



LEGISLATIVE COUNCIL

GENERAL PURPOSE STANDING COMMITTEE NO. 4

# **BUDGET ESTIMATES 2010-2011**

## **QUESTIONS ON NOTICE**

### **General Purpose Standing Committee No. 4**

Fair Trading and Arts

Wednesday 15 September 2010

Answers to be lodged by: Monday 11 October 2010

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Hearing date	Portfolio	Answer to be lodged by
15 September 2010	Fair Trading	11 October 2010 [21 days]
15 September 2010	Arts	11 October 2010 [21 days]
15 September 2010	Housing	11 October 2010 [21 days]
15 September 2010	Small Business	11 October 2010 [21 days]
15 September 2010	Veteran's Affairs	11 October 2010 [21 days]
15 September 2010	Planning	11 October 2010 [21 days]
15 September 2010	Infrastructure	11 October 2010 [21 days]
15 September 2010	Lands	11 October 2010 [21 days]
16 September 2010	Transport	12 October 2010 [21 days]
16 September 2010	Central Coast	12 October 2010 [21 days]
16 September 2010	Roads	12 October 2010 [21 days]
16 September 2010	Western Sydney	12 October 2010 [21 days]

**Questions relating to the portfolios of Fair Trading and Arts**

**15 September 2010, 9:15 am – 11:00 am**

**Questions from Dr Kaye**

1. Does the government intend to proceed with legislation that would allow the compulsory acquisition of one or more strata units to enable developers to demolish a block of home units and build a larger block on the site?

**Questions from Mr Khan**

**Employee Related Expenses**

2. During the Budget period of 2009/10 and 2010/11 were any redundancy payments made to staff in the Office of Fair Trading?
3. If so, can you detail the individual payments made, by year and the reason why the redundancy was offered?

**Service Measures**

4. It is noted that Service Measures reported in the Budget Papers show a significant drop in unit percentages from highs of 93%, 99% and 96% down to 90% across the board which coincide with a reduction in staff in 2009-10. Can you explain this reduction in performance?
5. Is the measurement of 90% now reflected across all measurements an arbitrary figure?

**Rental Bond Board**

6. Can you explain and detail the Administrative fees associated with Bond monies under management for the Rental Bond Board which are estimated at \$25.710 million for 2010-11?
7. Are consultants or non-government organisations employed to manage the Bond monies on behalf of the Rental Bond Board?
8. Are public servants the major administrators of Bond monies management, and if so, is this reflected in the Administrative fees and at what percentage of overall costs?

**Home Warranty Insurance - Managed builder program**

9. How much money, to date, have the managed builders (i.e. the supervisors) been paid under the managed builder program?
10. Does this money come from the OFT budget, from the SICorp budget or from the home-owner?
11. How many builders have been referred to the managed builder program by SICorp or by a broker/retailer of the insurance product?
12. How many builders have signed up under the program?
13. What is the OFT budget for the program?
14. What is the OFT budget for managing its proportion of home warranty insurance?
15. What is the SICorp and Treasury budget for managing its proportion of home warranty insurance?
16. How many staff at OFT work on home warranty insurance?
17. How many staff at OFT work on the managed builder program?
18. How many staff work on HWI at SICorp?
19. What is the budget for staff working on HWI at the OFT?

20. How much money has been allocated within the OFT/SICorp budget to provide for potential additional liability under the HWI scheme as a result of the exercise of any discretion for builders to gain HWI although they do not meet the SICorp eligibility criteria?
21. How many claims have been lodged by home-owners relying on the fourth trigger (ie default on money order awarded against the builder by the CTTT) introduced from 1 April 2009?
22. What is the total value of these claims?
23. How many claims have been paid by HWI insurers under this trigger?
24. Has this trigger resulted in additional costs to OFT or the CTTT? If so, please provide amounts.

#### OFT Staff Issues

25. Can you confirm that an investigation was recently concluded regarding approximately 55 complaints against an officer in the OFT that involved past and present staff, with some complainants travelling from other states to be interviewed?
26. What cost, if any, for this investigation was borne by the OFT?

#### Home Insulation Program

27. As a consequence of the Federal Government Home Insulation Program, how many property fires have been attributed to faulty insulation practices in NSW?
28. As the leading consumer advocate for NSW, what action did you take to protect NSW consumers from this disastrous and dangerous program?

#### Ministerial Announcements

29. In a Media Release titled “Keneally Govt Boosts Financial Counselling Services” dated 2 August 2010 reference was made to the No Interest Loans Scheme (NILS) advising that funding had increased from \$840,000 to \$1.78 million annually. Can you explain why Budget Estimate Papers 2010-11 - Service, Technology and Administration, Service Group Statement for the Rental Bond Board, Budget Initiatives (at Page 12-26) clearly identify the scheme funding at \$1.6 million and not \$1.78 million?
30. The Media Release also claimed the preservation of \$10 million in trust to provide ongoing free financial counselling— where has the \$10 million come from?

#### Advisory Councils

31. Can you provide the names of the members of the five advisory councils for the OFT including:
  - a) Date of appointment,
  - b) Term of tenure,
  - c) Any remuneration received,
  - d) Total period of tenure on the council,
  - e) Other State Government positions or roles held?
32. Can you provide the names of the members of the Rental Bond Board, including:
  - a) Date of appointment,
  - b) Term of tenure,
  - c) Any remuneration received
  - d) Total period of tenure on the Board,
  - e) Other State Government positions or roles held?

In relation to overseas travel you undertook from 7 to 19 July 2009 to Lebanon:

33. Was there any cost incurred by the NSW taxpayer?
34. Who paid for your accommodation, hospitality and food?
35. Who paid for your airfare?
36. What class was your airfare paid for (e.g. Economy, business or First)?
37. Who did you receive your flight upgrade from?
38. Why did you receive a flight upgrade?
39. How much were the value of the flight upgrades?
40. On what date were you made aware of a flight upgrade?

## Questions relating to the portfolio of Arts

15 September 2010, 9:15 am – 11:00 am

### Questions from Mr Khan

1. In relation to Sculpture by the Sea:
  - a) How much money did Arts NSW contribute to Sculpture By the Sea in 2008 and 2009?
  - b) How much money will Arts NSW contribute to Sculpture By the Sea in 2010?
  - c) How much money will Arts NSW contribute to Sculpture By the Sea in 2011?
2. Does the Minister and NSW Arts support Southern Taskforce's plan to develop a strong arts community in Port Kembla, in an effort to revitalise the area? What support can the Southern Taskforce expect from the NSW Government in terms of funding and organisational support?

In relation to the Minister's travels to the Middle East, which involved flight upgrades organised by Charif Kazal:

3. How was Charif Kazal made aware that you would be travelling to the Middle East?
4. Did you ever inform Charif Kazal that you would be travelling to the Middle East in the future?
5. How did Charif Kazal organise the flight upgrades taken by the Minister?
6. On what date did Charif Kazal offer to upgrade the Minister's flight?
7. On what date did Charif Kazal confirm to the Minister that her flights had been upgraded?
8. How many times has the Minister met with or communicated with Charif Kazal in the last 12 months?
9. On what dates did the Minister meet with or communicate with Charif Kazal?
10. Did Charif Kazal reveal to the Minister the manner in which he organised the upgrade?
  - a) If yes, please outline the details.
11. Did Charif Kazal reveal to the Minister the reason why he offered to upgrade the Minister's flights?
  - b) If yes, please outline the details.

In relation to the Minister's relationship with Charif Kazal:

12. How long have you known Charif Kazal?
13. How were you introduced to Charif Kazal?
14. How many meetings have you had with Charif Kazal?
15. How many functions has Charif Kazal invited you to?
16. Of those functions, how many did you attend? Please provide the date and name of the event.
17. Is Charif Kazal a donor to your campaign funds?

In relation to the Minister's relationship with Kosta Nikas:

18. How long have you known Kosta Nikas?
19. How were you introduced to Kosta Nikas?
20. Given that Kosta Nikas is not a particularly noteworthy member of the NSW arts community, why was he invited to attend high-level planning meetings when other more regarded members of the NSW arts community could have been involved?
21. Who specifically raised the idea that Kosta Nikas be invited to meetings?
22. Who actually invited Kosta Nikas to the meetings?
23. Who did Kosta Nikas confirm his attendance at the meetings to?
24. What qualifications does Kosta Nikas have and what credentials and achievements within the NSW arts community achieved, that made him the most suitable representative of the NSW arts community to attend meetings of this nature?

25. What qualifications, technical knowledge or experience in website design and website functions does Kosta Nikas have that put him in the position to be able to legitimately advise the NSW Government on the features of the Arts NSW website with any degree of accuracy and confidence?

In relation to Mr. Kosta Nikas:

26. Has he received a grant/funding/subsidy from any NSW Government department or agency?  
27. If so, how much was the grant/funding/subsidy?  
28. Has a body/organisation associated with him received a grant/funding/subsidy from any NSW Government department or agency?  
29. If so, how much was the grant/funding/subsidy?  
30. How many meetings has he attended between Arts NSW and yourself?  
31. What were the dates of these meetings?  
32. Did you, or your office, invite him to these meetings?  
33. In what capacity was he invited to these meetings?

In relation to the Ministerial Code of Conduct return of interests:

34. When becoming a Minister on 8 September 2008, did you register your return with the Premier in accordance with section 2.2?  
35. On what date did you register your return?  
36. Have you updated your return since 8 September 2008?  
37. If so, on what dates and for what reasons?