeWork NSW does apply an administrative regulatory response for incidents which may include workers who have received a minor injury. This type of regulatory response requires the business to investigate the incident in consultation with the workforce and take the necessary remedial action. However, SafeWork NSW may conduct an inspection following an administrative response if more information is received and it is warranted. This approach is consistent with the requirements and expectations of the legislation.

SafeWork NSW undertakes an audit program on businesses that have received an administrative response. The audit program involves an inspector conducting a follow-up visit to the workplace to ensure action has been taken by the business. In the last financial year, the audit program showed that 82% of the businesses that received an administrative response from SafeWork NSW had taken appropriate action as a result.

Charitable Funds Act - RSL Bergin Inquiry

17. Do the Terms of Reference for the RSL inquiry require Bergin to investigate the political donations made by RSL Lifecare to the Liberal Party?

ANSWER:

The Terms of Reference for the RSL inquiry can be found at <http://mattkean.com.au/news/media/terms-reference-inquiry-rsl-nsw>.

18. Do you think that the Liberal Party should return ALL the political donations it received from RSL Lifecare?

ANSWER:

These are matters for the NSW Division of the Liberal Party. However, I am advised the Liberal Party has identified several donations from that group dating back many years – all of which were appropriately declared. I am advised the Party has refunded nearly \$10,000.

19. When you became aware that Jim Longley, Deputy Secretary of Ageing, Disability and Home Care and Director of RSL Lifecare, was also receiving payments from RSL Lifecare, did you write to the Minister for Ageing and disability requesting he be stood aside?
- (a) Is Jim Longley receiving special treatment?
- i. If so, why?

ANSWER:

It is inappropriate to comment on matters subject to the ongoing RSL inquiry.

Quad Bikes

20. Do you believe the programs the Government has implemented regarding quad bike safety will do anything to address the tragic deaths of young children?

ANSWER:

Yes.

- SafeWork NSW remains committed to working constructively with the broader farming community to implement practical and affordable controls to minimise risks, including child safety.
- Work health and safety laws already require businesses to put in place practical control measures to prevent others in the workplace from being exposed to risks, this includes children in workplaces.
- A confronting regional TV campaign – ‘quad bikes are not toys’ – ran throughout May and June 2017 to raise awareness of the dangers of quad bikes for children.
- The farming industry, particularly leading groups such as the NSW Farmers Association and the Country Women’s Association of NSW, are showing strong support for the program and leading culture change in the sector.
- SafeWork NSW is supporting and educating farmers, farm workers, families and communities to take an active lead to drive culture change within their industry.

21. Do you support age restrictions on adult quad bikes?

ANSWER:

Regarding work health and safety, the legal framework already requires businesses to put in place practical control measures to prevent others in the workplace from being exposed to risks, and this includes children in workplaces.

SafeWork NSW remains committed to working constructively with the broader farming community to implement practical and affordable controls to minimise risks in the workplace.

Age restrictions on non-work related quad bike use is a public safety matter and not a work health and safety or consumer safety issue.

The NSW Government will continue to monitor existing public safety controls for the non-work related use of quad bikes.

Residential Tenancy

22. In light of the Government’s announcement in July 2016 regarding the removal of break fees for victims of domestic violence on their residential tenancy leases:

- (a) Where is this program up to?
- (b) Can the Minister give a firm commitment as to when these new protections will be introduced?

ANSWER:

- (a) Throughout 2017, drafting of the Residential Tenancies Amendment (Review) Bill 2017 has progressed. Key stakeholders, including experts in domestic violence issues, have been consulted. Consultation is ongoing.
- (b) The Government expects to introduce the amendment legislation into Parliament in the first half of 2018.

AirBnB

23. Does the Minister own any properties that are rented out through short term rental platforms like Airbnb?
- (a) If so, how many?

ANSWER:

No.

24. Has the Minister ever utilised short term rental platforms as part of a holiday?
- (a) If so, how many times?
 - (b) When was the last time the Minister used such a platform?

ANSWER:

Ministerial travel is organised in accordance with the appropriate guidelines and booked through the NSW Government's approved travel management supplier.

E10

25. As Minister for Innovation and Better Regulation, the Minister has responsibility for the ethanol mandate. Is the Minister aware of the ethanol usage by each department and Minister in the NSW public service?
- (a) If not, why not?

ANSWER:

The Department of Finance, Services and Innovation does not hold this information; please direct this question to the relevant Ministers (or their departments or agencies).

26. Is the Minister aware of the E10 usage in Ministerial cars?
- (a) If not, why not?
 - (b) Does the Minister use E10 in his own Ministerial car?
 - i. Does the Minister use E10 exclusively?
 - ii. Has the Minister instructed his driver to only use E10 fuel?
 - (c) Is the Minister aware of any other Ministers not using E10 fuel when their vehicles are E10 compatible?

ANSWER:

- a) DPC 'Memo M2012-08 Use of BioFuels' details requirements in relation to biofuels as part of the long term transport fuel mix in NSW.
- b) Yes.
 - i. Yes.
 - ii. Yes, I have directed that ethanol blended fuels be used where possible.
- c) No.

27. Can the Minister confirm that E10 usage amongst the public service is lower than that of the current mandatory level?
- (a) Can the Minister confirm that E10 usage amongst the public service is lower than that of the current state average?

ANSWER:

The *Biofuels Act 2007* imposes minimum biofuel requirements on volume fuel retailers — that is, that ethanol must be a minimum of 6% of their total petrol sales. There is no “mandatory level” of usage by the public service or any member of the public.

- (a) Recent figures indicate that NSW Government agencies use of E10 is similar to that of the public.

28. Can the Minister confirm that E10 usage amongst Ministerial cars is lower than the current mandatory level?

(a) Can the Minister confirm that E10 usage amongst Ministerial cars is lower than the state average?

ANSWER:

Please refer to my answer given to Legislative Assembly Question on Notice 6106.

Fuel Check

29. It's been a year since FuelCheck was made available to the public - Why is it still in beta form?

ANSWER:

FuelCheck is not in beta and has not been since January 2017.

30. Why don't we have an application as yet for mobiles?

(a) When will a mobile app for FuelCheck be delivered?

(b) Has the Government partnered with any start-ups to achieve the development of a mobile app?

ANSWER:

FuelCheck was built as a mobile-friendly website and has always been available on all smart phones.

(a) See above.

(b) Not applicable

Cladding

31. Can the Minister name one building within a 5km radius of Parliament House that contains flammable cladding?

ANSWER:

The NSW Government has completed Australia's most comprehensive audit of buildings, considering 178,000 projects across the state to identify those that may have external wall cladding.

The NSW Fire Safety and External Wall Cladding Taskforce (the Taskforce) has sent letters to the owners of the buildings identified in the audit and asked them to check their buildings and report back. This is the quickest way to identify any buildings that have potentially dangerous cladding.

32. Has the audit of buildings that use non-confirming aluminum cladding been completed?
- (a) Is the Minister confident that the 1000 or more buildings which have been identified thus far is the full extent of the problem?
 - (b) How did the Minister determine that there were approximately 1000 buildings which contain flammable cladding?
 - i. Did that process involve onsite inspections?

ANSWER:

The Data Analytics Centre (the DAC) has completed the analysis of the data set procured by the Taskforce.

- (a) The NSW Government has stated on a number of occasions that the audit results are the very best available but are not comprehensive. Advice has been issued to the community that if owners and occupants of buildings are concerned about fire safety in their building, they should take action without delay. No-one should wait to be contacted by the State Government or their local council if they have concerns about their building.
- (b) The Taskforce commissioned the DAC to undertake analysis of a data set of records of 178,000 building projects since 1985 and identify project details related to cladding installation on the building. The audit undertook visual inspections of a small sample of buildings to verify or validate the data audit results. A visual audit in Melbourne took one year to test just 170 buildings in the CBD; it would be impossible to test all the buildings involved in those 178,000 building projects.

33. Is the Minister and the Cladding Taskforce aware of a series of correspondence between the Commissioner of Fire and Rescue and the Secretary for Planning dated February 2016 regarding the risks posed by aluminum cladding?
- (a) If not, why not?
 - (b) Does the Minister agree with the Commissioner that this correspondence should not be released because of the current media attention, and because it may endanger the system in NSW for preventing large-scale fires in high rise buildings caused by terrorist attack?

ANSWER:

Yes, the Taskforce is aware of some correspondence between the then Commissioner and the Secretary for planning in February 2016.

- (a) N/A.
- (b) The Taskforce does not have a view on the comment in the question attributed to the Commissioner. NSW Fire and Rescue has a key role to play in protecting residents from potential fire or safety risks.

34. Can the Minister guarantee that no innocent party, including homeowners, tenants or “mum and dad” investors, will be out of pocket as a result of illegal cladding?

ANSWER:

This is a hypothetical scenario with many variables. As such, a definitive response cannot be provided.

35. Is the Minister and the Taskforce aware that the Government has removed the Bronto fire trucks from St Andrews and Hornsby fire stations?
- (a) Does the Minister think it is acceptable that all of Western Sydney is serviced by one fire station in Parramatta in the event of a high-rise apartment fire?

ANSWER:

These questions should be addressed to the responsible Minister.

36. Is the Minister or the Taskforce aware of changes the Government has made to remove the need for fire safety reports through the *Environmental Planning and Assessment Amendment (Fire Safety Reports) Regulation 2015*?
- (a) Will the Taskforce look at this weakening of regulatory oversight of fire safety in high rise buildings?

ANSWER:

Yes.

- (a) The amendment made in the *Environmental Planning and Assessment Amendment (Fire Safety Reports) Regulation 2015* commenced on 2 October 2015.

The amendment provides FRNSW with the discretion over whether or not to provide an initial fire safety report or final fire safety report to the certifying authority.

The discretion allows FRNSW to use a risk management approach to the provision of these reports, allowing them to direct their expertise and resources to the highest risk buildings in terms of fire safety.

The amendment did not affect the requirement to refer construction certificate applications to FRNSW, the criteria for referral, the time limit for the referral to be made or the documents that must be provided to FRNSW.

37. Is the Minister supportive of fire safety reports being optional?
- (a) Is this part of the Government's agenda to cut red tape?

ANSWER:

Please refer to my response to question 36.

Innovation

38. Has the Minister met with any of the regional universities to discuss innovation policy?
- (a) If so, who?
 - (b) If not, why not?

ANSWER:

Ministerial meeting disclosures are publically available.

I note Shadow ministers continue to refuse to disclose their diaries and the Leader of the Opposition has repeatedly breached his election commitment to disclose his diary every two months.

39. Does the Minister consider unaffordable property prices as a disincentive to innovation and attracting young entrepreneurs?

ANSWER:

NSW is the startup capital of Australia and is home to 40.9% of Australia's startup founders and 41.9% of startup supporters.

Co-working spaces make it more affordable for startups to base themselves in the CBD before they become profitable enough to rent their own office space.

In 2016, co-working spaces were home for 72.3% of startups nationally, up from 49% in 2015. With increasing demand for co-working spaces, the NSW Government announced a \$35 million startup hub in Sydney's CBD that will provide a world-class facility for the NSW startup sector to collaborate, innovate and tap into global networks and investment. Subsidised rent will make this space even more affordable for NSW startups.

Housed at 11-31 York Street in the heart of Sydney's CBD, it offers more than 17,000sqm of space over 11 floors. Leading incubators and accelerators, which are critical to building successful businesses, will be based there. The Hub will accommodate up to 2,500 people and welcome thousands more via its community and events space. A regional landing pad will be available for regional startups when they visit the CBD to ensure they can be a part of the community. The Hub is due to open in late 2017.

40. Has the Minister spoken to the Minister for Planning and/or the Premier on the need for affordable housing targets as a way of attracting young entrepreneurs to live and work in cities like Sydney? If not, why not?

ANSWER:

The Government has a strong commitment to housing affordability. This issue is one of the Premier's Priorities, with a commitment to deliver 61,000 housing completions per year on average to 2021. To support this commitment, the Government is focussing on two targets:

- 90 per cent of housing approvals determined within 40 days by 2019
- State-led rezoning for 10,000 additional dwellings on average per year in appropriate areas to 2021.

This Priority is also supported by the NSW Housing Affordability Strategy to make it easier for first home buyers.

Newcastle

41. Of the 1,041 buildings identified as having flammable material, how many are located in the Newcastle electorate?

(a) Will the Minister release the location of these buildings?

(b) Have all residents in these building been notified?

i. If not, why not?

ANSWER:

No buildings have been identified as having flammable cladding.

The NSW Fire Safety and External Wall Cladding Taskforce (the Taskforce) has sent letters to the owners of all of the 1,041 buildings identified in the audit as possibly having external wall cladding installed, wherever they are located in NSW. It is not confirmed that the 1041 buildings have cladding, let alone whether any such cladding poses a fire safety risk.

The details of individual buildings identified are not currently being released publicly. We are doing what we can to uncover dangerous cladding to keep residents safe and have the most comprehensive plan in the country to do so. The plan is being executed in a methodical and considered way.

Labor needs to stop waging an irresponsible scare campaign.

42. Has the location of these 1,041 building been shared with local Fire and Rescue NSW crew who will be first responders in an emergency situation?

ANSWER:

Yes.

43. How many of the building located in the Newcastle electorate have been audited?

ANSWER:

Please refer my responses to questions 31 and 32.

44. How many building owners in the Newcastle electorate have responded to your letter regarding flammable cladding?

ANSWER:

Please refer my response to question 41.

Short Term Rental/Sharing Economy

45. How many noise/disturbance complaints have been made to NCAT and to Fair Trading in relation to strata buildings for STRA (Short Term Rental Accommodation) lots?

ANSWER:

Between 1 July 2016 and 30 June 2017 NSW Fair Trading received nil complaints and 169 enquiries about strata noise related matters.

Strata schemes legislation provides a framework for self-governance of schemes by the owners' corporation. The owners' corporation makes decisions about the rules (by-laws) for occupants and is empowered to take remedial action against occupants in breach of those rules, including the issue of a Notice to Comply.

If the conduct continues, the owners' corporation may apply to the NSW Civil and Administrative Tribunal to issue a penalty. If satisfied there has been a breach of a by-law and notice was validly issued, the Tribunal can issue a penalty of up to \$1,100.

NSW Fair Trading does not have access to NCAT records, therefore cannot comment about the number of 'noise/disturbance complaints' brought to the Tribunal.

46. How many noise/disturbance complaints have been made to NCAT and to Fair Trading in relation to strata buildings for LTRA (Long Term Rental Accommodation) and owner-occupier lots?

ANSWER:

Please refer to my response to question 45.

47. Is it the case that the only mention of the word 'innovation' in the [NSW Government's Options Paper on Short-term Holiday Letting](#) is in your Ministerial title?

ANSWER:

The Options Paper contains a range of issues and options for an innovative response to short term holiday letting, and by inviting feedback the Government also expects to receive innovative suggestions in response to the options and issues raised in the Options Paper.

48. How are you supporting the citizens of NSW to pay off their mortgages and make ends meet through the innovations which have been brought about through the sharing economy?

ANSWER:

Disruptive innovation, including that arising from the collaborative economy, offers benefits to the community such as jobs growth and increased consumer choice. Across the 12 months, following the Government releasing its Position Paper on the collaborative economy in 2016, the number of people in NSW earning income through collaborative economy platforms more than doubled from 45,000 to 92,400 people, and existing collaborative economy businesses in NSW saw revenue growth of 68 per cent, from an estimated \$1.6 billion in 2014-15 to \$2.6 billion in 2015-16.

Given these significant and growing benefits, the NSW Government supports the development of the collaborative economy subject to all businesses being treated fairly and appropriate levels of consumer protection and public safety being in place.

Office Administration

49. How many staff are in your ministerial office?
- (a) What was the average salary for staff members in your office during 2016-17?
 - (b) What is the estimated average salary for a ministerial staffer in your office in 2017-18 based on current appointments?

ANSWER:

Ministers' staff numbers and salary bands are available on the DPC website. Refer to: http://www.dpc.nsw.gov.au/about/publications/premiers_and_ministers_staff_numbers

50. How many blackberries/iphones/smart phones are assigned to your staff?
- (a) For each phone, how much was each bill in 2016-17?
 - (b) How many phones have been lost or replaced due to damage in your office?
 - i. What is the cost of replacing those phones?

ANSWER:

There were 240 smart phones allocated across the Ministerial Offices in 2016-17. The total usage cost of these smart phones and other mobile devices (including iPads) was \$269,644, a 53.4% per cent reduction on the 2008-09 expenditure of \$578,691. The cost of replacing any lost or stolen devices is claimed through the NSW Treasury Managed Fund. Repairs are funded by the Department of Premier and Cabinet, Corporate and Ministerial Services.

51. How many iPads or tablets has DPC assigned to your Ministerial office and to whom have they been issued?
- (a) What was the cost of providing iPads or tablets to your Ministerial Office in 2016-17?
 - (b) How many iPads or tablets have been replaced due to lost or damage in 2016-17?
 - i. What was the cost of replacing these devices?

ANSWER:

There were 139 iPads in use across the Ministers' IT network in 2016-17. The cost of replacing any lost or stolen devices is claimed through the NSW Treasury Managed Fund. Repairs are funded by the Department of Premier and Cabinet, Corporate and Ministerial Services.

52. Has any artwork been purchased or leased for display in your ministerial office in 2016-17?
- (a) What is the cost of this?

ANSWER:

No.

53. Have any floral displays or indoor plants or potplants been hired or leased for display in your ministerial office in 2016-17?
- (a) If so, what was the cost of these items?

ANSWER:

Floral arrangements purchased are managed within the office's budgets

54. Have any floral displays or indoor plants or potplants been purchased for display in your ministerial office in 2016-17?
- (a) If so, what was the cost of these items?

ANSWER:

Floral arrangements purchased are managed within the office's budgets

55. What was the total cost of all subscriptions by you and your staff to online news services, newspapers, magazines, journals and periodicals in 2016-17?

(a) What are these services/newspapers/magazines/journals/periodicals?

i. Who is the subscriber for each of these?

ANSWER:

The Minister's office subscribes to a modest number of publications, the cost of which is managed within the office's budget.

56. What was the total amount your office spent on stationery?

ANSWER:

Expenditure on stationery in 2016-17 across the Ministry was \$146,596. This includes the cost of printed stationery (business cards and letterheads).

57. What was the total value of all gifts purchased for use by you and your office in 2016-17?

(a) What were the gifts purchased?

i. Who were they gifted to?

ANSWER:

Gifts are presented to dignitaries during overseas missions and to dignitaries visiting NSW.

58. Do you purchase bottled water or provide water coolers for your office?

(a) What is the monthly cost of this?

ANSWER:

No.

59. What non-standard features are fitted to your ministerial vehicle?
- (a) What is the cost of each non-standard feature?

ANSWER:

Ministers, the Leader of the Opposition, other nominated public office holders and certain former office holders are provided with official cars and drivers. During 2016-17 all costs associated with these vehicles were paid from the relevant office's budget.

60. What was the total bill for your office in 2016-17 for:
- (a) Taxi hire
- (b) Limousine hire
- (c) Private hire care
- (d) Hire car rental
- (e) Ridesharing services

ANSWER:

Expenditure on taxis, hire cars and ride share services in 2016-17 across the Ministry was \$82,771, down from \$99,463 last year. This compares with 2009-10 expenditure of \$175,776.

61. Were any planes or helicopters chartered by you or your office and paid for with public money in 2016-17?
- (a) If yes, will you please detail each trip, the method of transport and the cost?

ANSWER:

Expenditure on charter flights for the Ministry totalled \$6,921 in 2016-17, down from \$28,706 last year. This compares with expenditure in 2009-10 of \$281,567.

Hospitality

62. How much did your ministerial office spend on hospitality, including catering and beverages, in 2016-17?

ANSWER:

Expenditure on hospitality across the Ministry totalled \$32,021 in 2016-17- which includes catering for stakeholder meetings and courtesy calls with visiting dignitaries.

63. How much did your Department/agency spend on hospitality, including catering and beverages, in 2016-17?

ANSWER:

Costs are managed within each agency's recurrent budget.

Labour Hire Firms

64. Do any Departments/agencies within your portfolio responsibilities utilise the services of Labour Hire Firms? If yes, please advise in table form for 2016-17:
- (a) The names of the firms utilised
 - (b) The total amount paid to each firm engaged
 - (c) The average tenure period for an employee provided by a labour hire company
 - (d) The longest tenure for an employee provided by a labour hire company

- (e) The duties conducted by employees engaged through a labour hire company
- (f) The office locations of employees engaged through a labour hire company
- (g) The highest hourly or daily rate paid to an employee provided by a labour hire company

ANSWER:

The Finance, Services and Innovation Cluster uses Labour Hire firms, in accordance with NSW Public Service policies to cover temporary vacancies as required.

Media and Public Relations

65. How many media or public relations advisers are employed for each of your portfolio agencies and what is the total cost to employ these advisers?

ANSWER:

DFSI staff numbers are included in the Annual Report.

66. What is the forecast for the current financial year for the number of media or public relations advisers to be employed and their total cost?

ANSWER:

DFSI staff numbers undertaking media or public relations activities are commensurate with need and can go down or up as required.

67. What is the total cost of media monitoring services used by Departments/agencies within your portfolio responsibilities?

ANSWER:

The NSW Government purchases all commercial media monitoring centrally through the Department of Premier and Cabinet which delivers significant savings through aggregated procurement.

68. By how much has the number of media or public relations advisers employed for each of your portfolio agencies increased since 2011-12 to the current date?

ANSWER:

The Department of Finance, Service and Innovation's centralised media function works across the Department and was not established until 2015. A comparison from 2011-12 is unable to be made.

69. By how much has the expenditure on media or public relations advisers employed for each of your portfolio agencies increased since 2011-12 to the current date?

ANSWER:

Please refer to my response to question 68.

70. Have you had media training or speech training?
- (a) If yes, who paid for it?
 - (b) If paid by taxpayers, what was the amount paid in 2016-17?

ANSWER:

No.

Facebook

71. How much did your ministerial office spend on Facebook advertising or sponsored posts in

2016-17?

ANSWER:

No taxpayer money has been spent on Facebook advertising or sponsored posts.

72. How much did your Department/agency spend on Facebook advertising or sponsored posts in 2016-17?

ANSWER:

Where appropriate social media is used by agencies alongside other forms of advertising as a cost effective medium of communication.

Overseas Trips

73. Were any of your overseas trips in the last financial year paid for in part or in full by using public money?
- (a) If so, did any of your relatives or friends accompany you on these trips?

ANSWER:

Details of overseas travel including costs are published on the Department of Premier and Cabinet's website.

74. Have you undertaken any official overseas travel that was privately funded?
- (a) If so, what was the nature of these trips?
- (b) Who paid for these trips?

ANSWER:

Details of overseas travel including costs are published on the Department of Premier and Cabinet's website.

Department/Agency Travel

75. What was the total expenditure in 2016-17 by Departments/agencies within your portfolio on:

- (a) Taxi hire
- (b) Limousine/private car hire
- (c) Hire car rental
- (d) Ridesharing services

ANSWER:

All Departments' travel in 2015-16 was accordance with NSW Treasury and Finance Circular OFS-2014-07. In addition, for the Department of Finance, Services and Innovation, travel accords with the NSW Government Travel and Transport Policy.

76. Do any senior executive service employees in your Departments/agencies have a driver that is paid for by the Departments/agencies? If so, what is the number of senior executive service employees that have a driver and which senior executive service employees have a driver?

- (a) How much was spent on these drivers in 2016-17?

ANSWER:

No.

Consulting

77. How much did the Department/agencies under your portfolio responsibility spend in legal costs in 2016-17?

- (a) For what specific purposes or matters was legal advice sought?

ANSWER:

Financial statements, including expenditure on consultants, are available in agency annual reports.

78. Have Department/agencies under your portfolio engaged any consultants to provide the following services or advice in 2016-17:
- (a) Social media
 - i. And the cost of these services
 - (b) Photography
 - i. And the cost of these services
 - (c) Acting training
 - i. And the cost of these services
 - (d) Ergonomics
 - i. And the cost of these services

ANSWER:

Please refer to my response to question 77.

Department/Agency Staffing

79. What was the number of senior executive service employees employed by Departments/agencies within your portfolio in 2016-17?
- (a) How much was this number in 2011-12?

ANSWER:

Public Service Senior Executive (PSSE) numbers are reported in the Annual Reports of each agency within the Finance, Services and Innovation Cluster.

80. What was the expenditure on senior executive service employees employed by Departments/agencies within your portfolio in 2016-17?

(a) How much was this number in 2011-12?

ANSWER:

Please refer to my response to question 79.

81. What was the number of internal legal counsel employees employed by Departments/agencies within your portfolio in 2016-17?

(a) How much was this number in 2011-12?

ANSWER:

Staff numbers and their cost are managed within the agency's Labour Expense Cap, as part of the sector's Budget Controls.

82. What was the expenditure on internal legal counsel employees employed by Departments/agencies within your portfolio in 2016-17?

(a) How much was this number in 2011-12?

ANSWER:

Please refer to my response to question 81.

83. How many redundancies were processed by Departments/agencies within your portfolio responsibilities during 2016-17?

(a) Of these redundancies, how many were:

i. Voluntary

ii. Forced

(b) What was the total cost of all redundancies?

ANSWER:

Voluntary redundancies are a component for agencies to achieve their efficiency dividends. Redundancy figures across the sector for 2016/17 are anticipated to be in the order of 1,222, totalling 12,999 Since July 2011. The Labour Expenses Cap introduced in the 2012-13 Budget also continues to give Secretaries as much flexibility as possible to achieve these savings in the most appropriate ways to meet the service requirements of their agencies. Nurses, police officers and teachers in schools have been quarantined from this measure.

84. Have any staff who received a redundancy in the last two years undertaken any paid work or provided any paid services for the agency with which they were formerly employed?

(a) What was the nature of these works/services?

(b) What was the total cost of these works or services?

ANSWER:

Please refer to my response to question 83.

85. Are any staff formerly employed by your ministerial office now employed by Departments/agencies under your portfolio responsibility?

ANSWER:

Please refer to my response to question 83.

86. How many staff were dismissed from Departments/agencies under your portfolio responsibilities in 2016-17?

(a) What were the reason/s for each dismissal?

ANSWER:

Please refer to my response to question 83.

87. What was the total amount your Departments/agencies spent on stationery?

ANSWER:

Stationery expenses are accounted for in agencies recurrent budgets.

Smart Phone Accounts

88. Do the Departments/agencies within your portfolio have an iTunes account?

(a) What was the total expenditure in 2016-17 on iTunes?

i. What applications/subscriptions/services were purchased through iTunes?

ANSWER:

IT costs are managed within each agency's budget and are guided by NSW Government's ICT and procurement policies and frameworks.

89. Do the Departments/agencies within your portfolio have an Android account?

(a) What was the total expenditure in 2016-17 on Android?

i. What applications/subscriptions/services were purchased through Android?

ANSWER :

Please refer to my response to question 88.

Websites Visited

90. What were the top 20 most utilised (by data sent and received) unique domain names accessed by your Ministerial office this year?

ANSWER:

The configuration of the Ministers' IT network infrastructure by our third party service providers does not allow the determination of such data.

91. What were the top 20 most accessed (by number of times accessed) unique domain names accessed by your Ministerial office this year?

ANSWER:

Please refer to my response to question 90.

Merchant fees

92. Please provide a list of all transactions where customers need to pay a merchant fee on credit and/or debit card payments in your Department/agency.

ANSWER:

All NSW Government agencies are required to impose surcharges to recoup their merchant interchange fees, pursuant to Treasury Circular TC12/13. DPC does not accept payment for goods and services, so we do not impose merchant fees on our customers.

93. Please provide the percentage and/or amount of the merchant fees applied to all credit and/or debit card payments/transactions in your Department/agency.

ANSWER:

Please refer to my response to question 92.

94. What was the total amount paid in merchant fees on credit and/or debit card payments in your Department/agency in 2016-17?

ANSWER:

DFSI staff only use their cards for the purchase of goods and services for official business purposes. If particular vendors elect to impose a merchant fee on card transactions, that is an unavoidable cost of doing business. It would not be possible to determine fees charges to Departmental cards, as these would either be embedded in the individual transaction cost, or if separately disclosed would require each monthly card statement for each user to be reviewed.

Probity Auditor

95. Has your office or department used a Probity Auditor or Probity Advisors, or similar, in the past five years? If so please list the company and/or individual, the project, the engagement dates, and their total remuneration in tabular format.”

ANSWER:

In accordance with the NSW Procurement Board’s Direction (PBD-2013-05), DFSI has internal mechanisms in place to ensure that probity considerations are routinely taken into account in its procurement decisions, and the use of external probity advisers and auditors is the exception rather than the rule. The Department’s Annual Report includes all consultancies including those involving probity advisors valued more than \$50,000.

Questions from Mr Justin Field MLC

Ethanol Mandate Exemptions

96. How many businesses are subject to the minimum biofuels requirement in NSW?
- (a) How many of these businesses met the minimum biofuels requirement and did not require an exemption in each of the first and second quarters of 2017?
 - (b) How many new businesses have become subject to the minimum biofuels requirement in NSW since the recent changes to the Act and regulations?

ANSWER:

As at 15 September 2017, there are a total of 236 Volume Fuel Retailers (VFR) captured by the biofuels mandate who operate and control a total of 1091 volume fuel service stations

- (a) None of the 236 Volume Fuel Retailers met the minimum 6% ethanol mandate.
- (b) Since 1 January 2017, 226 new Volume Fuel Retailers have been captured by the new ethanol mandate (this number excludes the 10 major Volume Fuel Retailers who were already captured)

97. Regarding the 179 applications for exemptions to the biofuels mandate which the Minister said the Government has received since 1 January 2017:
- (a) When is this up to? Is it only up to 30 June?
 - i. If yes, how many applications have been received since 30 June 2017?
 - ii. How many of these new applications are from businesses that were granted an exemption previously?
 - (b) Does this figure relate to the total number of exemptions sought under the Biofuels Act or only to those businesses newly required to comply since the recent changes to the Act and regulations?
 - i. If it is the latter, how many other businesses have made applications for exemptions to the biofuels mandate since 1 January 2017 and how many of these have been granted?
 - (c) What percentage of businesses that are subject to the minimum biofuels requirement have applied for an exemption?

- (d) In his evidence Mr Hoffman stated that the Department has done an analysis of these exemptions broken down by the reasons they were granted. Can you provide this break down?
- (e) Can you provide a copy of a sample approved exemption letter that has been sent to a business?
- (f) Does the Department have a policy regarding the number of times businesses will be granted an exemption before enforcement action is taken?
 - i. Is there a limit to the number of exemptions that can be granted?
- (g) Can exemptions be granted for periods longer than 3 months?

ANSWER:

As at 31 July 2017 there were 179 applications for exemptions received. The remaining 57 Volume Fuel Retailers are receiving assistance from Fair Trading to determine if they are required to lodge quarterly returns and, if necessary, apply for exemptions.

- (i) The next set of reporting and applications for the 3rd Quarter of 2017 (July, August, September) will be received in October.
- (ii) N/A
- (b) The 179 applications relate to the total number exemptions sought under the *Biofuels Act 2017*.
 - (i) N/A
- (c) Only Volume Fuel Retailers are subject to the mandatory biofuels requirement in NSW. There are 236 Volume Fuel Retailers in NSW. As indicated during the estimates hearing 179 applications have been received. This equates to 75%.
- (d) Exemptions broken down by the reasons they were granted as follows:

Reasons for exemptions	Number of Volume fuel retailers
I need more time to comply	11
Unable to comply despite having taken all prescribed steps	113
Not economically viable to comply	40
Other extraordinary circumstances	15
Total	179

- (e) Sample attached



Our reference
«Biofuels_Registration_number»

«Title» «First_name» «Last_name»
«Entity»
«Postal_address»
«Suburb»

Dear «Title» «Last_name»,

Exemptions under section 9B of the *Biofuels Act 2007*

I refer to your applications for exemptions from the requirements of the *Biofuels Act 2007*.

I can inform you that you have been granted exemptions from the Biofuels mandate until «Exemption_approval_for_Ethanol_until_gr». You will need to reapply for the exemptions following this period and lodge your quarterly returns. Attached are the steps to check your exemption approvals online.

If you would like further information on this matter, please contact the Secretariat, Biofuels Expert Panel at biofuels@finance.nsw.gov.au

Yours sincerely

M J Cooper
Director Consumer Protection
on behalf of
Martin Hoffman
Secretary

29 August 2017

- (f) No. The Biofuel Expert Panel considers applications for exemptions and provides the decision maker with their recommendation based on the application received. The Secretary of the Department of Finance, Services and Innovation, by delegation, is the decision maker.
- (i) There is no limit to the number of exemptions that can be granted.
- (g) Exemptions are governed by the *Biofuels Act 2007* and the Biofuels Regulation (No. 2) 2016.

98. How many investigations have been completed and how many are ongoing into businesses which have failed to comply with the minimum biofuels requirement?

ANSWER:

There have been 2 investigations completed into a failure to comply with the Biofuel mandate.

Ethanol Advertising

99. How much is budgeted to be spent on the E10 Fuel for Thought advertising campaign over the next 4 years?

ANSWER:

Total remaining funding allocated to the campaign is \$2,044,151, of which \$349,151 is committed spending for the remaining 2017 calendar year. Post 2017 advertising spending will be subject to approval from the Standing Committee on Communications and Government Advertising.

Ethanol Mandate

100. Has the ethanol mandate increase the uptake of ethanol blended fuel in NSW?
- (a) If yes, what evidence do you have to support this claim?

ANSWER:

The ethanol mandate is supported by a range of policies designed to encourage the use of ethanol blended fuels. These policies have changed over the course of the mandate.

I otherwise refer to my response given to question 101.

101. Why has the percentage of ethanol blended fuel and the total amount of ethanol blended fuel has fallen every year for at least the past 7 years?

ANSWER:

The Quarterly Fuel Volume Returns were first reported in 4th Quarter 2007. After that period the Government also announced plans to eliminate the sale of unleaded petrol in lieu of Ethanol blended E10 fuel. However, when Government announced that it was not removing ULP 91, the uptake of ethanol blended fuel declined. The level in 2nd Quarter 2017 was at 2.48%.

102. Do you predict the percentage of ethanol blended fuel used by motorists in NSW increase or decrease, and by how much:
- (a) In the next year?
- (b) Over the next 4 years?

ANSWER:

There are too many variables to allow for this question to be answered with any certainty. The Government has put in place a range of new measures to support the mandate.

103. Do you predict the total amount of ethanol blended fuel used by motorists in NSW increase or decrease, and by how much:

- (a) In the next year?
- (b) Over the next 4 years?

ANSWER:

Please refer to my response to question 102.

104. How many petrol stations in NSW do not sell regular unleaded fuel?

ANSWER:

As at 15 September 2017, there are 185 fuel stations, of a total of 2,237 service stations in NSW that do not sell regular unleaded fuel (ULP91).

105. In his evidence the Minister said that the Department has done some modelling on how much the ethanol mandate is costing motorists. Has this modelling looked at the extent to which motorists have purchased premium unleaded fuels because regular unleaded fuel is unavailable due to the ethanol mandate?

- (a) If yes, what were the findings of the modelling?

ANSWER:

The reference given during the estimates hearing noted that the ethanol mandate has saved motorists at the bowser. The modelling shows that if a motorist with a 40L tank refuelled using E10 once a week between August 2016 and August 2017, as opposed to using Premium 98, they would have saved \$416. If they did the same thing with premium 95,

they would have saved \$309 at the bowser every year. In fact, if they used E10 as opposed to regular unleaded they would have saved \$41.

Fair Trading Complaints Register

106. The Fair Trading Complaints Register provides the consumer little detail of the type of complaints made, will you consider providing more detail in the Register that describes the nature of the complaint?

ANSWER:

A review of the Complaints Register guidelines will be conducted later this year to determine any necessary or appropriate changes to the way complaints data is published, and the information the Register contains.

Fuel Check

107. Is Fuel Check in beta form, if so why?

ANSWER:

Please refer to my response at to question 29.

108. Is there an app available for mobiles? Why not?

ANSWER:

Please refer to my response at to question 30.

Data Analytics Centre (DAC)

109. What has the DAC achieved in terms of analysing data provided by agencies?

(a) What are the financial outcomes of the DAC?

ANSWER:

This question should be referred to the relevant Minister.

110. What is the annual cost of running the DAC?

ANSWER:

Please refer to my response to question 109.

111. Which agencies are you receiving data from?

ANSWER:

Please refer to my response to question 109.

112. Have any agencies refused to provide data?

ANSWER:

Please refer to my response to question 109.

113. Has the DAC used their legislative power to require agencies to forward data? If no, why not?

ANSWER:

Please refer to my response to question 109.

114. Is the data provided from agencies to the DAC in real time?

ANSWER:

Please refer to my response to question 109.