

BUDGET ESTIMATES 2017-2018

SUPPLEMENTARY ANSWERS - PREMIER

QUESTION - Lease on Darley Road

1. Did you have any discussions with Chris Lock, a senior officer in Transport for NSW, about the lease of Railcorp land at Darley Road, Leichhardt during 2011 and 2012?
2. Did you have any discussions – be they phone calls, informal chats or formal meetings – with Kerry Chikarovski, a Liberal Party lobbyist, about the lease on Railcorp land at Darley Road, Leichhardt before it was extended?
3. Did you have any discussions with Premier O'Farrell or his Office about the lease on Railcorp land at Darley Road, Leichhardt before it was extended?

ANSWER:

1-3. I refer to my answers already on record in the Parliament on this matter.

QUESTION - Australian Multicultural Christian Society

4. What actions have been taken to recover the \$10,000 grant paid to the Australian Multicultural Christian Society?
 - (a) What further steps will be taken to recover the \$10,000?
 - (b) Why hasn't this matter been referred to the NSW Police?

ANSWER:

4. I refer you to my previous answers provided to the Parliament on numerous occasions regarding this matter.

QUESTION – Local Government

5. What is the total expenditure on the failed program of forced council mergers?
 - (a) How much was spent on external providers?
 - (b) How much was spent on Departmental staff resources?
 - (c) How much do you expect to pay in legal costs for the actions against local governments that contested forced mergers?
 - (d) How much was spent on opinion polling and market research surveys?

ANSWER:

5. The cost incurred by the Department of Premier and Cabinet on the local government amalgamations process is publically available.

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QUESTION – CBD Light Rail

6. According to the Auditor General, Transport for NSW reported that mispricing and omissions in the business case had caused a \$517 million cost increase. Did Transport for NSW report this to you as the Minister for Transport in October 2014?

(a) If not you, who did they report it to?

7. Do you think you might have a problem telling the truth?

8. When did you find out that mispricing and omissions in the business case for the CBD light rail had caused a \$517 million cost increase?

9. The Auditor-General says that it is “not correct” that “huge wins” caused the \$500 million blow out of the CBD light rail. Do you agree with the Auditor-General?

10. In October 2014, why did you claim “huge wins for customers” on the CBD light rail were responsible for most of the \$549 million cost blow out when it was really caused by mispricing and omissions in the business case?

11. When you said that “huge wins” and “customer improvements” were the cause of the cost blow out on the CBD light rail, did you know you were not telling the truth?

12. Why did you sign the two main contracts for the CBD light rail before the scope of works was finalised?

ANSWER:

6 – 12. The CBD South East Light Rail project costs were revised in 2014, in line with the tender process. The Auditor-General confirmed due diligence and probity were robust throughout procurement. I am confident the project will be delivered successfully in 2019 within its \$2.1 billion budget.

QUESTION – Intercity Trains

13. When the Government ordered the inter-city trains from South Korea, were you aware that they wouldn't fit through the Ten Tunnels Deviation unless the tunnels were widened?

14. What is the estimated cost to widen the tunnels of the Ten Tunnels Deviation?

(a) When will this work be completed?

15. What is the estimated total cost of the adjustments along the Springwood to Lithgow line that are needed to accommodate the new trains?

16. Will the new trains be running to Lithgow in 2019?

17. Do you intend to cease the intercity service to Lithgow?

ANSWER:

13-15. The Minister for Transport and Infrastructure has previously answered these questions.

16-17. I am advised the new fleet will be operating on the network progressively from 2019.

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QUESTION – RSL Lifecare Donations

18. Is it appropriate for the Liberal Party to have solicited and accepted donations from RSL Lifecare?

19. Will you instruct the Liberal Party to return the donations it has received from RSL Lifecare?

ANSWER:

18 – 19. 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.

QUESTION – Electoral Reform

20. Will real time disclosure of political donations be in place in time for the 2019 elections?

ANSWER:

20. The Government has announced its support for all of the recommendations made by the Joint Standing Committee on Electoral Matters in its June 2016 report.

The Government is working towards having new electoral and campaign finance laws in place at least 12 months before the 2019 Election.

QUESTION – Electricity

21. What percentage of renewable energy will be required to meet the Government's target of netzero emissions by 2050?

ANSWER:

21. The NSW Government has set an aspirational long term objective to achieve net zero emissions by 2050.

A diverse energy mix including sources such as hydro, wind and solar will play a part in reaching this target.

QUESTION – Roads

22. Why are tolls on the Westconnex rising at twice the rate of inflation when tolls on the Western Harbour Tunnel will be capped at the CPI?

ANSWER:

22. Tolling concessions involve a number of inputs including the escalation rate, the initial toll price, amount of Government contribution and the term of the concession. The Government has made no decision on a tolling regime for the Western Harbour Tunnel. I note it was the former Labor government that signed the contract for the Eastern Distributor which included an escalation rate of 4% and a concession period of 49 years – the longest for any toll road in NSW.

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QUESTION – One Nation

23. Will you rule out a preference deal between One Nation and the Liberal & National parties?

ANSWER:

23. Preference deals are a matter for respective political parties. I note One Nation is not a registered political party in NSW.

QUESTION – Local Government

24. When did you read the secret \$499,895 KPMG Reports that were prepared in the second half of 2015 on the then proposed forced council mergers?

(a) Have you read the main report titled 'Merger Impacts and Analysis,' as well as the related documents entitled 'Implementation of Local Government Mergers: Business Case' also prepared by KPMG and collectively called 'the KPMG documents?'

(b) What do these reports say about other councils that you want to forcibly merge in the future?

(c) In *Ku-ring-gai Council v Garry West* as delegate of the Acting Director-General, Office of Local Government [2017], the Court of Appeal in its judgement said this at paragraph 91:

'Further, there is no reason to assume that when an organisation such as KPMG, applying its own professional expertise, prepares a business case in relation to council amalgamations in the statutory context provided by the Local Government Act, it would do so on an assumption that the government would never disclose the figures and information it supplied. The claim that, in such a case, candour and frankness might be compromised by disclosure borders on the fanciful.'

On the basis of this judgement, why is the NSW Government still keeping this report a secret?

25. The Administrator of the Inner West Council recently stated that there were discrepancies between the actual budget savings and alleged KPMG cost savings. Do you stand by the assumptions in the KPMG 'Outline of Financial Modelling Assumptions for Local Government Merger Proposals?'

(a) Is it not the case that the bulk of these supposed cost savings under your policy of forced mergers, are largely expected to come from the cutting of staff to reduce the wages bill?

(b) If not, where will they come from?

26. What would you estimate was the amount of taxpayer dollars spent by the Government on its failed attempt to forcibly amalgamate 14 metropolitan and a similar number of regional councils that have now been advised they can continue to stand alone?

(a) What was the total amount of money that would have been allocated to these Councils had they been forced to amalgamate – both the funding available to them to assist with amalgamation, and the additional incentive funding drawn from the Stronger Communities Fund?

(b) Will you confirm that this funding will no longer be available to the councils slated for forced amalgamation but now given a reprieve?

(c) How much remains of this residual funding allocation?

(d) Where will this residual funding allocation now be spent?

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(e) Will you confirm that this residual funding will be kept within the local government sector and used to assist councils?

27. Will you confirm that the Government is considering amendments to the Local Government Act that would clarify the council amalgamation process and incorporate meaningful community consultation processes, thereby preventing any future waste of taxpayers' funds on forced amalgamations?

28. Will you commit to the Coalition's previous pledge to work with the local government sector to achieve greater financial sustainability, rather than forcing council amalgamations which continue to claim a significant political price?

29. Was the Office of Local Government was the only Government agency who lost funding in real terms in the latest NSW State Budget?

(a) If not, which other agencies lost funding?

(b) In each instance, why was the funding allocation reduced?

ANSWER:

24. Information about KPMG's analysis and modelling has been made publicly available in the following documents:

- An overarching report outlining merger benefits entitled Local Government Reform Merger Impacts and Analysis, released on 18 December 2015
- A technical report outlining KPMG's modelling assumptions entitled Outline of Financial Modelling Assumptions for Local Government published on 20 January 2016.

25. Between their establishment and March 2017, merged councils have reported savings of over \$50 million. This is more than double the original expectations. The majority of new councils have identified savings that are broadly in line with, or exceed, expectations over the next ten years.

Savings are expected from a variety of different measures and councils are already reinvesting savings from the mergers back into their communities.

26. The Minister for the Environment, Minister for Local Government, and Minister for Heritage has addressed these questions.

27. No.

28. The Government is committed to working with councils to improve the sector's financial viability.

29. Information regarding the funding of NSW Government agencies is publically available in the Budget papers.

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QUESTION – Agency Structure

30. Can you please provide a list of what agencies, units, project groups and similar bodies are currently located within the Department of Premier and Cabinet?

ANSWER:

30. Details regarding the structure of the agency are detailed in the Department's Annual Report.

QUESTION – Economic Effects of Home Sharing

31. Do you accept the finding in the recent report by Deloitte's entitled 'Economic Effects of Airbnb in Australia' that Airbnb contributes \$512.5 million and 4,452 FTE jobs to the NSW economy?

(a) If not, what are the figures that you support?

32. Have regulations supporting home sharing been enacted in other Australian states?

(a) If so, which ones?

33. Did a NSW parliamentary committee, chaired by Liberal MP Mark Coure examine at these issues for eighteen months and unanimously adopt twelve recommendations?

(a) Why has the government decided not to act on these recommendations?

34. Have you met with Airbnb? If so, when?

ANSWER:

31. Short-term holiday letting is an important feature of the NSW tourism and accommodation industry, particularly in coastal areas. The Government is also committed to protecting the amenity and safety of users and the wider community.

32. Arrangements in other Australian states and territories are a matter for their respective governments and are publically available.

33. An Options Paper was released in July 2017 for public consultation, submission are still open.

34. 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.

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QUESTION – Coastal Integrated Forestry Operations Approvals

35. When will the Natural Resources Commission's 'Independent Review of Coastal Integrated Forestry Operations Approvals', as referred to in the Forest Industry Roadmap, be released publicly?

ANSWER:

35. The Natural Resources Commission's 'Independent Review of Coastal Integrated Forestry Operations Approvals' will be made public when the draft Integrated Forestry Operations Approval (IFOA) is released for public consultation.

QUESTION – Property Asset Sales – Premier & Cabinet

36. Can you confirm that in the Financial Year 2011/12 the Premier and Cabinet cluster sold 195 properties at a value of \$124.51M?

37. Can you confirm that in the Financial Year 2012/13 the Premier and Cabinet Services cluster sold 14 properties at a value of \$8.43M?

38. Can you confirm that in the Financial Year 2013/14 the Premier and Cabinet cluster sold 2 properties at a value of \$1.14M?

39. Can you confirm that in the Financial Year 2014/15 the Premier and Cabinet cluster sold 289 properties at a value of \$190.14M?

40. Can you confirm that in the Financial Year 2015/16 the Premier and Cabinet cluster sold 322 properties at a value of \$224.92M?

41. Can you provide details as to how many properties were sold by the Premier and Cabinet cluster in the Financial Year 2016/17 and what the total value of those sales was?

42. For each of the Financial Years, 11/12 through to 16/17 inclusive, can you provide the breakdown, within the Premier & Cabinet cluster, as to which departments/agencies sold what volume of properties and at what value, for each of the financial years?

43. For each of the Financial Years, 11/12 through to 16/17 inclusive, what portion, as a percentage or dollar value, of the properties sold went back into the Budgets within the Premier & Cabinet cluster, and what portion went into the Restart NSW fund?

(a) Are you able to provide a breakdown by department/agency?

ANSWER:

36 – 43. Property NSW publishes data on property disposals on its website.

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QUESTION – Flexible Workplaces

44. The then-Premier announced on International Women's Day last year that the public service would allow all employees to access flexible working arrangements by 2019.
- (a) Do you have a coordinating role for the implementation of this policy?
 - (b) Is there any monitoring of the implementation of this policy by individual departments?
 - (c) Is there any monitoring of the implementation of this policy by the NSW office for women?
 - (d) Is there any monitoring of the implementation of this policy by the department of Premier and Cabinet?
 - (e) Do you centrally register staff that access flexible work arrangements?
 - (f) How many staff in your department access flexible workplace arrangements?
 - (g) Can you describe the 'flexible working arrangements' that the staff in your department access?

ANSWER:

44. The Public Service Commission has developed a sector-wide response to the commitment to make all roles in the NSW government sector flexible in some form on the basis of "if not, why not", for consideration by Government. This was informed by a current state assessment of flexible working in the NSW government sector and feedback received by NSW government sector agencies, unions and other key stakeholders on a discussion paper that was released.

QUESTION – Office Administration

45. 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?
46. 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?
47. 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?
48. Has any artwork been purchased or leased for display in your ministerial office in 2016-17?
- (a) What is the cost of this?
49. Have any floral displays or indoor plants or potplants been hired or leased for display in your ministerial office in 2016-17?

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(a) If so, what was the cost of these items?

50. 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?

51. 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?

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

53. 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?

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

(a) What is the monthly cost of this?

55. What non-standard features are fitted to your ministerial vehicle?

(a) What is the cost of each non-standard feature?

56. 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

57. 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:

45. 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

46. 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.

47. 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 ManaFged Fund. Repairs are funded by the Department of Premier and Cabinet, Corporate and Ministerial Services.

48. Artwork in the Premier's office includes art donated at no cost and artwork on loan from the Art Gallery of NSW for which the Gallery charges a nominal subscription fee.

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- 49 - 50.** Floral arrangements purchased by the Ministry are managed within the office's budgets.
- 51.** The Premier's office subscribes to a modest number of publications, the cost of which is managed within the office's budget.
- 52.** Expenditure on stationery in 2016-17 across the Ministry was \$146,596. This includes the cost of printed stationery (business cards and letterheads).
- 53.** Gifts are presented to dignitaries during overseas missions and to dignitaries visiting NSW.
- 54.** No.
- 55.** 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.
- 56.** Expenditure on taxis, hire cars and ride share services in 2016-17 across the Ministry was \$82,771, down from \$99,463 in 2015-16. This compares with 2009-10 expenditure of \$175,776.
- 57.** Expenditure on charter flights for the Ministry totalled \$6,921 in 2016-17, down from \$28,706 in 2015-16. This compares with expenditure in 2009-10 of \$281,567.

QUESTION – Hospitality

- 58.** How much did your ministerial office spend on hospitality, including catering and beverages, in 2016-17?
- 59.** How much did your Department/agency spend on hospitality, including catering and beverages, in 2016-17?

ANSWER:

- 58.** Expenditure on hospitality across the Ministry totalled \$32,021 in 2016-17- which includes catering for stakeholder meetings and courtesy calls with visiting dignitaries –
- 59.** Costs are managed within each agency's recurrent budget.

QUESTION – Labour Hire Firms

60. 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

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ANSWER:

60. The Premier and Cabinet Cluster uses Labour Hire firms, in accordance with NSW Public Service policies to cover temporary vacancies as required. There are no central records maintained, with operations authorised to make such arrangements, subject to their overall labour expense cap.

QUESTION - Media and Public Relations

61. 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?

62. 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?

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

64. 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?

65. 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?

66. 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:

61. DPC staff numbers are included in the Annual Report.

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

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

64. A centralised media function was established for the Department of Premier and Cabinet in 2015.

65. A centralised media function was not established for the Department of Premier and Cabinet until 2015.

66. No.

QUESTION - Facebook

67. How much did your ministerial office spend on Facebook advertising or sponsored posts in 2016-17?

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

ANSWER:

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

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

QUESTION - Overseas Trips

69. 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?

70. 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:

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

QUESTION - Department/Agency Travel

71. 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

72. 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:

71. All Departments' travel in 2015-16 was accordance with NSW Treasury and Finance Circular OFS-2014-07. In addition, for DPC, travel accords with the Department's Taxi Usage Policy.

DPC travel costs for 2016/17 were as follows:

a) \$195,498. This compares with \$466,745 in 2009-10

b) \$19,812*. This compares with \$10,000 in 2009-10

c) \$81,667. This compares with \$53,047 in 2009-10

d) \$1,337.

* This includes arrangements for the Australia-China Provincial Leaders Forum.

72. No.

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QUESTION - Consulting

73. 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?

74. 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:

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

QUESTION - Department/Agency Staffing

75. 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?

76. 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?

77. 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?

78. 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?

79. 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?

80. Have any staff who received a redundancy in the last two years undertaken any paid work

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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?

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

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

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

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

ANSWER:

75. Public Service Senior Executive (PSSE) numbers are reported in the Annual Reports of each agency within the Premier and Cabinet Cluster.

76. Public Service Senior Executive (PSSE) remuneration is reported in the Annual Reports of each agency within the Premier and Cabinet Cluster.

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

79 – 82. 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.

83. Stationery expenses are accounted for in agencies recurrent budgets.

QUESTION - Smart Phone Accounts

84. 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?

85. 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:

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

QUESTION - Websites Visited

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

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

ANSWER:

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

QUESTION - Merchant fees

88. 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.

89. 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.

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

ANSWER:

88 – 90. 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.

DPC staff only use their Pcards 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.

QUESTION - Probity Auditor

91. 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:

91. In accordance with the NSW Procurement Board's Direction (PBD-2013-05), DPC 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.

QUESTION - Matthews Report in NSW Water Management and Compliance

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92. Will you commit to send a letter to the Chair of the Murray Darling Basin Authority “proposing a range of Basin-wide initiatives to ensure all States are engaged alongside NSW in improving their compliance and enforcement efforts” as recommended by Ken Matthews?

93. Ken Matthew’s interim report into NSW Water Management and Compliance has revealed:

- “a culture of tolerance for expedient work practices in the interests of “outcomes”, but at the expense of due and proper process”;
- “examples of possible failures to confront unethical behaviour”;
- “public servants clearly deficient in their understanding of the Westminster conventions”;
- “a group culture diverging from the best traditions of Australian public administration”;
- “at risk is public confidence in the ethics, trustworthiness, and high standards of personal conduct expected of professional public servants”;
- “structural and staffing changes made within the department...reduced the focus on compliance enforcement”;
- there have been years of delay in compliance and enforcement;
- Senior managers at all points on the chain of command have failed to take responsibility to drive progress in compliance and enforcement; and
- there is no evidence that senior management lent support to a major investigation into alleged water management breaches in North Western NSW, “despite the advice from the Strategic Investigations Unit it believed there was widespread non-compliance in the Barwon–Darling region—a most serious allegation that should normally be expected to prompt swift attention from responsible managers right up the chain of command.”
- The DPI Director General was aware of Mr Hanlon’s “secretive group” of irrigators who he gave confidential government documents to.

Given this damning evidence that there has been a long term, cultural issue within the DPI which has not been addressed by Senior Management, and given his decision not to immediately stand Mr Gavin Hanlon aside following the revelations on the 4 Corners program, do you support calls for Mr Scott Hansen, DPI Director General since January 2014, to either resign or be removed from his position?

94. Given the damning revelations from this report which show an inherent conflict of interest in the Department of Industry being responsible for the interests of large irrigators while also being responsible for managing water resources for the benefit of the community and the environment, will you move responsibility for water in NSW to the Department of Planning and the Environment?

95. Given the National Party are clearly much too close to their donors in the irrigation industry, will you ensure that no National Party Minister has responsibility for water?

96. Will you instigate an independent investigation into the role of Kevin Humphries, Troy Grant and their offices in regards to the allegations concerning illegal pumping or use of water on the property Burren Downs?

97. Will you ensure that there is an urgent 25% augmentation of funding for compliance and investigations regarding water in NSW for the next 2 years as recommended in the report?

98. What will you do to rebuild the “sudden and sharp loss of public confidence in compliance and enforcement arrangements in the Barwon–Darling region, and NSW more broadly”?

ANSWER:

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SUPPLEMENTARY ANSWERS - PREMIER

92. This letter has already been sent.

93. Staffing arrangements within NSW Government departments or agencies are a matter for respective secretaries.

94. The Ken Matthews' interim report recommends all compliance and enforcement functions now dispersed between WaterNSW and DPI–Water be brought into the Department of Industry, under a new Natural Resource Access Regulator to be established at arm's-length from DPI–Water. The Minister for Regional Water has already asked the Department of Industry to investigate the creation of a new Natural Resource Asset Division and a new independent Natural Resource Access Regulator.

95. This is a ridiculous proposition.

96. There are a number of independent investigations into this matter, including the ICAC.

97. The Minister for Regional Water has accepted the principles set out in the Water Management Compliance Improvement Package and is exploring the best way to implement this.

98. The Ken Matthews interim report made a number of recommendations on compliance and investigations. The Minister for Regional Water has accepted the principles set out in the Water Management Compliance Improvement Package and has already begun work to implement these recommendations. The Minister is investigating the creation of a new independent Natural Resource Access Regulator, which will provide greater transparency and independence in how water compliance issues are investigated. A new Investigative Taskforce with specialists in law enforcement will also be established to support decision making on whether prosecutions should commence.

QUESTION - Energy

99. Do the Premier and/or the Department of Premier and Cabinet have any specific roles in planning for the energy security of NSW both at a state level and at a Commonwealth level? How are these roles different to those played by the Minister for Resources, Energy and utilities or the Department of Planning and Environment?

ANSWER:

99. Energy security is a priority for the NSW Government, that is why we have established the Energy Security Taskforce, chaired by the NSW Chief Scientist Mary O'Kane AC.

The Allocation of Acts is publically available. As Premier I am determined to ensure the NSW Government does everything within its power to secure our energy needs.

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SUPPLEMENTARY ANSWERS - PREMIER

QUESTION - Impacts of Climate Change

100. Given the Australian Prudential Regulatory Authority has put directors of insurance companies and banks on notice that they could be in breach of their director duties if they fail to incorporate climate change risks into their financial models and disclose the risks that they face, will you commit to undertake specific modelling to assess the impacts of climate change on the New South Wales State budget?

(a) If not, why not?

(b) If yes, what timeframe will you commit to?

ANSWER:

100. The NSW Government takes in a range of considerations in respect of outside events.

QUESTION - Net Zero by 2050

101. How do you intend to meet your emissions target position of net zero emissions by 2050?

102. What specific policies and programs do you have in place to achieve this?

103. What specific policies and programs do you intend to have in place to achieve this?

104. Are there any interim targets?

105. Who is responsible for meeting the target?

106. Who is responsible for assessing progress towards the target?

107. How is NSW currently tracking in regards to the target?

(a) What evidence is this based upon?

108. Is it possible to achieve this target while still maintaining coal fired power stations in NSW?

(a) If yes, how much carbon will need to be sequestered annually to meet the target?

(b) If no, what is the expected timetable for the closure of coal fired power stations to meet the target?

ANSWER:

101. The NSW Climate Change Policy Framework sets out strategic directions and the role of NSW Government in emission savings.

102 - 103. The NSW Government has many existing policies and programs that relate to reducing emissions. These include:

- The Energy Savings Scheme which provides financial incentives for households and businesses to save energy
- The Building Sustainability Index (BASIX) which sets minimum energy performance standards for new residential buildings and major renovations
- The Climate Change Fund which funds energy efficiency, renewable energy and emissions related programs.
- The Energy Efficiency Action Plan including the government's target to assist households and businesses save 16,000 gigawatt hours of electricity a year by 2020

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SUPPLEMENTARY ANSWERS - PREMIER

- The Renewable Energy Action Plan including having a Renewable Energy Advocate within the NSW Government
- The Government Resource Efficiency Policy which sets targets and standards for government agencies to reduce their energy use
- The Waste and Environment Levy which provides a price signal to reduce landfill, the major source of emissions from waste, and funds programs that reduce organic waste to landfill, which also reduces emissions.

104. The Government has previously announced its policy on this issue and remains committed to it.

105 - 106. The whole of the NSW Government has committed to an aspirational objective to achieve net zero emissions by 2050.

107. The Commonwealth Department of Environment and Energy publishes estimates of NSW emissions each year as part of Australia's National Greenhouse Accounts.

108. The NSW Government has not prescribed how different sectors will contribute to our aspirational objective to achieve net zero emissions by 2050.

QUESTION - South Coast Youth Unemployment

109. What level of government, government agency or Minister is responsible for addressing youth unemployment?

110. What NSW Government programs targeting youth unemployment are available in the following local government areas:

- (a) Shoalhaven
- (b) Eurobodalla
- (c) Bega Valley
- (d) Kiama
- (e) Wollondilly
- (f) Wingecarribee

111. For each of the programs in the answer above:

- (a) How much money is available under each program?
- (b) How much money from these programs has been allocated to each of the above local government areas, if any? Please provide a breakdown under each program.

ANSWER:

109. All levels of government in Australia should be committed to assisting young people find and maintain meaningful employment. Since coming to government, the NSW Liberals and Nationals have delivered more jobs and the lowest youth unemployment rate of any state in the nation.

110. A variety of NSW Government programs and policies have been enacted to further improve youth employment opportunities, such as Smart and Skilled, which helps people get the skills they need to find a job and advance their careers. Smart and Skilled is a state-wide program that provides eligible students with:

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SUPPLEMENTARY ANSWERS - PREMIER

- an entitlement to government-subsidised training up to and including Certificate III; and
- government funding for higher-level courses (Certificate IV and above) in target priority areas.

111. The 2017-18 Budget provides \$1.7 billion for TAFE NSW across the state. In addition, \$759 million has been allocated for skills development and training programs, including training through TAFE NSW and registered Smart and Skilled providers.

QUESTION - Housing affordability

112. Has any modelling been done that considers the costs and benefits of replacing stamp duty with a broadbased land tax, noting this was a recommendation of the Henry Tax Review?

113. Has the NSW Government lobbied the Federal Government in regards to capital gains tax reform and/or negative gearing reform?

(a) If so, how many times did such discussions occur?

(b) What were the outcomes of these discussions?

ANSWER:

112 - 113. The Henry Tax Review was released in 2010 by the former Rudd Government.

The NSW Government recently announced a comprehensive Housing Affordability package to support first homebuyers by providing stamp duty exemptions, boosting housing supply and delivering infrastructure to support growing communities across the State.

The package was developed in consultation with former Governor of the Reserve Bank Glenn Stevens and other experts. I am confident it provides the best policy approach to support first homebuyers.

QUESTION - Microplastics

114. Is testing for microplastics routinely carried out on NSW drinking water? If so:

(a) Is this compulsory?

(b) Who is responsible for this testing?

(c) What are the reporting requirements?

(d) What were the results?

115. If microplastics testing is not part of the routine tests carried out on NSW drinking water, would the NSW Government consider adding it to the regular testing regime?

116. What is the status of the Government's efforts to phase out microbeads?

(a) Is there a voluntary agreement with industry?

(b) Have there been any discussions with the Commonwealth Minister for the Environment who intended to implement a ban on microbeads from 1 July 2017? If so, what are the outcomes of these discussions?

(c) Is the NSW Government considering a ban on microbeads? If so, when is this expected?

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SUPPLEMENTARY ANSWERS - PREMIER

ANSWER:

114 - 115. The NSW Government complies with the national Australian Drinking Water Guidelines, which are publically available.

116. The industry representative body for hygiene and cosmetic products, Accord, is leading the voluntary industry phase out of microbeads. Accord is on track to achieve widespread phase out of microbeads by mid-2018.

QUESTION - Plastic Bags

117. What is the status of negotiations to ban single-use plastic bags in NSW?

118. Since you have become Premier have you met with any stakeholders, Members of Parliament or government agencies to discuss a ban on single-use plastic bags?

(a) If so, please provide details including name, date and outcome of discussion.

119. In 2016 was there an internal whole of government 'ban on bans' as referred to in the ABC article 'Secret recording reveals NSW EPA director joking about interstate waste transferral' dated 9 August 2017 (<http://www.abc.net.au/news/2017-08-09/interstate-waste-trade-jokedabout-by-nsw-epa-boss-steve-beaman/8786440>)?

(a) If so, did this apply to single-use plastic bags?

ANSWER:

117. Large retailers including Coles, Woolworths and Harris Farm have voluntarily agreed to phase out plastic bags.

State and Territory Environment Ministers have agreed to work with retailers to explore options to reduce the use of heavyweight plastic shopping bags.

118. Ministerial meeting disclosures are publically available.

119. The NSW Government reviews policy proposals on their individual merits.

QUESTION - Sydney Marine Park

120. Since you have become Premier have you met with any stakeholders, Members of Parliament or government agencies to discuss the Hawkesbury Shelf Bioregion Marine Bioregion assessment or any proposal for a marine park in Sydney?

121. Since you have become Premier, how many new marine parks have been reserved?

122. Since you have become Premier, have any current marine parks been added to?

ANSWER:

120. Ministerial meeting disclosures are publically available.

121 - 122. The Government is currently undertaking marine estate reforms, to help protect and conserve the State's marine environment.

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SUPPLEMENTARY ANSWERS - PREMIER

QUESTION - National Parks

123. Since you have become Premier, how many new national parks have been reserved?

124. Since you have become Premier, have any current national parks been added to?

ANSWER:

123 - 124. The Government is committed to the conservation and wellbeing of our National Parks. Over 3,100 hectares of land has been acquired as additions to several national parks in recent months. The NSW Liberals & Nationals Government established the Dharawal National Park – something Labor promised but failed to deliver in 16 years.

QUESTION - Follow the dollar

125. Has the Government considered amending the Public Finance and Audit Act 1983 to enable the Auditor-General to 'follow the dollar' by being able to directly audit functions performed by entities, including private contractors and other non-government organisations, on behalf of the State in the delivery of government programs?

(a) If so, what investigations or modelling has been done?

(b) If not, what is the justification provided to not allow the Auditor-General to have these powers, as they are introduced in most other Australian states?

126. How much money is currently outsourced to private entities and other non-government organisations, on behalf of the State in the delivery of government programs?

127. Has any form of risk assessment to the potential misuse or ineffective use of the above money been carried out?

128. What checks and balances does the Government have in place to ensure government programs that are being run by private operators do not mismanage their funds?

ANSWER:

125-128. The NSW Government has carefully considered the recommendations of the Legislative Council's Portfolio Committee No. 2 - Health and Community Services Committee following the Inquiry into Child Protection. On 18 September, a coordinated whole-of-government response was provided to the Parliament.

The NSW Government is strongly committed to financial accountability when contracting external organisations to assist in service provision.

QUESTION - Compliance

129. In light of recent ABC Four Corners inquiries into compliance issues surrounding both the NSW waste and water industries:

(a) Will the Government direct increased funding to compliance activities in the Environmental Protection Agency and the NSW Office of Water? If so, how much?

(b) Will you consider moving the Environmental Protection Agency out of the Office of Environment to be an independent agency within the Department of Premier and Cabinet?

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SUPPLEMENTARY ANSWERS - PREMIER

ANSWER:

129. (a) The NSW Office of Water no longer exists. Their work is now done by WaterNSW and DPI Water.

The Ken Matthews interim report made a number of recommendations on compliance and investigation work. The Minister for Regional Water has accepted the principles set out in the Water Management Compliance Improvement Package and has already begun work to implement these recommendations.

Funding for the EPA will be considered as part of the annual budget process. This year \$177.5 million has been allocated to the EPA to ensure it can operate as a modern and independent regulator in NSW that protects the environment and public health – this is a 5.7% increase (\$9.6m) on the 2016-17 budget.

(b) It was this Government that established the Environmental Protection Agency as an independent statutory agency.

QUESTION - Social media

130. What are the current NSW guidelines for public servants using social media?

131. Have there been any breaches over the last financial year? If so:

(a) How many?

(b) What action was taken for each?

ANSWER:

130. The NSW Government's social media policy and guidelines are publically available.

131. DPC is not aware of any breaches to the policy.

QUESTION - Public service staffing

132. Across the NSW public service:

(a) How many permanent Full-Time Equivalent positions are currently filled?

(b) How many Full-Time Equivalent positions are filled by contractors on contracts for 2 years or less?

133. How much money was spent on consultants in the last financial year? Please breakdown by agency.

(a) How many Full-Time Equivalent hours does this equate to?

ANSWER:

132 (a). Information regarding the characteristics of the NSW public sector workforce is available in the Workforce Profile, published by the Public Service Commission.

(b) Whole of government information on the number of contractors employed or the length of their contracts is not available.

133. Consultancy expenditure is detailed in agency annual reports.

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SUPPLEMENTARY ANSWERS - PREMIER

QUESTION - Climate change modelling

134. In the hearing it was clear that there has been no economic modelling carried out for climate change impacts on NSW infrastructure, property and the budget:

(a) Will you carry out such modelling? If not, why not?

ANSWER:

134. The NSW Government already integrates climate change considerations into decision making. For example, climate change data from the NSW and ACT Regional Climate Modelling Project (NARCLiM) is factored into Common Planning Assumptions.