

PORTFOLIO COMMITTEE NO. 1 – PREMIER AND FINANCE

Tuesday 10 September 2019

Examination of proposed expenditure for the portfolio area

THE LEGISLATURE

UNCORRECTED

The Committee met at 9:30 a.m.

MEMBERS

The Hon. Tara Moriarty (Chair)
The Hon. Robert Borsak (Deputy Chair)
The Hon. Mark Buttigieg
The Hon. Anthony D'Adam
The Hon. Ben Franklin
The Hon. Taylor Martin
The Hon. Shaoquett Moselmane
Mr David Shoebridge
The Hon. Natalie Ward

PRESENT

The Hon. John Ajaka, *President of the Legislative Council of NSW*

CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS

Corrections should be marked on a photocopy of the proof and forwarded to:

**Budget Estimates secretariat
Room 812
Parliament House
Macquarie Street
SYDNEY NSW 2000**

The CHAIR: Welcome to the public hearing for the inquiry into budget estimates 2019-2020. Before I commence I would like to acknowledge the Gadigal people, who are traditional custodians of this land. I would also like to pay respects to the elders, past and present, of the Eora nation and extend that respect to other Aboriginals present. Welcome President John Ajaka and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolio of the Legislature.

I remind everybody that today's session is broadcast on the Parliament website. While members of the media may film or record Committee members and witnesses, people in the public gallery should not be the primary focus of any filming or photography. I also remind media representatives that they must take responsibility for what they publish about the Committee's proceedings. The guidelines for the broadcast of proceedings are available from the secretariat.

All witnesses in budget estimates have the right to procedural fairness according to the procedural fairness resolution adopted by the House in 2018. There may be some questions that a witness could only answer if they had more time or with certain documents to hand. In those circumstances, witnesses are advised that they can take the question on notice and provide the answer within 21 days. Any messages from advisers or members of staff seated in the public gallery should be delivered through the Committee secretariat.

President, I remind you and the officers accompanying you that you are free to pass notes and refer directly to your advisers seated at the table behind you. Transcripts of this hearing will be available on the web from tomorrow morning. I remind everybody to switch mobile phones off or to silent for the duration of the hearing.

JOHN GREGOR, Director, Financial Services, Department of Parliamentary Services, sworn and examined

MARK WEBB, Chief Executive, Department of Parliamentary Services, affirmed and examined

DAVID BLUNT, Clerk of the Parliaments and Clerk of the Legislative Council, Department of the Legislative Council, sworn and examined

The CHAIR: I declare the proposed expenditure for the portfolio of the Legislature open for examination. This session will run from 9.30 a.m. to 11.30 a.m., with questions coming from the Opposition and the crossbench. We will start with the Opposition.

The Hon. MARK BUTTIGIEG: Thank you all for appearing. The first series of questions relate to the efficiency dividend. I am happy for anyone to take it. Could you clarify or confirm that the Parliament is indeed subject to the efficiency dividend?

The PRESIDENT: I will start with that question and if necessary I will hand over to Mr Webb. Efficiency dividends were first introduced at approximately 1½ per cent. They have continued ever since then over the last 10-plus year period. The Parliament is required to meet those efficiency dividends as a separate cluster, as all other government clusters are required to meet them. The current situation is this: The efficiency dividend is at 3 per cent. Last year when it was at 3 per cent I was able to convince Treasury to reduce it to 2 per cent and we were able to meet that efficiency dividend. This year it has come in at 3 per cent and Treasury has added that 1 per cent that was forgone last year.

Mr DAVID SHOEBRIDGE: Shame.

The PRESIDENT: So we are now required to meet a 4 per cent efficiency dividend. I can give that to you in dollars so that it becomes a little clearer. At 4 per cent of the budget that is subject to efficiency dividends—not the entire budget but certain elements of the budget are—that equates to \$1,337,000 of efficiency savings we are required to find. If you look at it, 1 per cent is \$334,000. So taking us from 3 per cent to 4 per cent is an additional \$334,000.

The Hon. MARK BUTTIGIEG: So it has been going for about 10 years with presumably varying amounts from, you said, 1.5 per cent up to 3 per cent and then this year 4 per cent. Do we have an idea of the cumulative effect of that over the 10-year period?

The PRESIDENT: I can give you some figures that I have been able to extract, if I may, from 2011. I extracted the figures from when this current Government came into being. In 2011-12 it was \$452,000. In 2012-13 it was \$452,000. In 2013-14 it went down to \$300,000 and in 2014-15 it was \$360,000. In 2015-16 it was \$1,065,000, 2016-17 \$490,000, 2017-18 \$516,000 and 2018-19 \$686,000. If you were to add all of that up you would get a figure of approximately \$4.3 million since 2011. Now I have to find on top of that—

The Hon. MARK BUTTIGIEG: What does that represent in terms of the overall budget of the Parliament in terms of the impact?

The PRESIDENT: I will start off with this. If you look at *Budget Paper No. 3*, page 9.1, recurrent expenses come in at \$171 million, capital expenditure comes in at \$25 million. Capital expenditure is not subject to the efficiency dividend. Of the \$171 million budget, approximately 22 per cent of that is subject to efficiency dividends—that is, about \$35 million. So you take the 4 per cent of that \$35 million and that is how you get the figure of \$1.337 million.

The Hon. SHAOQUETT MOSELMANE: Could you elaborate on that 22 per cent? What is that made up of in terms of services—

The PRESIDENT: I will get Mark Webb to answer that specific part of it. The reason a lot of it is, if I can use the word, protected is that a good portion of the \$171 million is, of course, members' salaries, staff salaries et cetera. So, of course, none of that is subject to the efficiency dividend. That is with the Parliamentary Remuneration Tribunal. As you know, this year that went up 2.1 per cent.

Mr DAVID SHOEBRIDGE: It is just everybody who helps us do our job.

Mr WEBB: Yes, that is correct.

The PRESIDENT: That is a very good way of putting it, Mr Shoebridge. If you want me to give you an example, we are talking about Hansard, the attendants, the cleaners, the Department of Parliamentary Services [DPS] or in relation to the Legislative Council. I cannot comment on the Legislative Assembly [LA] but that is

part of the \$1.337 million that has been identified. I like what Mr Shoebridge said: It is everyone who helps us do our job.

The Hon. MARK BUTTIGIEG: Of that segment that is not quarantined—or protected, as you put it—do we know what the contribution of the labour costs to that portion are? In other words, what exposure does the labour book have to that efficiency dividend?

The PRESIDENT: If we are talking staffing levels as labour costs, it would be the vast majority of it.

The Hon. MARK BUTTIGIEG: Okay.

The PRESIDENT: As I said, whether we are talking about the cafes, restaurants, cleaners, Hansard, attendants—

The Hon. ROBERT BORSAK: The library.

The PRESIDENT: The library. It is all part of it.

The Hon. ROBERT BORSAK: Research.

The PRESIDENT: That is part of the library.

The Hon. MARK BUTTIGIEG: Is it fair to say that this efficiency dividend inevitably puts the Parliament in a position where labour has to be shed?

The PRESIDENT: I will put it to you this way, if I may. I have asked the department heads to come back to me with a detailed report as to how we find the \$1.337 million. I do not want to identify each and every separate item because right now I have not made a decision. But right now—if I can use this phrase—everything is on the table. Everything is being considered. I have to consider everything to be able to do that. I will commit too that there will be extensive consultation with members.

I have to say that I cannot even guarantee you that there will not be an impact on services being offered to members because the reality is that if you look at each and every aspect—whether it is Hansard, the library, Cafe Quorum or the cleaners—clearly there is an impact. Can I go one step back to what I should have announced. I have not accepted the 4 per cent. We are currently negotiating with Treasury. We have written to them. We have indicated to them that finding 4 per cent is, if not impossible, near impossible. Finding 3 per cent is extremely difficult. Two per cent is something that is probably far more achievable for us. The difference between 2 per cent and 4 per cent is \$668,000.

The Hon. MARK BUTTIGIEG: Can I just take you up on that because it is a very valid exposition of the conundrum that everyone knows we are facing? Back in the day—you mentioned 10 years. I think this goes back to the Costa days of 2006—

Mr WEBB: Yes, 2006-07.

The Hon. MARK BUTTIGIEG: Presumably the rationale back in those days was that there was a quantum of fat or waste, or whatever you want to call it, which could be cut. And beyond a certain point that waste was presumably trimmed. Presumably the logic of the current Government is that there is still some fat or waste there. Otherwise, the necessary conclusion is that you are going to materially affect the output level of service that you can provide for the Parliament to do its proper functions. In your opinion are we beyond that point? Are we at the point where we are actually reducing services to the Parliament?

The PRESIDENT: Let me use your analogy. When Michael Costa, then Treasurer, introduced the efficiency dividend he considered that there was fat within all clusters and he considered that the Parliament was one of those clusters. Over this 10-year period—whether it was 1 per cent, 2 per cent, 3 per cent or now 4 per cent—my view is that there is not only no fat left, I believe that we have not only hit the bone but I am being asked to trim the bone. I have been asked to find ways of trimming the bone.

As President it is my responsibility. Ultimately the buck stops with me. Asking my department heads to keep finding ways of trimming the bone is incredibly unfair. This is my argument to Treasury. At a time when there was a lot of fat it is fine, but this 1 per cent, 1½ per cent, 2 per cent, 3 per cent and now 4 per cent are cumulative. You keep adding it on and you keep asking yourself over the 10-year period—I am just taking a figure out of the air—if it has been \$4½ million since we were in government, you have to assume that prior to that period there was another couple of million dollars. Now I am being asked to find another \$1.3 million on top of that.

We are a very small cluster. When I was Minister for Disability Services, Ageing and a number of other portfolios I had a budget of over \$5 billion. When you try to find a little bit of fat there you can do that. But when you have a budget of a total of \$171 million and you are asked to continually each year cumulatively find efficiency dividends, I am happy to say that it is unrealistic.

The Hon. ROBERT BORSAK: It is actually worse than that because—

The PRESIDENT: You are the accountant.

The Hon. ROBERT BORSAK: —so much of it is quarantined.

The PRESIDENT: One hundred per cent. I am trying to find it over \$35 million. That is my total budget. It is actually wrong to say it is over \$171 million. I cannot use the rest of it.

The Hon. ROBERT BORSAK: No.

The Hon. SHAOQUETT MOSELMANE: Assuming you are successful in getting a cut to 2 per cent, which means about \$650,000, you said you may be able to absorb that. Where are you able to absorb that? In what parts?

The PRESIDENT: Over the years we have been able to absorb in a number of ways the efficiency dividend. Of course, what you do is you have to reduce. You can reduce your costs in one of two ways: You cut costs and you increase some of the revenue coming in. Catering is probably the best example I can give you. Catering at one time, not too long ago, was reading a loss of approximately \$1.5 million a year, give or take. At the time I became President I believe it was still running at around \$400,000, give or take. Mr Webb will correct that for me in a moment, so I can get the exact figure. For the first month since the new financial year we have broken even, we are not incurring any losses. That is a very substantial saving and that helps enormously with the efficiency dividend.

The Hon. SHAOQUETT MOSELMANE: You have done that by privatising the services.

The PRESIDENT: Another aspect, we have reduced the hours in the library. There are some savings there. In relation to cleaners, some of the full-time staff have left. We answered a question from Mr Shoebridge about this last year. They have been replaced by some casual staff. Hours are increasing but costs are going down. You can find some ways but finding 2 per cent is incredibly difficult. I truly believe that finding 4 per cent is near impossible.

The Hon. MARK BUTTIGIEG: You have given us this description about not just cutting but cutting to the bone. Has there been an economic analysis or a costing done on this and then fed back to Treasury? What has been the outcome of those discussions?

The PRESIDENT: This is what we are doing. As I have indicated, I have asked the department heads to come back. Remember there are three departments: the Legislative Council, the Legislative Assembly—I cannot speak on behalf of the LA but they have their component—and DPS. DPS would need out of that \$1.337 million to find \$840,000 in savings for this year. The Clerk of the LC must find \$220,000. They have given me an analysis of how they can find that, and I am telling you everything is on the table. I do not want to go into any specifics because the last thing I want to do is to cause more concern for the staff. It is not fair for them. If I am successful in convincing the Treasury to go from 4 per cent to 2 per cent, then we are no longer talking \$840,000, we are talking \$420,000. It is a big difference.

The Hon. ANTHONY D'ADAM: What is the time frame for that consideration? When will Treasury come back to you?

The PRESIDENT: The last letter came from me. We are waiting for Treasury to come back. We intend to talk to them every couple of days. I intend to arrange for both Mr Speaker and I—we are of the one mind—to sit down with the Treasurer and put our cards on the table. We just cannot do it.

The Hon. ROBERT BORSAK: How does all that chime with the new sessional orders that we have created and the extra support, the extra hours, the extra work that now is required from the Clerk's office and the other supporting functions that your officers provide? The fact is that we are sitting all these extra hours for this budget estimates, then we are going to have some supplementaries, then we might have some next year. We might sit down and review the sessional orders yet again. How is that all going to be paid for if you still have to chop back 4 per cent? I would have thought at least in some areas those costs would be going up?

The PRESIDENT: They are. I can give you the committees as a very good example. One of the things that occurred prior to the budget being announced—part of that \$171 million—is that we were able to convince

Treasury to provide an additional \$1.5 million for the committees. If you go to page 9-2 of *Budget Paper No. 3*, it is \$2.9 million over four years that is being provided. So it is \$700,000 for this year. That is almost an extra \$3 million over four years. That is because of the additional committee work et cetera. But that is, to date, the only real area of all of the Parliament work where we have been able to. That has resulted in additional secretariat staff being hired for the committees and additional funds.

The Hon. MARK BUTTIGIEG: Is that a direct reaction to the changed sessional orders and increased workload of this Parliament?

The PRESIDENT: No. That was because we could see—to the credit of Mr Blunt as Clerk; he is responsible for it—that additional work was well and truly coming into the committees et cetera.

Mr DAVID SHOEBRIDGE: A longstanding need.

The PRESIDENT: Yes.

The Hon. MARK BUTTIGIEG: I am conscious of the time but let's pull that back.

The PRESIDENT: You have got two hours. I am happy to talk about this for two hours.

Mr DAVID SHOEBRIDGE: We are all happy.

The PRESIDENT: Can I make it clear: I am happy for all of you and any one of you to assist with Treasury in giving me more money.

The Hon. MARK BUTTIGIEG: Prior to this Parliament, which has obviously seen an increase in workload as a result of the changed sessional orders, what you are in effect saying—let's leave aside the fact that it might come in at four, three, two, or even one or zero. The necessary conclusion from what you have told us is that Treasury is saying that this is not about cutting fat or waste or excess resource. This is about—and we know it—cutting output and services to the Parliament to be able to do its function. There is no other way to slice it: That is what this results in. Even if you were to achieve zero, the output of the Parliament would drop because there is just no fat left at all.

The PRESIDENT: I cannot disagree with what you are saying. As I indicated, I did not want to look at any specifics of the \$840,000 but you would have to be looking at human resources. You have to look at cleaners. You have to look at attendants. You have to look at Hansard. You have to look at Cafe Quorum. You have to look at committees. Am I suddenly compelled to look at reducing travelling costs for committees? Do we suddenly find ourselves in a situation where we cannot approve travel costs for committees? These are the areas and committee support. Yes, there is an initial \$1.5 million but that was to hire some extra staff. So I cannot guarantee I will not affect services for members. Can I get Mr Webb to add a bit, but I do not want to go into specifics other than generalisations.

Mr WEBB: I just wanted to make one point. The Parliament's administration is not against being efficient. Of course, we are responsible for taxpayers' money; that is incredibly important. We have a very strong position though that those efficiencies should be reinvested back into the operation of the Parliament so that if we can find efficiencies in one part of our operations we can reinvest it in those emerging areas of need. At the moment the efficiency dividend process takes money from the Parliament and allows the Executive Government to redirect that money to Executive Government priorities. Over the last 13 years those efficiency dividends have been in place over \$6 million has been taken out of the operation of the Parliament and directed to Executive Government priorities. If we could have reinvested that \$6 million over the last 13 years, then perhaps we would not be going to Treasury asking for \$700,000 for committee support. We would have been reinvesting those efficiencies into the operation of the Parliament.

Mr DAVID SHOEBRIDGE: It is much more than \$6 million because it is cumulative. That has built up over time.

Mr WEBB: Yes. My 17-year-old nephew Ethan pointed out to me the other day that there is such a thing as the compound interest formula and that I was perhaps being a little simplistic when I just added up the numbers and got \$6 million. You are absolutely right.

Mr DAVID SHOEBRIDGE: What does your nephew say the number is?

Mr WEBB: He did quote for me the compound interest formula but I did not actually apply it. It is \$6 million just when you add it up. With that kind of compounding, you would be talking about at least another \$1 million or more on top of that. We have got \$3.4 million defined in the next three years: \$1.37 million this year but \$1 million and \$1 million in the two years that follow that. When you are starting to get close to \$10 million

over that period, if that money was reinvested in the operation of the Parliament—as I say, I am not against efficiency. Of course we should be looking for efficiencies: It is taxpayers' money that we are spending. But it should be reinvested in the operation of the Parliament, not invested in Executive Government priorities.

The PRESIDENT: Can I just add to that—and that is a really good point—it is not as if we receive the money and that we have to hand it back. It is actually deducted from us in advance. We just do not actually receive it. So we do not experience the issues in month one, two, three, four, five, six.

The Hon. MARK BUTTIGIEG: It is up-front.

The PRESIDENT: Where you start to really experience the issues is when you get to months nine, 10, 11 and 12. But we cannot wait till then. We are being forced to try and find the savings from day one, and that is the problem. I think Mr Blunt wanted to add to it from a Legislative Council perspective.

Mr BLUNT: In terms of committee support, Mr President referred to the additional \$700,000 that we were able to obtain in this year's budget going forward over the next four years. That is great; we are very grateful for that money. It has only come as a result of Mr President's advocacy. However, if we are forced to find \$200,000 a year in efficiency savings, cumulative, by the third year of this Parliament it will wipe out all of that additional funding.

Mr WEBB: Can I say also that while the committee staff are incredibly important, you pointed out, Mr Borsak, that these committee hearings—for instance, as an example I have to keep Cafe Quorum open until the committee is finished. That does not make money, that loses money. I need to make sure that the great people in Hansard are here to work through and support. That costs money, it does not save money. I need to make sure that information technology [IT] support and the broadcasting system—there are a huge number of costs that are incurred by the Department of Parliamentary Services in supporting additional measures such as this which are not covered by that \$700,000.

The PRESIDENT: He is upset he did not get part of the \$700,000.

Mr WEBB: Yes, I am.

The Hon. SHAOQUETT MOSELMANE: These are clearly alarming arguments. There are staff who are listening to this and others, even contractors. They do not know when the call might come to say, "Sorry, thank you for your services." When you meet with Treasury, do you actually meet with them or do you write a submission? Is there a physical face-to-face explanation, as you do now?

The PRESIDENT: It all occurs. We start off in meeting with them. We prepare submissions, we prepare business cases, we do it all. The staff do it all. Mr Gregor and his team put some tremendous work into it. Then face-to-face meetings are held. I will meet with them and also I will meet with the Treasurer. We succeeded last year, as I said, in reducing it from 3 per cent to 2 per cent, so there is an example of where I was successful in doing that.

The Hon. SHAOQUETT MOSELMANE: Can you tell us what that example was?

The PRESIDENT: Reducing the efficiency from 3 per cent to 2 per cent. We were successful then. What we had not anticipated is that they then add the 1 per cent to the 3 per cent for this year. They want it back. These are the things that we are arguing about.

The Hon. ROBERT BORSAK: Can we talk about capital expenditure?

The PRESIDENT: Yes.

The Hon. ROBERT BORSAK: What is the budget for capital expenditure this year and the next?

The PRESIDENT: We have received \$25 million for capital expenditure.

The Hon. ROBERT BORSAK: For what period?

The PRESIDENT: If I can assist you and maybe anticipate some of the questions. The reality is that if you look at all of the capital expenditure that we require, what we need—the department has prepared a 10-year plan. That 10-year plan shows that if I had a magic wand, what I require for capital expenditure over the 10-year period would come to \$428 million. That is what we need if we want to meet every possible expenditure. The reality is for 2019-20 we needed \$52 million. What did we receive? We received \$25 million, so there is a shortfall of \$27 million.

If you look at what we needed the \$52 million for, there is about \$7.5 million which is the leasing costs for the Legislative Assembly members' offices. Leave that aside. There is about \$13 million which are current projects. We will leave that aside. What we needed was \$32 million for new money, if I can use that term. We received \$4 million of that for new money. So you can see that we are dealing with certain issues that become incredibly difficult. How Mr Webb and his team are able to continually meet this is extraordinary. I can give you examples of the roof membrane and other aspects of the Parliament.

The Hon. ROBERT BORSAK: What about our computer systems? We just did a quick and dirty inquiry into the health bill and it could not cope, it crashed. It is not good enough. That was the Government's doing. Why was that happening? Why are we not upgraded?

The PRESIDENT: If you have a look at the computer system, I had a figure that if we were going to change the entire computer system—looking at the broadcasting, where we have had some issues with the broadcasting as well.

The Hon. ROBERT BORSAK: Broadcasting as well, yes. Webcasting.

The PRESIDENT: You have a total figure. Again, I need a total—of the figure that I gave you of \$32 million, I am being given \$4 million. If you look at that, then the reality is piecemeal repairs are happening. Many of you have run your own businesses and you understand the concept. If you need to effect repairs of \$1 million and you have \$200,000, then you start to pick the urgent pieces that you do. We are always playing catch-up. In other parliaments around the world, I might add, the parliament dictates the money it requires for its maintenance, repairs and depreciation. It submits that exact figure; it receives that exact figure. Canada is a perfect example. We do not get that.

Mr WEBB: To give you a sense, the depreciation of the Parliament runs at about \$15 million a year, just a tad under. That means our assets degrade at \$15 million a year. Our recurring capital allocation—the money we get every year regardless—is about \$2.9 million.

The Hon. ROBERT BORSAK: A good indicator is the written-down value of the assets on the books at the moment. What is it? Leave out any carrying value of this building, which should have been negative.

The PRESIDENT: We will take that on notice and we will come back to you.

The Hon. MARK BUTTIGIEG: I think Mr Shoebridge wants to jump in. Just quickly before he does—

Mr DAVID SHOEBRIDGE: I do not think I am jumping in. That is not how I would characterise it.

The Hon. ROBERT BORSAK: We are actually in our time, Mr Buttigieg.

The Hon. MARK BUTTIGIEG: Just very, very quickly and I will give you some bonus ones at the end. You know how you identified that that money goes back into, I think you called it Executive decisions regarding—

Mr WEBB: It goes back to the Executive.

The Hon. MARK BUTTIGIEG: Has the Government identified where the savings that Parliament makes are allocated in the budget?

The PRESIDENT: No, that goes into consolidated revenue. Every cluster is in the same position. As I said to you, instead of giving me X dollars they give me X minus Y—Y being the efficiency dividend.

The Hon. SHAOQUETT MOSELMANE: Is it 3 per cent for other clusters now?

The PRESIDENT: It is 3 per cent across the board for all the clusters. Last year it was 3 per cent across the board. Our cluster only got reduced to 2 per cent and, of course, they want us to make it up.

Mr GREGOR: The written-down value of the assets when we did the budget—\$373 million is the written-down value of the Parliament. That includes the land, buildings and all assets.

The Hon. SHAOQUETT MOSELMANE: You might have to sell a section of it.

Mr DAVID SHOEBRIDGE: Do not give the Government ideas.

The PRESIDENT: Please do not start that rumour. I have got enough problems.

Mr DAVID SHOEBRIDGE: It is a heritage asset. Are you saying you are given \$2.9 million as your standard capital funding to maintain a heritage asset the size of the New South Wales Parliament?

The PRESIDENT: Yes.

Mr WEBB: Can I say that especially when you are in the front part of the building—the 200-year-old part of the building—you can add 50 per cent to the cost of even basic repairs because of the heritage considerations. We had to find a master wallpaperer to look at a particular part of the building because of the heritage requirements around putting even wallpaper up. Something as simple as wallpaper ends up costing me a lot more than it would if you just wallpapered your bedroom at home.

Mr DAVID SHOEBRIDGE: It is a heavily used heritage building as well, which must add to the costs in terms of depreciation and basic maintenance.

Mr WEBB: Absolutely. It is the oldest continuously used public building in Australia. It is a working parliament; it is not a museum or a history area. As many of your colleagues have found in the past year or so when we tried to replace the building services in the ceilings around the place, trying to do that kind of work in a working parliament is disruptive. There are costs associated with working around the fact that we are a working parliament. It is not like I can tell you all to go home for six months while I fix things.

The Hon. ROBERT BORSAK: Have you got any reading of the numbers and the amount of visitation that comes to this building—because it is also a big tourist attraction?

The PRESIDENT: Yes, huge. We have got those numbers. I can take that on notice but we keep a complete record. Can I indicate that the numbers are increasing, which is great news. What is even better news is that the students are increasing, especially with the new Education Centre.

Mr DAVID SHOEBRIDGE: We will have to get them to take their shoes off so they do not wear out the carpet.

The Hon. ROBERT BORSAK: That is actually where I was going.

The PRESIDENT: You saw the result of the carpet on level 6. That is the difference. Can I just add this, Mr Shoebridge, to give you an idea. The Victorian Parliament depreciates its building on two levels. It is firstly depreciated as a non-heritage building where the amount is one amount, but it actually then goes and depreciates it based on the heritage, which is a much larger amount. But the entire depreciated amount is paid to the Parliament by Treasury each and every year. We do not get a fraction of that.

Mr WEBB: That also allows them to do long-term planning that we cannot do because we are literally reacting on a year-to-year basis to what the biggest areas are.

Mr DAVID SHOEBRIDGE: It is all No More Gaps and Polyfilla in the New South Wales Parliament, as opposed to fixing things.

Mr WEBB: That is exactly right. They have been undertaking a 15-year project to replace the stonework around the building. They can plan that far in advance because they know what money is coming in and they are able to do that planning.

Mr DAVID SHOEBRIDGE: I asked Mr Pratt in the Treasury hearings about how the budget is set and his answer was that the parliamentary budget is just ground through the mill like a standard budgetary process. Can I get your perspective on what the processes are for setting the parliamentary budget?

The PRESIDENT: I have read your questions and his answers to that, and he is incorrect. The Treasury Secretary was clearly of the view that the Legislature was part of the Premier and Cabinet cluster budget. That is just not the case. We are our own cluster, always have been. The Legislature is a cluster of its own due to separation of power requirements. It prepares an annual budget submission for the expenditure review committee [ERC] of Cabinet, just as every other cluster does. There is no interaction with the Department of Premier and Cabinet in any of the formulation of the Legislature's budget. It is between us and Treasury and the Treasurer. All budget submissions made by the Legislature are directly to the New South Wales Treasury, which assesses all proposals and then advises the Treasurer and the ERC. Budget proposals are assessed against the same criteria as the other Executive government agencies. I can assure you both the Speaker and I meet with the Treasurer, just as the other Ministers meet with the Treasurer, to argue our case at ERC.

Mr WEBB: Could I just add briefly to that. One of the criteria, of course, that Treasury uses in assessing budget priorities is how important is the project. The kind of criteria they use for that are things like, "Does this match the Premier's Priorities? Is this a Government announcement?" Of course, our proposals very seldom meet those criteria and, in fact, you should be worried if they do meet those criteria because we are meant to be separate

from the Executive. So automatically we start a little behind the eight ball because our proposals are not in line with the Premier's Priorities for Executive Government and they do not represent a Government announcement.

Mr DAVID SHOEBRIDGE: There is an inherent conflict of interest because, really, our job is to keep the Executive in line, yet in a darkened room without any public visibility the Executive is putting a red line through the parliamentary budget. Is that an unfair characterisation of what has happened?

The PRESIDENT: I think part of it is an unfair characterisation. Nothing happens in a dark room. It is all open; it is all transparent. It is all in the budget papers.

The Hon. ROBERT BORSAK: The lights are on but it is still happening.

Mr DAVID SHOEBRIDGE: The lights are on but the door is shut.

The PRESIDENT: It is all broadcast.

The Hon. MARK BUTTIGIEG: I think he was referring to the atmosphere.

The PRESIDENT: I take my job as President, as a Presiding Officer, being independent and impartial, very, very seriously. My responsibility is to this department, to—as I have said on many occasions—the Chamber and to the members. I take that seriously. I do not argue for the Government. There is no conflict of interest between me and the Government and no conflict of interest between me and the Treasury. I am clearly on one side, they are clearly on another side and we are fighting tooth and nail for everything we can get.

Mr DAVID SHOEBRIDGE: But surely we should be looking to make this much more transparent going forward. Instead of there being, if you like, a Cabinet-in-confidence session which we never get to see as parliamentarians, surely whatever submission the Legislature is putting forward should be given the light of day and go through a public, visible process so we know what has been given and what has been lost.

The PRESIDENT: Mr Shoebridge, I would be a hypocrite to disagree with you. I would absolutely love the situation that many other parliaments have where I can actually say, "This is what I need"—and I would only ask for what I need—and it is an automatic payment to us of what we need. That is not the case. We would love that to be the case. I can continue to argue for that. There is nothing to stop this Committee making recommendations to that effect. You would not be upsetting me by doing that. My job is to do what is best for this Parliament. I do not see myself as a member of the Government; I see myself as a Presiding Officer of this Parliament.

Mr DAVID SHOEBRIDGE: We do not have to travel far to find this process in action, do we?

The PRESIDENT: No.

Mr DAVID SHOEBRIDGE: You must have looked at the example in Canberra where the Federal Parliament has that kind of process.

The PRESIDENT: Correct.

Mr DAVID SHOEBRIDGE: Could you take us through that?

The PRESIDENT: I can ask Mr Webb to take you through it. There is not only the Parliament of Canberra, there are a number of State parliaments that have that process. I spent some time studying the processes of the Canadian Parliament. It probably has the best process of any that I have seen in relation to that. For them to meet all of their repairs to their building, they have literally built a second temporary parliament so that everyone moves into that. They will then renovate over a five-year period the new parliament. They are talking billions of dollars. It is what they needed; it is what they are getting. I am here fighting for \$1.3 million. So, yes, Mr Shoebridge is correct. Mr Webb can tell you how the Commonwealth does it and Mr Blunt will add to that.

Mr WEBB: The Australian Parliament does have some more independence measures. Similarly to us, they have their own appropriation bill. The budget for their Parliament is drawn up in three separate sections, one for each parliamentary department: the House of Representatives, the Senate and their Department of Parliamentary Services. Along with the presiding officers, who have a formal role in proposing the budget, a portfolio budget statement is developed explaining the budget measures. Parliamentary departments are required to follow the same funding guidelines and policies as government departments and a base level of funding is agreed by parliamentary officials and the Department of Finance, which is annually adjusted downwards by the efficiency dividends and upwards for inflation.

I would say there is more transparency in that process but it is still government that determines the final quantum of the amount of money that they have. If you compare that to, say, the Canadian model, which has their

Board of Internal Economy, there is essentially a board of parliamentarians. The Parliament still has to go through a transparent, open process. Everything sees the light of day, as you say, but ultimately when that board makes a decision about the appropriate level of funding for the Parliament, then that level of funding is applied and the Executive Government does not get to make some changes there.

We have been looking at models around the world of parliamentary budgets. I would draw the Committee's attention to an interesting paper that the Victorian Parliament produced on the independence of parliament budgets, which does an excellent comparison of a few models around the world—even measures such as the Victorian Parliament where they get their depreciation funded, where they are not subject to efficiency dividends and where any moneys that they save they can keep into the future. I do not know if any of you have visited the Victorian Parliament since they put their annexe on the back with member accommodation. That annexe was completely funded through retained savings. They saved the money up over a series of years and they paid for that annexe as a result of that work. We could not do something like that.

The Hon. ROBERT BORSAK: They were living in demountables for quite a while until they got that done.

The PRESIDENT: Mr Blunt can add a bit to that.

Mr BLUNT: Just to add to what Mr President and Mr Webb have said, in the model that operates in the Australian Parliament, although it is essentially the Parliament being given a sum of money determined by the Department of Finance, there is that level of transparency through the work of the appropriations and staffing committees of both the Senate and now the House of Representatives. The Senate appropriations and staffing committee has existed for a number of years, for decades. The House of Representatives one is quite new. From talking to officers of the Senate, the advantage of that process is that the President of the Senate, together with the Clerk, makes a submission to that committee indicating what funds the Senate requires to support the work of the Senate, senators, committees and so on for the next financial year.

When that committee meets, it includes all of the key officeholders from the Senate. So it includes the Leader of the Government in the Senate, who just happens to be the finance Minister at the moment. It also includes the Leader of the Opposition. So you have the Leader of the Opposition, the Leader of the Government and the President around the table together for a once-a-year discussion about the funding required by the Senate. That does seem to be something worthy of consideration. The other thing that I note about Victoria is that in addition to the retained savings and also the funding for the full depreciated amount for capital funding, the Victorian Parliament has now achieved an exemption, a full waiver from efficiency dividends going forward in recognition of the separation of powers between Parliament and the Executive. A number of these matters have been discussed in a paper that Mr President gave to a Commonwealth Parliamentary Association [CPA] conference around 12 months ago.

The PRESIDENT: I am happy to have the Clerk forward that paper to the Committee. It raises quite a number of these issues.

Mr DAVID SHOEBRIDGE: And that Victorian Parliament paper as well.

The PRESIDENT: We will send both.

The Hon. ROBERT BORSAK: Sorry, I missed that last part entirely. There is a lot of background noise here and I cannot hear you.

Mr BLUNT: There are two key things that they have achieved. They have achieved full funding of the depreciation amount—

The PRESIDENT: Of the building.

Mr BLUNT: —for capital works each year consistently over time. Secondly, they have achieved a full waiver, a full exemption from the efficiency dividends applied to government agencies. The appropriation parliament bill in Victoria includes separate amounts identified for the Legislative Council, the Legislative Assembly, joint committees, the Department of Parliamentary Services and the Parliamentary Budget Office. Interestingly, it also includes the budget for the Auditor-General.

The Hon. ROBERT BORSAK: The very fact that we are only sitting here talking about this once a year, the very fact that we are talking about it as a—I know you are still arguing with the Treasury about the 4 per cent or 3 per cent, whatever it happens to be. But the reality is it is a done deal: The Government has published its budget. It seems to be, really, closing the gate after the horse has bolted.

The PRESIDENT: Yes and no. Can I indicate this. This is not something that, for example, started in my time as President and I have been arguing—

The Hon. ROBERT BORSAK: No, I am not suggesting it is.

The PRESIDENT: But that is the difficulty of it. If you want to look at it from the point of view of presidents, this is something that started with President Primrose, continued with President Fazio and continued with President Harwin. In a sense, I have inherited it. So we are arguing consistently. I am not arguing with them once a year when the budget comes out; I have been arguing with them every month.

The Hon. ROBERT BORSAK: No, that is right. I am not making any comments in relation to your independence but it does actually talk about a difference between the people who have got the money and the people who have not got the money, and that is us.

The PRESIDENT: I think the key word is "independent". We should be independent. We should be independent the way Victoria is being treated. We should be independent the way Canada is treated. That is our biggest argument.

The Hon. ROBERT BORSAK: In any large corporation and by any stretch a \$171 million annual budget is a lot of money. That is a large corporation. The Legislature should have a finance committee. That finance committee, in my view, should be made up of representation from both sides—the major parties and the crossbench—who sit down more than once a year and actually review the budget and the processes and put ourselves in a position where we can then turn around and negotiate with the Government as a group, rather than just having the President and his support staff go in to bat after the Government has already said, "Not only are you going to cop 3 per cent but you are going to catch up on last year's as well." If we keep going down this track we are not going to have any capability to do anything in reality from a serviceability point of view, especially when you consider the majority of the \$171 million is quarantined in staff and wages and that that is also going up 2 to 2.5 per cent every year, year in year out. So on an ever-diminishing amount of the budget—\$35 million—the Government is seeking to claw back the increases that it is giving to the \$171 million worth of salaries, wages and conditions. You just cannot function on that basis in the long run, especially since it is cumulative every year.

The Hon. MARK BUTTIGIEG: The nub of the problem, as you have summarised it, is that the control of this process is with the Executive arm of government. It is in its interests—regardless of which political party is in power—it is politically expedient to cut the Parliament loose in favour of then having that consolidated revenue. That is the crux of the issue. Unless structurally we shifted to accountability under the Parliament as a whole, things probably are not going to change, is what you are basically saying.

The PRESIDENT: Can I maybe just slightly disagree on one thing: I do not believe it is fair to say Executive Government. The reality is that every government cluster is subject to the same issue. It is controlled by Treasury. That is the correct way of saying it. Unless this Parliament is given its complete independence—and that is what I discuss in my paper—we are dealing with something that has occurred with all of my predecessors and will continue to occur when I am gone with whoever succeeds me. That is the reality of it. It might be you, Mr Moselmane.

The Hon. SHAOQUETT MOSELMANE: Thank you, Mr President. I know you have indicated that you will circulate the paper but given the success of the Victorian example, can you take on notice perhaps to summarise for us what are the mechanics and the procedures that enabled the Victorian legislature to come to that point?

The PRESIDENT: I will take it one step further. I am happy to take on notice the Victorian approach, the Commonwealth and an example like Canada. I think, from memory one of the Territory governments—

Mr BLUNT: The Australian Capital Territory.

The PRESIDENT: I am happy to give you the ACT approach. I am happy to do that, and I am happy to receive those examples.

The Hon. SHAOQUETT MOSELMANE: Thank you.

The Hon. ANTHONY D'ADAM: Mr President, you have indicated that there is not enough in terms of recurrent funding. Are you prepared—on notice, if you like—to provide a figure on what you think would be adequate for the Parliament to meet its obligations?

The PRESIDENT: If we talk simply about the situation with the 10-year plan, I can tell you now. We need \$428 million over the 10-year plan. For this year we need \$52 million.

Mr DAVID SHOEBRIDGE: Sorry, Mr President, I cannot hear you over the ridiculously loud air conditioning in this poorly renovated room.

The PRESIDENT: I know. I am having trouble hearing stuff. I will say it again. If you take our 10-year plan, Treasury were very pleased that we put a 10-year plan together. This is the first time the Parliament prepared a 10-year plan under my watch. It had not occurred before. Treasury were ecstatic that we prepared the 10-year plan. They thought it was wonderful. We prepared the 10-year plan and told them what we need for the 10 years from the start. So they are happy we have prepared the plan but they will not provide us the funds. On the 10-year plan we need \$428 million. This year we needed \$57 million. We were given \$25 million. I can take it year by year and show you, but I can only talk about what they will do this year. Will they give us additional money next year? I do not know the answer to that.

Mr DAVID SHOEBRIDGE: The reality is that you needed \$32 million and you were given \$4 million.

The PRESIDENT: Thank you for that. That is the actual reality. We needed \$32 million in new money and we were given \$4 million in new money.

Mr WEBB: And that, in part, is because we are catching up on decades of underinvestment. Should we need \$32 million in capital? Probably not, if everything was up to date and working well and there were not any issues. The \$32 million is partly reflective of what it takes to maintain an asset base.

The Hon. ROBERT BORSAK: Are you talking about capital expenditure or operations?

Mr WEBB: Yes, this is capital expenditure. The master plan also indicates that with a lot of capital investment can come some recurrent requirements. As well as the \$428 million of capital money required, the master plan also indicates that cumulatively over that 10 years we would need another \$70 million in recurrent funding. That is a cumulative figure. That is the amount over 10 years, but it does give you an indication of where the underinvestment is.

I heard in another estimates hearing the use of the word "fragile" for organisations that have perhaps been hollowed out a little by this process. I would characterise our administration as fragile in the same kind of way. Our capacity to deal with shocks to the system—whether it be things like long-term staff absences that are unexpected or changes to the operating model such as the sessional orders changes that you referenced before—and adapt to those shocks to the system is less than it should be as a result of the recurrent funding.

The Hon. SHAOQUETT MOSELMANE: If there was one shock—for example, a security concern—and you had to address it quickly, where does the money come from?

Mr WEBB: That is an interesting question. I can give a topical example. The special constable level was increased in the Parliament in 2014 when the threat level went up. That took our expenditure on special constables from \$2 million a year to \$4 million a year. But that was a series of budget enhancements on a year-to-year basis. So the underlying money we get is \$2 million and we have the extra \$2 million on a year to year basis. This year we did not get the extra \$2 million. They did not give it to us.

I cannot, in all good conscience, say to the special constables, "Halve the number of people that you have on deck right now," because I have no security advice that tells me that the security situation has changed materially such that I could halve the number of special constables in the building. So I haven't, but it means I am currently projecting a \$2 million overspend in my budget this year as a result of continuing to pay the special constables and keep them in the building. Essentially, my options under those circumstances are to not meet my budget—to project an overspend.

The PRESIDENT: Can I give you another example of capital expenditure—the roof membrane. The roof membrane is a huge issue for this Parliament. To effect a proper repair of the entire roof membrane is a \$20 million scheme. When you are given \$4 million in new money in your allocation you can see what it is like to find \$20 million to repair the roof membrane in one year. So we were forced to go and look at doing it in a section. We were able to allocate \$4 million to deal with what would be approximately 5 per cent to trial a new method to ensure that we can deal with it section by section. That is what we are doing at the moment.

Mr BLUNT: If I can add another example from committees, in 2018, during the last financial year, we had four new committees appointed—four really important committees: public accountability, public works, the selection of bills and regulation committees. During the last financial year the Department of the Legislative Council went over budget by \$300,000 because that is what it required to provide the support that was necessary to support each of those committees.

The Hon. ROBERT BORSAK: That is why I brought up a little bit earlier about maybe having a finance committee—so that it would actually become part of the business of the House to work with the Legislature to try to ensure that the feedback goes back through the various parties, "Hey, hang on a second. What you are doing is gutting the Legislature completely, and in the long term the serviceability of the place will collapse." It does not need to be a formal committee; it can be an informal committee.

The PRESIDENT: Mr Borsak, please do not take this as being in any way sarcastic or that I am not taking seriously what you say, but if you create another committee it means more money has to be found to support that committee.

The Hon. ROBERT BORSAK: I am not talking about that sort of committee. I am talking about an informal committee.

The PRESIDENT: I understand that. It will only work if it is modelled on some of the other governments we have indicated.

The Hon. MARK BUTTIGIEG: It is structural.

The PRESIDENT: Structurally. And, more importantly, if recommendations are actually adhered to by Treasury. If I sit down with all of you in an informal way and work on something, prepare something and then submit it to Treasury and it is all knocked back—with all due respect, we are doing that now. We need to fundamentally look at the actual structure and how the structure is dealt with. That is why I am happy to provide you with how the other parliaments are dealing with it. That is my argument with Treasury.

The Hon. ROBERT BORSAK: Okay, take a step back.

The CHAIR: Sorry, we are in the Opposition's time. We have been a bit flexible about this but we are in the Opposition's time. We will come back to this.

The Hon. ROBERT BORSAK: Actually, our time has been chewed up too.

The CHAIR: We have been flexible on both sides.

The Hon. ROBERT BORSAK: We are being informal, so I would like to finish this line of questioning.

The Hon. SHAOQUETT MOSELMANE: Sure.

The CHAIR: As long as the Opposition is fine with that. I am just trying to be fair.

The Hon. ROBERT BORSAK: Otherwise the point is lost. Chair, no-one is complaining.

The CHAIR: It does not really matter whether they are complaining or not.

The Hon. SHAOQUETT MOSELMANE: It does make it hard to keep track.

The CHAIR: That is right. If the Opposition is fine you may proceed.

The Hon. ROBERT BORSAK: What is the mechanics of getting this done—that is my simple question—without saying you are going to take it on, get a report and then we walk away from here and nothing happens? You would get stuck in the same boat that you were in before.

The Hon. MARK BUTTIGIEG: It is getting Treasury to relinquish power. That is what is required.

The Hon. ROBERT BORSAK: Exactly. That is the question. How do you do it?

The PRESIDENT: You work very hard at it, and you continue to work very hard at it and you don't give up. I do not intend to give up. As I have said, I have come before this Committee and indicated to you exactly what my position is. I am certain this Committee will make certain recommendations. I intend to push those recommendations but I do not have a magic wand, Mr Borsak. I cannot simply wave a magic wand and—

The Hon. ROBERT BORSAK: Why don't you?

The PRESIDENT: As I have said on many occasions, at the end of the day I am the servant of the House, and the reality is that the House has the magic wand, not me.

The Hon. MARK BUTTIGIEG: I suggest that it is a political problem that requires a political solution.

The Hon. ROBERT BORSAK: That is where I was going.

The PRESIDENT: It is a political problem that has been very—when you talk about bipartisanship, it is a political problem that has been incredibly bipartisan over the last 10 years. It commenced with different governments and has continued with different presidents.

Mr DAVID SHOEBRIDGE: Maybe we need to grow a backbone in the budget session, and, rather than just wave through yet another Executive-determined budget for the Parliament, maybe we should make sure that what is in that parliamentary budget bill is sufficient for the Parliament this time.

The PRESIDENT: Mr Shoebridge, I am a servant of the House.

The Hon. MARK BUTTIGIEG: Anthony has been very patient.

The Hon. ANTHONY D'ADAM: I have been very patient. I might just first place on record that I am a member of the Media, Entertainment and Arts Alliance, the union that represents Hansard, and I intend to ask some questions in relation to Hansard. I want to ask about the impact of the efficiency dividend on Hansard. Are there changes proposed to Hansard in relation to meeting the efficiency dividend? And will they involve redundancies, I suppose is my next question?

The PRESIDENT: The short answer is everything is on the table, as I said. We have not made a firm decision on any aspect. If I look at Hansard over a number of years, can I indicate to you that clearly there has been a reduction since 2013 of full time staff from Hansard through to current and clearly there has been a substantial increase in part-time and temporary staff for Hansard. The reality is if you take the total hours of Hansard there has been a continuing increase, especially when you look at the very substantial committee work that has occurred and you look at the additional sitting hours that have occurred. Even the additional Thursday of course is an increased demand on Hansard and an increased demand on the hours.

The Hon. SHAOQUETT MOSELMANE: Given that situation, why would Hansard be on the table?

The PRESIDENT: Everything is on the table, Mr Moselmane.

The Hon. SHAOQUETT MOSELMANE: But you have just indicated that the—

The PRESIDENT: Mr Moselmane, at this stage I have had to ask the department to give me every possible way and different alternatives to try and find \$840,000. You say, "Why Hansard, why the attendants, why the secretariat, why the library?" Everything has to be on the table. It does not mean I have made that decision. The reason I have not made that decision is I am not accepting the 4 per cent. As I have said, if I can get it down to 2 per cent, if I can get it down to 0 per cent I do not have to consider any of this.

The Hon. ANTHONY D'ADAM: There is a specific proposal around redundancies. You have sought redundancies on a voluntary basis, I believe, from Hansard. Is that correct?

The PRESIDENT: Correct. Maybe if I give you the figures. In 2013 there were 22 full-time staff for Hansard, in 2014 there were 20, in 2015 there were 18, in 2016 it remained at 18, in 2017 there were 17, in 2018 there were 16 and in 2019 it has remained at 16. But at the same time you will see an overwhelming increase of part-time staff. From 2013 it was one, now this year it is four. You will see an overwhelming increase from regular casual staff from two to four. You will see temporary part-time staff from zero to seven.

The Hon. MARK BUTTIGIEG: Do you have a full-time equivalent [FTE] for that drop, or what is the FTE equivalent?

The PRESIDENT: I will take that on notice and come back to you. But what I can assure you is that the total hours are increasing.

The Hon. ANTHONY D'ADAM: So where is the logic in increasing casualisation of Hansard if the cost is actually not changing or it is increasing? You are just casualising the staff rather than actually dealing with the core problem. Is that correct?

Mr DAVID SHOEBRIDGE: I assume that is how you cover the spread of hours. I assume that casualisation is the response to cover the spread of hours at the same cost. Is that what has happened?

Mr WEBB: Yes. A few years ago we introduced a position in Hansard which basically has people here on sitting weeks, the surrounding time around sitting weeks and not in the office in non-sitting periods. That represents about 72 per cent of the working week. For Hansard, like many of the functions in DPS, the workload increases dramatically during sitting periods and when there is heavy committee activity, like budget estimates. In some periods, like over the Christmas-New Year period, for instance, it drops away to a very low level.

So as part of the efficiency dividend process in previous years we introduced this concept of what they call a 72 per cent position—essentially positions that are here through the peak times, not here through the lower traffic times. In advance of the President and the Speaker making firm decisions about this year, we have done an expression of interest with full-time permanent Hansard staff about whether any of them would be interested in a voluntary redundancy and replacing those positions with the 72 per cent positions, the ones that are here through the peak period. These are the kinds of decisions that I am forced to look at making in order to meet the efficiency dividend process.

The Hon. ANTHONY D'ADAM: Effectively you are making a saving through a shift from year-round employment to contingent employment, the 72 per cent model?

Mr WEBB: They are permanent positions but they are only required for 72 per cent of the time and paid accordingly.

The Hon. ROBERT BORSAK: Permanent part-time.

Mr WEBB: Yes, essentially permanent part-time. But rather than, say, being three days a week part-time it is a number of weeks per year part-time, if that makes sense.

The Hon. ANTHONY D'ADAM: Does that 72 per cent arrangement have any basis in the award or in some form of instrument?

Mr WEBB: No. It is interesting, the award for Hansard was written so long ago that nobody can actually remember when it was written. At the moment the award is silent on the issue of any kind of part-time work, whether it be three days a week or three weeks—

The Hon. ANTHONY D'ADAM: It may not be a legal arrangement?

Mr WEBB: Because the award is silent on it our advice is that what we are doing is not illegal but we do feel that the award needs to be looked at, not just for issues of part-time employment but also things like modern work health and safety requirements, which are in most awards but are not in the Hansard award. I recently undertook an exercise with the Hansard team looking at work health and safety implications. They work incredibly long hours. The requirement to produce the transcript of the Chambers within three hours of the spoken word means that if you rise at midnight they still have Hansard people there at three or four o'clock in the morning. Quite frankly, I will not have them turn up again at eight o'clock the next morning to continue to work because, regardless of whether they—

Mr DAVID SHOEBRIDGE: It should be at least a minimum of eight hours off.

Mr WEBB: That is exactly right.

The Hon. ANTHONY D'ADAM: Ten hours is standard.

Mr WEBB: I have instituted that but the award is silent on that issue. As part of that work health and safety I have instituted a minimum eight-hour break as a result. I have also instituted a cap of 55 hours worth of work a week, which means if the Houses sit late on Tuesday, Wednesday and Thursday and then there is a big committee load on Friday it may be that we cannot produce the committee transcripts for the Friday in the time frame that we would have in the past. Just to be clear, I will not purchase efficiency through my Hansard people at the cost of their safety. I just will not do it. Those measures are not in the award; they are measures that we have implemented at the management level. But the safety of my Hansard staff is much more important to me than meeting an arbitrary deadline on when we would produce a transcript.

The Hon. ANTHONY D'ADAM: You have added some additional contract staff, is that correct, to deal with that work health and safety issue?

Mr WEBB: Yes, we got a one-year amount of money from Treasury to boost the number of staff, so I could only appoint them on a temporary basis. I would give credit to the Editor of Debates and the Deputy Editor of Debates for thinking a little bit more broadly about where we seek Hansard people. We have an amazing array of people who have come in through that process. I would hope that we will be able to make further representations to Treasury about the need to continue that level of resourcing for safety reasons. If that is the case, it would be my intent to make them permanent officers. But at the moment, because I only have a year's worth of funding, I could not offer more than a year's worth of employment.

The Hon. ANTHONY D'ADAM: The staffing levels that you have been provided with are what you think are adequate in order to meet the safety expectations?

Mr WEBB: That is right, but it does come at the cost under some circumstances of not meeting the key performance indicators [KPIs] that we set for ourselves.

Mr DAVID SHOEBRIDGE: We have seen some quite delayed transcripts.

Mr WEBB: Yes, that is right. The Hansard team negotiate with committees to try and work out which committees need transcripts faster, which committees can wait a little longer for those transcripts. But as I say, my Hansard staff are incredibly dedicated to the Parliament. In fact, when I was meeting with them on these safety issues they said to me, "Mark, we are willing to forgo our safety because we believe in the mission of the Parliament and we want to support it." Unfortunately for them I had to say to them that their willingness to forgo their right to a safe work environment did not remove my obligation to provide them with a safe work environment and I will not do that.

Mr DAVID SHOEBRIDGE: I think Mr Blunt—

The PRESIDENT: Can I just indicate, if you look at the 2013 figures in the number of Hansard staff—full-time, part-time, 72 per cent and regular casual—there is a total of 25. If you look at 2019—again full-time staff, part-time, 72 per cent, regular casual and temporary part-time—we are at 31. Clearly what Mr Webb is indicating, we are trying to increase that number. I will also just add one thing: We all absolutely respect not only the dedication of Hansard but their extraordinary ability, and that in itself becomes an issue. Because you have to ensure that whether they be casual or temporary they have to have that extraordinary ability. That is why it was necessary to increase the different areas where you could bring those temporary staff in. What we cannot have is new Hansard staff coming in who do not have the same abilities, the same talents and the same dedication as the current staff that are there. They have to be able to complement them.

The Hon. ANTHONY D'ADAM: Just on that issue, obviously as a highly skilled position, having a shift to this arrangement where you have significant periods of the year where there is effectively no income for those staff, is that going to have an impact on our ability to continue to recruit to these positions?

The PRESIDENT: Can I just add to that, one of the extraordinary things about our Hansard staff is, if you look at the original Hansard reporters—they are sitting here and you can see the technology they using—there really is an issue that our Hansard staff have adapted brilliantly with the use of technology. From the old days of pencil and pad, taking down shorthand, going back and typing it to a situation where the new IT has changed the whole aspect of Hansard. They have not only adapted well, they excel in it and that is what so important with new staff coming in to also be trained by existing staff.

Mr WEBB: For the recent recruitment for the extra six positions that we got temporary money for, the Editor of Debates and the Deputy Editor of Debates spent some time thinking through how to advertise those positions, what kind of skills are required. It is probably fair to say that previously we had a lot of people, perhaps, who finished up in Hansard in Canberra who fancied moving to Sydney and that was a great source of skilled people to come to us. That has dried up a little bit over the past couple of years. So we did the advertisements thinking more broadly about what skills make people a successful Hansard person. Rather than saying, "You need to have Hansard experience already", we looked a little further afield. I am very pleased to say that out of that recruitment we had the most successful number of candidates for these 72 per cent positions that we have ever had.

We had six positions to fill. We filled all six positions and had six people left over on a talent pool who could have done the job. So we had 12 people who were interested in that style of working, the 72 per cent, and were enthusiastic about coming into the Parliament. I would say that to a person they have been a wonderful addition to the Hansard group. It does say to me that there is demand for that style of employment out there. But, as I have said on multiple occasions this morning, we also have efficiency dividends that we have to meet and these are the kinds of decisions that we are having to look at making as a result.

The Hon. ANTHONY D'ADAM: I understand that you have—

Mr DAVID SHOEBRIDGE: I thought Mr Blunt wanted to add something.

Mr BLUNT: I just make this comment as a client, I guess, of Hansard of the extraordinary service that Hansard provides. Of course, those extra six positions were calculated as required some months ago. We have since had the sessional orders changes so additional sitting time on a Thursday, and the extraordinary increase in committee work.

The PRESIDENT: We need more.

Mr BLUNT: Yes, sandwiched.

Mr WEBB: Those six additions were purely because of the safety review that we did, not because of any increase in workload, I should be clear. David is exactly right. We were in some ways lucky that we got the extra six people in—but because of the increase in workload with the changes to the sessional orders—but those six were not calculated based on the changes of work because of the sessional orders. It was a purely safety calculation.

Mr DAVID SHOEBRIDGE: I am a member of the Public Service Association and I have always thought Hansard in Parliament are a bit like crane drivers on multilevel building sites: If they ever chose to go out on industrial action they would shut the whole place down pretty quickly. They deserve to be respected and to be adequately resourced, and to have their occupational health and safety protected. If it is not happening, well, bloody hell, they should let us know.

The PRESIDENT: Please be assured Mr Shoebridge, and I am sure Hansard would confirm this, they are incredibly respected. One only has to look at the felicitation speeches made before the Christmas break. There is not a single member who does not get up who does not first and foremost speak about Hansard and how wonderful and fantastic they are and how great they make us all look. We all know that. We all accept that.

The Hon. SHAOQUETT MOSELMANE: Our gibberish becomes English.

The PRESIDENT: And this is why when, I think, the Hon. Mark Buttigieg asked me earlier, this is the difficult position I am in and my team leaders are in. We are looking at situations with efficiency dividends where everyone who works in this Parliament—and you, Mr Shoebridge, put it in the best possible way—help us do our job. Each and every one of them is also unique, is also brilliant and is also doing a fabulous job. This is the battle we have.

Mr DAVID SHOEBRIDGE: Which brings me to the cleaners.

The PRESIDENT: Who I told you last year: They love me and I love them, but I think we need to go a bit further than that.

Mr DAVID SHOEBRIDGE: Indeed, because they need to have permanent employment. They need to have security of employment. They need to not constantly be facing the prospects of redundancy and increasing casualisation. What has happened in terms of the number of permanent cleaning staff and casual staff over the past 12 months? What is the prospect?

The PRESIDENT: If I can look at this way, in 2013 we had a permanent staff of 27, contract part-time cleaners of five, and total staff levels of 32. In 2019 we have 23 permanent staff—so there are four less. We have increased contract part-time cleaners from five to 14. So we have a total staff increase from 32 in 2013 to 37. If I can give it to you in hours because, I must say, I was a little bit stunned when I saw that, in 2013 hours per day cleaning was 140 a day. In 2019 hours per day has increased from 140 to 164.5. From a total hours perspective there is actually an increase in the number of cleaners that are required. From a permanent perspective there has been a reduction of four who took voluntary redundancy. There has not been a situation where a cleaner has been removed, or forced to be removed, or terminated. It is through voluntary redundancies and it has allowed us to increase those efficiencies with part-time cleaners. It has allowed us to increase the hours of them.

The Hon. ANTHONY D'ADAM: Again a pattern is emerging here. An increase in full-time equivalent, but actually a casualisation of the workforce.

The PRESIDENT: Going from 27 to 23, which is four, which are voluntary redundancies that would occur in any business, but, yes, there clearly has been an increase in the number of part-time cleaners. There is no doubt about that. Again, we have been looking at efficiency dividends for the past 10 years. This is not the first year and if it was not for some of those changes that have occurred over the past 10-year period—and I have given you over the past four-year period—I cannot guarantee that we can keep maintaining the levels. We will continue to look at it. Again, everything is on the table.

Mr DAVID SHOEBRIDGE: Just stop cleaning level 8 maybe is the way we go about this going forward.

Mr BLUNT: I hope you do not mean all of level 8.

Mr DAVID SHOEBRIDGE: Sorry, only behind those sliding doors.

The PRESIDENT: I have said to you everything is on the table, Mr Shoebridge. I have to look at ministerial car spaces. I have to look at ministerial offices. They are all on the table.

The Hon. SHAOQUETT MOSELMANE: We will discuss it in the deliberative.

The PRESIDENT: You can discuss it then, or when you take me to lunch. It is up to you.

The Hon. SHAOQUETT MOSELMANE: Move a motion.

Mr DAVID SHOEBRIDGE: Can I ask about Legislative Council attendants?

The PRESIDENT: Yes.

Mr DAVID SHOEBRIDGE: Again, what has happened in terms of permanent-casual mix for attendants?

The PRESIDENT: I will indicate a few things. Of course, the attendants are the responsibility of the Clerk of the Legislative Council and we all know what an incredible job he does. As you know, three of the full-time attendants whom we are well aware of—Maurice, Lucy and Charles—have left, and now Mike. We now have four who have left. Of the original seven—as I used to like to call them, the magnificent seven—three have remained, John, Mark and Richard. We now have an additional, which David will talk about. Maurice has been replaced by Jodi again from that point of view.

I have had a number of discussions with the Clerk. I was a bit concerned and I am still concerned that we had a situation where there were seven attendants all on the same level and all with the same experience. Some were coming up for retirement, and four have occurred. I was a little concerned that we did not have younger attendants coming in. I was very impressed with some of the other Parliaments that had an intern situation. They have university graduates or students in their last year of university coming in and spending one or two years as attendants and then moving on to another area, whether they move onto Hansard or the committee secretariat. That is what other parliaments are doing and that is what I have asked the Clerk to examine and have a look at. I do not want a situation where the next three attendants all leave at the same time and we suddenly have a whole new seven.

Mr BLUNT: Back in 2015-16, as part of the Legislative Council's contribution to the whole of Parliament effort to meet the efficiency savings requirements, we did restructure the Chamber and Support Services from a team of seven to a team of five. That included one manager—that was Maurice back then—and six team members. We restructured that down to five staff, including a manager—that continued to be Maurice—and four staff. When we did that I undertook to the team that by undertaking that restructure at that point of time for the duration of my watch—for the time that I would remain Clerk—I would not be looking to restructure the team again. There was a guarantee of it. For the stability of the future, there would need to be some changes to work arrangements. For instance, on non-sitting days they would no longer be staffing the desk on level 11.

The Hon. SHAOQUETT MOSELMANE: I have a complaint about that.

Mr BLUNT: There would only be two mail runs a day, rather than continual mail runs. But on sitting days the team would be supplemented by an additional person so that there would be effectively six on a sitting day. At that point in time two of the officers left—Charles and Lucy. It suited them to leave at that point in time. Since that point in time Maurice has retired. He simply reached retirement age and decided to retire. Mike decided to take a voluntary redundancy in recent months. Mike has been replaced by a new staffer, Diane. The duties of Maurice's position as manager have changed a little bit and it is now a coordinator position, which has been taken up by Jodi, who has come from the Office of the Black Rod.

It remains a team of five, including the coordinator and the four staff. As far as I am concerned, that will continue going forward. But you will not be seeing the Chamber and Support Services staff at the desk on level 11 because I cannot expect them to continue to do what seven did. Five can only do what five can do. You will also see on sitting days that team being supplemented. We are looking at the internship model that Mr President just spoke about to supplement the team on sitting days.

The Hon. SHAOQUETT MOSELMANE: Mr President, now I know why the attendants are not at their desk. Previously they would always be at their desk. They are an excellent support for the members. We in the upper House have offices in this building. We do not have offices outside this building, so we are always in here. They were a great support for us. I now realise that more and more, because, as I said, my office is right next to the attendants' desk. They have been extremely supportive of the members who are up there in that part of the complex. Their services have been valued and they have been a great support. To cut them—

The PRESIDENT: There is no doubt about that. But at the end of the day I have to find the efficiency dividends. At the end of the day I have to find—

The Hon. SHAOQUETT MOSELMANE: But this is not an efficiency dividend. This is placing them elsewhere.

The PRESIDENT: At the end of the day we have gone from a staff of seven to five. There are always priorities on the ground floor and there are always priorities in other areas. They are also available to be contacted over the phone and they can come and assist you. But they have got to do their mail runs and they have got other duties to do. I can say this to you: The reality is that on level 11—and, like you, I have worked here for many, many years—each and every one of you have your staff there and each and every one of you can contact the attendants at any time you want to or contact the Clerk's office. For a large proportion of the time if you have a full-time attendant sitting on level 11 during a non-sitting day they are literally sitting at their desk waiting for someone to come up to them. There is just not the workload for them. I would rather see them being used more effectively in the areas where they are needed on non-sitting days.

The Hon. SHAOQUETT MOSELMANE: I take that point, but also—

The PRESIDENT: I would have to hire one more person to be able to put someone full time for you on level 11.

The Hon. SHAOQUETT MOSELMANE: But you also have to remember that when constituents or residents come in, their first point of contact is the Legislative Assembly desk—

The PRESIDENT: Which is on the ground floor.

The Hon. SHAOQUETT MOSELMANE: Which is on the ground floor. Now we have the attendants on the Legislative Council desk—

The PRESIDENT: On the ground floor.

The Hon. SHAOQUETT MOSELMANE: On the ground floor. There should be a compromise. Having heard this argument, I think this should be reviewed. There could be, at certain times, officers or attendants at level 11. To not have them at all I think is—

The PRESIDENT: When a guest comes in there are one to two attendants on the ground floor, as there should be. They speak to them and arrangements are made. They are then told to go to the security desk to get their pass. The reality is that you send a staffer down to meet them at the security desk to take them up to your office because of the security barrier. It is no longer a situation where people walk in, go to the elevator, go straight to level 11, go through the doors on level 11 on their own and then sit in the lounge area waiting for you. It really does not happen. It happens fairly rarely. It is actually your staff's responsibility now, under the security protocol, to meet them downstairs and take them up.

The Hon. SHAOQUETT MOSELMANE: How much can our staff take? We only have one.

The PRESIDENT: I understand you have one.

The Hon. ROBERT BORSAK: Can we talk about the exit gates on Hospital Road and what is going on there?

The PRESIDENT: Absolutely. Are you talking about the new ones with the turnstile?

The Hon. ROBERT BORSAK: I am talking about the continual process that seems to be going on there.

The PRESIDENT: Let's talk about the new turnstile, which will be up and running shortly.

The Hon. ROBERT BORSAK: Also the car park exit and the gates there.

The PRESIDENT: I will do both.

Mr DAVID SHOEBRIDGE: There is a permanent revolution out there.

The PRESIDENT: I will indicate a couple of things about the new turnstile, which should open in the next week or two. Again, this is in response to—as you know—the international security environment. There was an increase in the national terrorism alert level. New South Wales commissioned a vulnerability assessment, which was undertaken by one of the security organisations. The report identified a number of areas of security risk. I cannot go into each and every one of them. One of them was the turnstile. The problem with the gate was when you first swiped in, by the time the gate opened—and we have all been there and seen how slowly it did—and you have walked through, by the time it closed behind you, you could have had 100 people barging through. That is the same reason why there is a turnstile in the front of the Parliament. The turnstile had to be erected.

The reason why the works were expanded was that I wanted to ensure that it also had disability access. I wanted to ensure that a wheelchair could go through and there was wheelchair access. That has occurred. As a

result of that, we have been able to deal with that in that respect. The total tender price for it was \$209,000. The total cost of the actual project will be \$222,000. There has been a slight delay of I believe about six to eight weeks from when it was first envisaged. The reason for the delay—in a surprise way—was that we had to find someone who was qualified and suitable to do the pebbles and the pebblecreting that had to occur. You have no idea how difficult—

Mr DAVID SHOEBRIDGE: A skill that has been lost since the 1980s.

The PRESIDENT: I made the very sensible suggestion why not use someone who does swimming pools. Believe it or not, that was the person we found—someone who does swimming pools. They have done a fabulous job. But that delayed us by about six weeks. It will open soon. It meets all the security requirements it was required to meet. It meets all of the accessibility requirements, which were very important to me. In relation to the gate that we have all spoken about for many years, I was not the President at the time the gate was commissioned. I just thought I would put that on the record. I do not think it will take a lot to work out who was before me. The reality is that that gate has given us problems from day one. I will get Mr Webb to speak further on it. Certain modifications had to be made to the gate but at the same time a further assessment came in which required the installation of what I call the pop-ups.

Mr WEBB: Vehicle blockers.

The PRESIDENT: Vehicle blockers. I call them pop-ups. You press the button and it pops up. It stops any truck from coming through. That is on time, that is on budget and that will be finished within the next two to three weeks.

Mr WEBB: That is right. We had a slight delay because we found some Ausgrid power cables running underneath the site where we were installing the blockers. That required some careful consideration of how to deal with them but that has been resolved now. We are also making changes to the traffic block in response to some requests from the special constables. Also, as you are driving out you might have noticed your visibility back up Hospital Road can be limited. There is a sort of bullnose chain that is going to be made so that from a car you can see up the road, but that does not reduce the special constables capacity to do the job. We are also putting a door in so that special constables can more easily come out and help people when there are potential issues. I do not want to talk in too much detail about the security concerns around the changes but I am very happy to brief Committee members in private. We do not talk publicly about security specifics and security vulnerabilities but I am very happy to talk in private with any Committee members about those. These changes are in response to a security agency's review of the back of the building and that is the primary reason they are in place.

Mr DAVID SHOEBRIDGE: Who came up with the design for the turnstiles? It has a very large covering on top which blocks the only view of green open space from Café Quorum, which used to be a view over The Domain. We now have a view of copper. It blocks out the one decent green open space vista from Café Quorum. Who came up with that?

Mr WEBB: I am hoping that when all the scaffolding comes down that that blocking the view will be significantly reduced. We took on board the feedback we received about the turnstile at the front of the building. People had indicated that especially in wet weather they needed some form of roof so that they did not have to try to keep an umbrella up as they went through the turnstile. They had also indicated that the roof that we have on the turnstile at the front of the building was not big enough. They were dry when they were in the turnstile itself but they were having to bring down their umbrella before they reached the turnstile and got wet as a result. We did have to look at a bigger roof and also bigger turnstiles so people could get through a little more easily. Once the scaffolding comes down—there is a fair bit of scaffolding on the roof. You might have also noticed that the copper is quite bright at the moment. It will weather over the next little while.

The PRESIDENT: As the guard house; it was the same colour. As you can see now, it just blends in from a heritage perspective.

Mr DAVID SHOEBRIDGE: It will get green. Is that the plan?

The PRESIDENT: A little bit. It will blend in from a heritage perspective.

The Hon. SHAOQUETT MOSELMANE: Better green than wet.

Mr WEBB: The heritage people like weathered copper. But also some of the scaffolding is in place to stop the reflection from the copper up into the buildings while that weathering process happens. Once the copper is weathered and no longer reflects light quite so dramatically—and that is again a lesson we learned from the front of the building where we got some complaints from people from the other side of Macquarie Street where

the bright copper roof caused at certain times of day a fairly bright reflection into their offices on the other side of the building. Once the copper is weathered, that scaffolding on the top of the roof comes down which will reduce the lack of visibility going through.

The Hon. ANTHONY D'ADAM: Can I ask about the consultation that occurred with staff over the proposed renovations to the Hansard and committee staff accommodation on level 8? Has there been consultation with staff?

Mr WEBB: Part of the building services and ceiling project requires us, as well as going through the tower block, we have to go through all of level 8 and level 6 replacing the building services. As a part of that process we are asking people about what the ideal version of their office accommodation would be to make sure we are putting vents in the right place. The ceiling project does not allow us to make all those changes in the first instance but we have been asking people, "If you had your druthers what would be the way that the space is set up?" We started some preliminary consultation with the level 8 corporate area. We have also been working on levels 10 and 11, which require changes as well. Based on some preliminary feedback we have decided to focus on levels 10 and 11 in the first instance and then level 8 in the second instance. As you could imagine—

The Hon. ANTHONY D'ADAM: When will level 8 occur? What is the time limit?

Mr WEBB: Level 10 will be done this financial year, level 11 will be done over the course of the next financial year but we have unique challenges. With level 10 we have large periods where the members are not here. So we can in non-sitting—

The PRESIDENT: They have electoral offices.

Mr WEBB: Yes, they go to their electoral offices. We can do some work while they are away, restore it so they can use their office in sitting periods. Of course, for people like yourselves on level 11, we cannot undertake that process because you are here all the time. One of things we have to do is create a space elsewhere in the building where we can set up temporary office accommodation for you and probably do level 11 in quarters—so 10 or so members at a time moving to temporary accommodation, within the building of course. Part of what we are looking at for level 6 and level 8 is where we can put that temporary accommodation.

The PRESIDENT: Can I indicate that with level 11 that all of the work does not actually affect the members' offices. It affects your staff area that is outside your office because of the roof work. But we cannot say that you can stay in your office but not your staff member because of the mess and everything else that will occur. Because we can create another 10 or 11 temporary offices downstairs it allows us to do it in that quarter. It would have been so much more effective to do it all in one hit but you have nowhere else to go, you do not have electoral offices. Mr Moselmane suggested coming to share my office but getting 10 or 11 of you to do that would be a bit tough.

Mr WEBB: Finding space for 40 members to stay is impossible, so we have to do it in quarters. That is the way the building services are also set up, the way pipework works. Keep in mind that when the tower block was constructed LC members were part-time and had no staff and there were no things like computers, multifunction devices that generate heat, et cetera. The air-conditioning does not always keep up with the demands. Building services up there have not been touched for nearly 40 years. I would put to you that once every 40 years is probably too long to be leaving those building services. I would also point to the fact that because of the way we receive capital in short sharp chunks we end up having to do this work and in a more concentrated period of time whereas if it was more continuous capital coming through we could plan it perhaps with less disruption over a longer period.

The PRESIDENT: We can take some of this on notice if you want because I am aware of the time you have.

The Hon. ANTHONY D'ADAM: My question was really about level 8, particularly the impact on Hansard and committee staff. I understand that the proposal is to move to an open plan when that is not actually the current arrangement.

Mr WEBB: We are canvassing all options.

The Hon. ANTHONY D'ADAM: I wanted to know whether that plan had been finalised and whether staff had been consulted over that plan.

Mr WEBB: The plan has not been finalised. We have done some preliminary—

The Hon. ANTHONY D'ADAM: Is it correct about the assertion around open plan?

Mr WEBB: We are looking at open plans. Some of the Hansard staff are in open plan at the moment for instance, some are in individual offices. We are looking at open plan.

The Hon. ANTHONY D'ADAM: The permanent staff are not in open plan though, are they?

Mr WEBB: Most of the permanent staff are in individual offices, yes, that is true, but some of the permanent staff are in—

The Hon. ANTHONY D'ADAM: There will be an assessment on the impact in terms of those staff and the potential impact on productivity.

Mr WEBB: Yes, absolutely.

The PRESIDENT: And further consultation before a decision is made.

The Hon. ANTHONY D'ADAM: I know that open plan is a bit of a fad.

Mr WEBB: Looking at other Hansards around the country and around the world at how they operate, consulting with staff, looking at various models for it, absolutely. We did some very preliminary consultation, just a very first chat. As I said, as a result of those first chats we decided that we would focus on getting level 10 and 11 done first, so that pushes out the changes to level 8 into the future. We may have to make some adjustments to levels 6 and 8 for the temporary accommodation of members and other things along those lines. But any temporary or permanent arrangements will be subject to consultation and permanent arrangements certainly. We want to work with not just Hansard staff but the library, the IT area, the education area, as many teams within DPS are impacted by the ceiling project. This is an opportunity for us to say to people, "How should this all look? How should it work?" But not a dictate from me. I am not a Hansard person. I need to talk to my Hansard team about what they need, I need to talk to my library team about what they need, I need to look at examples from around the country and around the world of best practice and bring that in as well. Good consultation.

The Hon. SHAOQUETT MOSELMANE: Mr President, I am conscious of the time. We only have 20 minutes left. I have three miscellaneous questions to ask. One, I hear that there is a salary dispute with special constables. Is that correct? If so, has it been resolved?

The PRESIDENT: The special constables do not come under the jurisdiction of the DPS, the LC or the LA. They come under the jurisdiction of the Police cluster and, of course, the Minister for Police and Emergency Services. You need to ask that question of the police Minister.

The Hon. SHAOQUETT MOSELMANE: If there is a dispute, how would it affect us?

The PRESIDENT: Again, I cannot get involved in the dispute. I am happy to take the question on notice. I will flick it to the police Minister and have him come back.

Mr DAVID SHOEBRIDGE: One of the questions is: If a pay rise is granted—personally, I hope it is—will that have an impact on the parliamentary budget?

The PRESIDENT: No, because again it comes under the Police cluster, not under my budget. Ultimately, as you know, the NSW Police Force then sends us a bill.

The Hon. SHAOQUETT MOSELMANE: Mr President, I have raised my next question with you on previous occasions. It concerns disadvantaged school kids that come to Parliament. I know and understand that some kids have difficulties coming to Parliament, given the expense and so forth. Is there a program to assist those special schools?

The PRESIDENT: As you know, we have the new Education Centre that provides education programs. DPS and Clerks' staff provide assistance and a huge amount of assistance is provided by members. It would assist enormously if more members provided assistance. Members currently do provide assistance in a great way. Obviously we do not charge students to come into the Parliament. On most occasions we can feed the students by providing a lunchbox, if I can use that terminology. The students' schools provide their own transport et cetera. We also provide video links to schools in remote areas that are unable to come in to Parliament. Mr Moselmane, if you were to ask whether I have a scholarship or fund or way of paying for students in remote areas to come to Parliament, I would love to do that but I do not have that fund. I would need to seek further funding from Treasury for that. The video link and the technologies may change.

The Hon. SHAOQUETT MOSELMANE: It is nothing like being here, though.

The PRESIDENT: On many occasions our staff visit schools in remote areas to assist them. Nothing is better than coming into Parliament, I truly believe that.

The Hon. SHAOQUETT MOSELMANE: I have a final question. The Speaker recently announced an ethics program. Has that proceeded to a standards commissioner?

The PRESIDENT: It is well known—it has been tabled—that in 2006 Premier Mike Baird asked the then presiding officers, Mrs Shelley Hancock and Mr Don Harwin, to advise in relation to a standards commissioner. In June 2006—

Mr DAVID SHOEBRIDGE: In 2016.

The PRESIDENT: —the then Presiding Officer Shelley Hancock and myself provided a response to the Premier. The Premier has tabled her response. The matter is still being considered. We are waiting for the Premier to come back to us in relation to that. I know you are referring to the article referring to the Speaker in relation to ethics classes. The letter that was jointly sent by the Speaker and myself to the Premier in June of this year indicated a number of things. One of those was the introduction of a compulsory ethics course and support for all members. That would include face-to-face and online components. It is being talked about. In its four-yearly review of the *Code of Conduct for Members* and in its final report, the Legislative Council Privileges Committee raised a proposal that was given by the Clerk. One of those proposals given by the Clerk related to an ethics adviser and ethics courses for new members in their induction course. It is all following on from that. No final decision has been made.

The Hon. MARK BUTTIGIEG: Mr President, I want to touch on some security data questions. Has a protocol been developed for accessing members' logs of swipe in and swipe out, access to emails, inboxes, sent messages and all that sort of thing? Can you outline what, if any, protocols there are on who has access to it and under what conditions, and all that sort of thing?

Mr WEBB: The *Closed Circuit Television (CCTV) and Security Access Control Systems (NSW Parliament House) Policy* is available on the intranet. I am happy to forward a copy to the Committee. It outlines the protocols for access to any security logs, whether it be the CCTV footage, swipe in and out of the building or within the building. There is a series of situations where it can and cannot be used or where the approval of a presiding officer or member might be required. It is all outlined in that policy.

The Hon. MARK BUTTIGIEG: Generally speaking, is it a hierarchical approach where access is limited to one person under special conditions or do a multitude of people have access?

Mr WEBB: I have some administrative staff—a cyber security manager and some other staff—who can physically access those logs. But essentially the protocol says we do not access the logs or the CCTV footage unless there is a specific reason to do so.

The Hon. MARK BUTTIGIEG: I am conscious of the time. I am trying to meld the questions into one. Does that same protocol apply to access to emails and things like that?

Mr WEBB: The policy does not cover access. The policy is more about security. There are issues of privacy, of course.

The Hon. MARK BUTTIGIEG: Regarding security, is there an auditable trail? When someone has a look at, say, the logs of access to MLC XYZ office, is there an auditable trail of when that was accessed and why?

Mr WEBB: No, just when it was accessed. We can see where a card was swiped and which card it was.

The Hon. MARK BUTTIGIEG: That means that if there are three or four officers who have access they do not need to justify when they do it.

Mr WEBB: We do not collect any—

The Hon. MARK BUTTIGIEG: The protocol does not require that?

Mr WEBB: No. In fact, keep in mind that you might come in in the morning, swipe to open your door and then leave it open for the day.

The PRESIDENT: And unlock it and then people follow in and there is no record.

Mr WEBB: People will be coming in and out with no swipes. There are no CCTV cameras inside the tower block, so there is nothing to look at to see who is in there.

Mr DAVID SHOEBRIDGE: Just in the lift wells?

Mr WEBB: In the lift wells, yes, that is right; as you said before, when you are on the other side of the sliding doors. There are no cameras in the elevators but, yes, once you get past the sliding doors—

The PRESIDENT: The one time when it really comes to our attention is this: There have been a number of instances where members have given their swipe card to a staff member and the staff member has come in and swiped on a weekend. Security will see straightaway that John Ajaka has just swiped in. They will look and see that it is not John Ajaka on the other side of the camera. Security will act on that immediately because you cannot do that. They are the times where security will act. If security observes that John Ajaka's swipe card is used to get in and the person on the screen is not John Ajaka they will act on that immediately, as they should.

The Hon. MARK BUTTIGIEG: My point is that if Mark Buttigieg leaves his office locked and staff member Cara Punch comes in with her swipe access that is all accounted for.

The PRESIDENT: Correct.

The Hon. MARK BUTTIGIEG: But if admin officer X accesses the office at midnight on Tuesday, what is the accountability process?

Mr WEBB: Anyone who swipes their card would be recorded. If somebody were to come in at midnight—we do not review the logs. I think you are asking whether we proactively review to see who has come in and out. We do not proactively review that.

The Hon. MARK BUTTIGIEG: You can see the concern arising from that gap in the protocol, right?

The PRESIDENT: One of the security measures is that you have a say as to who can swipe into your office. Your staff members can only swipe to activate your office because you have authorised it. I cannot activate your office. I am not authorised.

The CHAIR: The question is, though, about your staff.

The Hon. SHAOQUETT MOSELMANE: The attendants, for example.

Mr WEBB: Yes. The cleaners can come in.

The Hon. MARK BUTTIGIEG: That is why I specifically asked who had access. You told me there were a number of people who had access.

Mr WEBB: Yes, that is right. For each of your offices you have given us a list of people who can access it. They are definitely on the list.

The Hon. MARK BUTTIGIEG: Sure. I understand.

Mr WEBB: Obviously the cleaners can access offices as well.

The PRESIDENT: Security officers.

Mr WEBB: We have a limited number of security staff who can also access offices.

Mr DAVID SHOEBRIDGE: Sometimes it is essential.

Mr WEBB: Yes, that is right.

The PRESIDENT: You make a phone call when you forget your swipe. It takes a while because only certain security staff have that access.

Mr WEBB: Yes, that is right.

The Hon. MARK BUTTIGIEG: I understand all that. That is fine.

The PRESIDENT: We are happy to take more on notice.

The Hon. MARK BUTTIGIEG: Mr Blunt, on the email side of things?

Mr BLUNT: Just so that the answer is complete, in relation to email, of course members should be aware from time to time either myself as Clerk or Mr Webb as head of DPS is required to comply with notices to produce from the ICAC. That can at times include members' emails.

Mr DAVID SHOEBRIDGE: That is subject to the memorandum of the Government Information (Public Access) Act [GIPAA]?

The PRESIDENT: Between the ICAC and myself.

Mr DAVID SHOEBRIDGE: Which the Western Australian Parliament doesn't have and it is melting down over.

Mr BLUNT: That is a really good point that you make, Mr Shoebridge. Of course, in relation to the execution of a search warrant to search a member's officer, there is a memorandum of understanding [MOU] and a protocol that has a formal status. There is not such formal status to the document concerning access to emails. There are, nevertheless, arrangements put in place between myself or Mr Webb and ICAC to deal with those same sorts of issues about parliamentary privilege. But it is probably an issue that is one we need to have some dialogue with members, either through the Privileges Committee or this Committee at some stage.

The Hon. MARK BUTTIGIEG: Aside from member authorisation of, presumably, staff to access emails, the only pre-condition by which those things would be accessed would be on request from ICAC?

Mr BLUNT: Or the NSW Police.

The Hon. SHAOQUETT MOSELMANE: Just to follow up quickly—

The CHAIR: For the record, we are in the crossbench time. It is up to Mr Blunt.

The PRESIDENT: I don't mind staying a bit extra.

The Hon. SHAOQUETT MOSELMANE: In your response, Mr Blunt, you said emails and so forth, ICAC and police.

Mr BLUNT: Yes.

The Hon. SHAOQUETT MOSELMANE: Is that all emails—for example, private email accounts? I have my own private email account.

The PRESIDENT: But is it on your system or the Parliament's system?

Mr DAVID SHOEBRIDGE: It is only the parliamentary emails. They are not hacking your Gmail.

The Hon. SHAOQUETT MOSELMANE: I am just curious.

Mr BLUNT: I suspect that if the agency, whether it is ICAC or the NSW Police, wanted to get access to an account other than your Parliament account or for a Minister a Minister's account, then they would need to deal with you directly in relation to that matter.

Mr DAVID SHOEBRIDGE: They would be horrified at my unread emails on my Gmail. Mr President, would you consider a referral to the Privileges Committee to fill in the gap—we have a memorandum of understanding which has stood us in good stead to deal with search warrants and the like—if there are these informal applications being made by ICAC to access parliamentary emails?

The PRESIDENT: I will answer this way: Maybe you might consider putting it as one of your recommendations to me in your report.

Mr DAVID SHOEBRIDGE: I gather you would not be pushing too hard against that?

The PRESIDENT: No, I think it is a good recommendation.

Mr BLUNT: Just to clarify, Mr Shoebridge, any notices to produce that are received from ICAC are not informal. The notices are lawful notices under the terms of the legislation.

Mr DAVID SHOEBRIDGE: By "informal" I meant the arrangements under which material is produced.

Mr BLUNT: To deal with parliamentary privilege issues. They do not have that formality of an MOU.

Mr DAVID SHOEBRIDGE: We should fill that gap.

The PRESIDENT: Yes.

The Hon. ANTHONY D'ADAM: What are the controls that are placed on the IT staff around access? They do have access, obviously.

Mr WEBB: They do. They are not allowed to access email or other things unless they have a purpose for doing so. For instance, sometimes a member might contact them and say, "I can't access my email. I need you to go in and do something for me". For instance, we once had a call from someone who was overseas saying, "I forgot to put an "out of office" on my email. Can someone from IT go in and do that?" If we have express

permission from a member to do something we would do it. The only other time when IT might start looking at things is if we get notice of a cyber attack that includes an email component. For instance, if we get notice from either the Government's Chief Security IT Officer that a certain email has come in that has a virus attached to it, we might put in place quarantine protocols that take those kinds of emails out. It is only situations such as that that are an emergency that would take us into that kind of space.

Mr DAVID SHOEBRIDGE: I might just take control of the last seven minutes if that is okay with the Opposition?

The PRESIDENT: I have no problems.

Mr DAVID SHOEBRIDGE: There are a couple of numbers that would be useful. One is in real terms what is the current cumulative impact in this year's budget of the efficiency dividends since they have been implemented?

The PRESIDENT: I will take that on notice.

Mr DAVID SHOEBRIDGE: And what is that as a percentage of that part of the budget that is subject to efficiency?

The PRESIDENT: I will take that on notice.

Mr DAVID SHOEBRIDGE: Could we also get the cumulative cost of the efficiency dividends? Because of course that first efficiency dividend has now been paid for 13 times in a row. I will find those three figures very useful.

The PRESIDENT: We will take that on notice. My figures went back to 2013 but we will go back to day one.

Mr DAVID SHOEBRIDGE: In terms of committee papers, the process at the moment if we have a committee with a large number of submissions is that we get them provided to us in tranches, largely as zip files. They are then downloaded at our end, either put onto an iPad or printed out. I assume it is laborious for the committee staff in distributing it and laborious for my staff and myself in downloading and allocating it. Surely there is a more efficient way of distributing committee submissions among members. Either we have a shared drive or the like. What has been done there?

The PRESIDENT: Mr Shoebridge, the ultimate situation—we have been talking about this but again it comes down to funding—it would be good if each and every MLC is given an iPad by the LC and that iPad shares a drive and the committees are able to download into that iPad whatever they use. It could be done in an appropriate way where it can be accessed. There are a number of programs that allow that.

Mr DAVID SHOEBRIDGE: I am sure there are sophisticated document management systems that would do this simply and with much less time for everybody.

The PRESIDENT: We will have a look at that. We will take it on notice.

Mr BLUNT: This would be the sort of thing that we would love to work on and develop in consultation with members and our colleagues in DPS—

The PRESIDENT: Which takes it back to the budget.

Mr BLUNT: —if we were able to reinvest the savings that we make in other areas.

The PRESIDENT: We will take these on notice because we are going to run out of time.

Mr DAVID SHOEBRIDGE: Wi-fi. I do not know how many times it drops out. Then each time it drops out you have to press your consent or your agreement. Surely we could register the devices of members and staff so that we are given a grant of consent and we do not have to keep doing it. It would save a lot of time and would get rid of a lot of frustration with the wi-fi.

The PRESIDENT: We will take it on notice. You will see some very pleasing results in two months' time.

Mr DAVID SHOEBRIDGE: Cool, because when I turn up at home it just automatically logs on and when I turn up at Parliament I get consent delays.

The PRESIDENT: Mr Shoebridge, I am in exactly the same position you are in. I know exactly what you are talking about.

Mr DAVID SHOEBRIDGE: So it is going to be fixed? Is that what I understand?

Mr WEBB: It is. We are working on it.

The PRESIDENT: We are working on it. Give us two months. But we will give you a more detailed answer on notice.

Mr DAVID SHOEBRIDGE: Are there proposals to have more vegan options in the cafeteria? Can we be sure that the eggs that are served are free-range eggs in the cafeteria and in all parliamentary catering?

The PRESIDENT: I meet with the catering staff, I meet with the chef, I meet with Lee on a number of occasions. That is being considered. I will take the question on notice and I will give you another opportunity to remind me to talk to him about it.

Mr DAVID SHOEBRIDGE: This is not my question but I have had a member ask, "You can boil eggs, you can poach eggs. Why are there never any scrambled eggs?"

The PRESIDENT: I have had the same question put to me. I will take that on notice and get back to you. Maybe unscrambling the egg is the problem.

Mr DAVID SHOEBRIDGE: I don't know if we can unscramble that egg.

The Hon. SHAOQUETT MOSELMANE: While we are on food, usually there is bacon. Can there be non-bacon as well?

The PRESIDENT: In what?

Mr DAVID SHOEBRIDGE: That goes back to the vegan question that I had.

The Hon. SHAOQUETT MOSELMANE: In the hamburgers.

The Hon. ROBERT BORSAK: Mr President, the last time I saw a kangaroo steak here was a real long time ago and I expect to be seeing that again.

The PRESIDENT: I will take that on notice as well.

Mr DAVID SHOEBRIDGE: I knew I shouldn't have taken the lid off this particular issue. Can I also ask about waste and moving to a zero waste approach for our cafeteria and for staff particularly in terms of drink receptacles, drink containers?

The PRESIDENT: Sorry, I thought you said weight.

Mr DAVID SHOEBRIDGE: It is linked to weight because it is about calories.

The Hon. BEN FRANKLIN: Not your weight, Mr President.

The PRESIDENT: That is what I got a bit upset about.

Mr DAVID SHOEBRIDGE: It is linked to both weight and waste but are there plans afoot to reduce the waste, reduce the packaging and go to zero?

The PRESIDENT: I have got a couple of pages on this because I was anticipating it. But can I indicate that I will take a lot of it on notice.

Mr DAVID SHOEBRIDGE: I am happy for that.

The PRESIDENT: We are really doing quite a bit in Cafe Quorum facility: paper straws, combustible plastic packaging, non-waxed paper cups, coffee plastic lids, et cetera, birch and hard cardboard plates et cetera. But I understand what you are saying, not only reducing the waste but also some of the packaging.

Mr DAVID SHOEBRIDGE: The United Kingdom Parliament has lots of good examples. They are not currently covering themselves in glory but on waste they have done some good stuff.

The PRESIDENT: They have done some great things but there is more to do. You can tell Mr Field there are no more plastic cups on the table at budget estimates.

Mr DAVID SHOEBRIDGE: You can tell him.

The PRESIDENT: I will tell him.

The Hon. SHAOQUETT MOSELMANE: Mr President, I know you have relatively fixed up the audio in committees and so forth in coverages like this. But the question about the video coverage has not been addressed.

The PRESIDENT: Very quickly, if I can say this, my note that I read talked about how I am really pleased that everything has been fixed and it is wonderful. It has failed twice during committee hearings so I cannot use that note anymore. We are looking at it again as to why. Again it goes to the piecemeal. When you are using a very old system that really should be completely replaced with a brand-new system but instead you keep adding new components to old components that sometimes do not read from each other as well, we have issues. But to DPS's credit, the minute the problems come they are on it. They try to rectify it and they will continue to rectify it.

As far as the videoing, in this room we have the technology so that while I am speaking the camera on the TV monitor will come to me, when you are speaking it will shift to you but I need someone in the room to press the button and to shift that. When we are sitting in the Chamber there is someone in the room for both the Legislative Council and the Legislative Assembly and that is why you see the shifting and it is able to do it as it is being transferred live. I do not have the staff or the money to have someone in a room at every single committee hearing to get that. It can be done but it is the staffing level.

Mr DAVID SHOEBRIDGE: Some local councils have addressed it by software that automatically picks up where the—

The PRESIDENT: The voice.

Mr DAVID SHOEBRIDGE: Yes.

The PRESIDENT: Having seen that and having experienced that, the only problem is that when two or three people start to talk at the same time—

Mr DAVID SHOEBRIDGE: That would never happen.

The PRESIDENT: That would never happen, especially on a council! I have seen it, never happens on a council! That is the problem with that. Again, as IT changes, if you look at some of the recent IT where as I am speaking every word is being said and being transcribed in three languages plus they have picked you up. As time goes on it will come in. But currently today for us to have a situation where as you speak, he speaks, he speaks, I speak, I need someone really good up in the camera booth. I do not have the funds of Channel 9.

Mr DAVID SHOEBRIDGE: It takes us back to the budget.

The Hon. SHAOQUETT MOSELMANE: Just keep pushing for it.

The CHAIR: We are literally down to the last 30 seconds, so thank you for your attendance.

The PRESIDENT: Thank you.

(The witnesses withdrew.)

The Committee proceeded to deliberate.