



LEGISLATIVE COUNCIL

GENERAL PURPOSE STANDING COMMITTEE NO. 1

BUDGET ESTIMATES 2012-2013

Supplementary Questions on Notice

General Purpose Standing Committee No. 1

Treasury
Industrial Relations

Tuesday 9 October 2012

Answers to be lodged by: Friday 2 November 2012

Budget Estimates Secretariat
Telephone 9230 2412
Fax 9230 2981
budget.estimateds@parliament.nsw.gov.au

Questions from The Hon. W. Secord

Treasury

Roger Massy-Greene

1. What is the total compensation being paid to Mr Roger Massy-Greene in his role as:
 - a) Chairman of Networks NSW
 - b) Chairman of Ausgrid
 - c) Chairman of Endeavour Energy
 - d) Chairman of Essential Energy
2. On what date was Mr Roger Massy-Greene appointed as a director and Chairman of:
 - a) Chairman of Networks NSW
 - b) Chairman of Ausgrid
 - c) Chairman of Endeavour Energy
 - d) Chairman of Essential Energy
3. What other candidates were considered for the position of Chairperson of Networks NSW, Ausgrid, Endeavour Energy and Essential Energy?
4. On what date was Mr Roger Massy-Greene appointed as a director and chairman of:
 - a) Chairman of Networks NSW
 - b) Chairman of Ausgrid
 - c) Chairman of Endeavour Energy
 - d) Chairman of Essential Energy

Waratah Bonds

5. What are the latest figures for the number and value of Waratah Bonds issued:
 - a) 3 year Fixed Rate Waratah Bonds
 - b) 10 year Fixed Rate Waratah Bonds
 - c) Series 1 Annuity Waratah Bonds
 - d) Series 2 Annuity Waratah Bonds
 - e) Series 3 Annuity Waratah Bonds
 - f) 4 year Designated Investment Waratah Bonds
6. How many applications or enquiries have been made regarding the buy-back or transfer of Waratah Bonds?
7. How many Waratah Bonds have been transferred or bought-back prior to maturity? What is the value of these bonds?
8. Are there there any commissions or any types of incentives payments relating to Waratah Bonds?

9. What are the costs of the Waratah Bonds program for:
 - a) Banking
 - b) Transactions
 - c) Registry
 - d) Communications
 - e) Advertising
 - f) Market Research
10. On maturity of a Waratah Bond, is the payment of the principle back to the investor made from the Restart NSW fund?
11. In relation to the Waratah Bonds website:
 - a) What was the design costs for the website?
 - b) What was the development costs for the website?
 - c) What are the hosting costs for the website?
12. In relation to the 'partnership' with Colonial First State on Waratah Bonds:
 - a) Was a public tender or expressions of interest process run before entering an agreement with Colonial First State?
 - b) In establishing the partnership:
 - c) Was exclusivity requested by Colonial First State?
 - d) Was exclusivity required by Colonial First State?
 - e) Was exclusivity granted to Colonial First State?
 - f) What is the value of this contract?
 - g) What payments were made, or are liable, to Colonial First State for setup and inclusion of Waratah Bonds on the FirstWrap platform?
 - h) What commissions, management fees, or other payments are paid or liable to Colonial First State on sourcing of additional investments or funds through the FirstWrap platform?
13. Are there any fees, charges, commissions or other payments being made, liable, or potentially liable, under contract

Restart NSW

14. What is the current balance of Restart NSW, and how much has been allocated from:
 - a) The Sydney Desalination Plant transaction
 - b) Sale of Waratah Bonds
 - c) Windfall tax revenue

State Owned Corporations

15. What is the total compensation being paid to the Chairperson of each of the NSW State Owned Corporations including:
- a) Networks NSW
 - b) Essential Energy
 - c) Delta Electricity
 - d) Ausgrid
 - e) Eraring Energy
 - f) Hunter Water Corporation
 - g) Endeavour Energy
 - h) Landcom
 - i) Macquarie Generation
 - j) Newcastle Port Corporation
 - k) Port Kembla Port Corporation
 - l) State Water Corporation
 - m) Superannuation Administration Corporation
 - n) Sydney Ports Corporation
 - o) Sydney Water Corporation
 - p) TransGrid
16. What is the total compensation being paid to the Chief Executive Officer of each of the NSW State Owned Corporations including:
- a) Networks NSW
 - b) Essential Energy
 - c) Delta Electricity
 - d) Ausgrid
 - e) Eraring Energy
 - f) Hunter Water Corporation
 - g) Endeavour Energy
 - h) Landcom
 - i) Macquarie Generation
 - j) Newcastle Port Corporation
 - k) Port Kembla Port Corporation
 - l) State Water Corporation
 - m) Superannuation Administration Corporation
 - n) Sydney Ports Corporation
 - o) Sydney Water Corporation
 - p) TransGrid
17. What is the total compensation being paid to each director of each of the NSW State Owned Corporations including:
- a) Networks NSW
 - b) Essential Energy
 - c) Delta Electricity
 - d) Ausgrid
 - e) Eraring Energy

- f) Hunter Water Corporation
- g) Endeavour Energy
- h) Landcom
- i) Macquarie Generation
- j) Newcastle Port Corporation
- k) Port Kembla Port Corporation
- l) State Water Corporation
- m) Superannuation Administration Corporation
- n) Sydney Ports Corporation
- o) Sydney Water Corporation
- p) TransGrid

Privatisation Unit

18. In regards to the 'specialised unit to investigate and restructure for the lease or sale of assets and businesses' recommended in the Interim Schott Report:
 - a) Has this Unit been established?
 - b) What are the terms of reference for the Unit?
 - c) Have any assets been excluded from consideration by the Unit?
 - d) Is this the same as the Property Asset Utilisation Taskforce?
 - e) Which agency is the Unit located in?
 - f) Which agency does the Unit report to?
 - g) Which Ministers are responsible for the Unit?
 - h) Who is the head of the Unit? What is their total remuneration?
 - i) How many staff are working in or allocated to the Unit? What is the total cost for these staff?
 - j) What is the number of staff seconded from agencies? What agencies are these staff from?
 - k) What is the total budget for the Unit?
 - l) How much has been spent on external consultants, contractors and advisors?
 - m) When is the unit due to report to the Minister?
 - n) How often have you met with the unit?

19. How much has been spent on consultants, contractors and external experts (including investment banks, accounting advisors, auditors, legal advisors and other consultants) in relation to the following transactions:
 - a) Sydney Desalination Plan
 - b) Port Botany
 - c) Port Kembla
 - d) NSW Lotteries Securitisation
 - e) Electricity Generators

Budget Information

20. On the same basis as the figures presented in the 2010/11 Budget Papers, what is the number of full-time equivalent staff for each cluster, agency and service group for the 2011/12 and 2012/13 year?

Energy Network Reform

21. In relation to the Energy Network Reform Task Force:
- a) Is the Task Force and expert panel still functioning, or have they completed their job? If continuing, what ongoing role will they play?
 - b) What were the terms of reference for the Task Force?
 - c) Which Minister(s) are responsible for overseeing the Task Force?
 - d) Who are the members of the Task Force?
 - i. What are their background and qualifications?
 - ii. What were they paid for their involvement (if external)?
 - e) Who were/are the members of the Panel of 'industry and commercial experts'?
 - i. What was their role in the process?
 - ii. What are their background and qualifications?
 - iii. What were they paid for their involvement?
 - f) What other external advisors, consultants, contractors or other staff were involved in the Task Force?
 - g) What was the cost of consultants and contractors working on the Task Force?

Consultants

22. Which companies have been engaged for consultancy services in the 2011/12 and 2012/13 financial year? For each engagement:
- a) What is the value of the engagement?
 - b) What is the primary purpose of the engagement?
 - c) How much has been spent to date?
23. What is NSW Treasury's budget for consultants in the 2012/13 financial year?

Sponsorships

24. Has NSW Treasury sponsored any organisations or events in the 2011/12 or 2012/13 financial years?
- a) If yes, which organisations and events were sponsored in the 2011/12 financial year?
25. How much did NSW Treasury spend on sponsoring organisations and events in the 2011/12 financial year?
26. What is NSW Treasury's budget for sponsorship in the 2012/13 financial year?

Phones/iPads

27. How many blackberries are assigned to your staff?
28. For each phone, how much was each bill in the 2011/12 financial year?
29. What was the total bill for mobile phone use by your office in 2011/12?
30. How many have phones have been lost in your office?
31. What is the cost of replacing those phones?
32. How many iPads have been assigned to your Ministerial office and to whom have they been issued?
33. How many iPads have you purchased for your office and to whom have they been issued?
34. How many iPhones have been assigned to your Ministerial office and to whom have they been issued?
35. How many iPhones have you purchased for your office and to whom have they been issued?
36. How many iPhones have been lost in your office?
37. How many iPads have been lost in your office?
38. What is the cost of replacing those phones or iPads?

Media/public relations

39. How many media or public relations advisers are employed for each of your portfolio agencies?
40. What is the forecast for 2012-13 for the number of media or public relations advisers to be employed and their total cost?

Overseas trips

41. Have any of your overseas trips in the past year been paid for in part or in full by using public money? If so, did any of your relatives or friends accompany you on these trips?

Office costs

42. What is the annual remuneration package for your chief of staff?
43. What is the annual remuneration package for your head media advisor?

44. What is the annual remuneration package for each of your staff?
45. What is the estimated expenditure for your office budget in 2012-13?
46. Have any office renovations or fit outs been undertaken in your ministerial office since April, 2011?
 - a) If so, what were the costs of these works?
47. What is your Ministerial office budget for 2012/13?
48. How many political advisors are in your office?
49. How many administration staff?
50. How many Department Liaison Officers are assigned to your office?
51. How many staff in NSW Treasury are assigned to Ministerial support duties?
52. Are any contractors or consultants working in your ministerial office?
 - a) If so, in what capacities?
53. How much did your Ministerial office spend on contractors or consultants?

Cabcharge

54. How much did your Ministerial office spend on taxi fares, including Cabcharge in the 2011/12 financial year?

Restructure

55. Is there a restructure underway in NSW Treasury?
56. How many jobs are expected to be cut as a result of that restructure?
57. How many people are expected to have their wages cut as a result of that restructure?
58. How many voluntary redundancies were offered in your Departments since April 2011?
59. How many voluntary redundancies were accepted from employees in your Departments since April 2011?
60. How many voluntary redundancies are expected to be offered in 2012/13?

Agency costs

- 61. How much did your Department(s) spend on catering in 2011/12?
- 62. How much did your Department(s) spend on stationary in 2011/12?
- 63. What is your Department's catering budget?
- 64. What is your Department's stationary budget?
- 65. Since April 2011 have any of the agencies in your Department(s) changed their branding?
- 66. If so, how much was spent on rebranding the agency?

Correspondence

- 67. How long is the average turnaround for responding to correspondence in your Department(s)?
- 68. How many pieces of correspondence have been outstanding for more than 60 days?

Paying bills on time

- 69. In 2011/12 how many invoices has your Department(s) failed to pay a supplier or contractor for more than 30 days?
- 70. As a result of late payment, how much penalty interest has been paid to contractors since 1 January 2011?
- 71. How many invoices have been outstanding for longer than 60 days?

Contractors

- 72. How many contractors has your Department(s) retained since 1 July 2012 and at what cost?

Aboriginal employment

- 73. What is the current level of Aboriginal employment within your Department(s)?
- 74. How has that changed since 1 July 2011?

Charter air flights

- 75. Since 1 July 2011, how much has been spent on charter air flights by your Department(s)?

Reviews and studies

76. Is your department currently undertaking any feasibility studies, audits, taskforces or reviews? If so; then;
- a) What are the terms of reference or details of each study, audit, taskforce or review?
 - b) Who is conducting the study, audit, taskforce or review?
 - c) Was each study, audit, taskforce or review was publically advertised seeking expression of interest or competitive tenders?
 - d) Is there a contract in place detailing terms of engagement for the study, audit, taskforce or review?
 - e) What is the timeline of each study, audit, taskforce or review?
 - f) What are the details of any costs involved in each study, audit, taskforce or review?

Media training

77. Has the Treasurer been provided with Speech, Voice or Media Training since becoming Treasurer? If so, then;
- a) Who conducted the training?
 - b) When was it conducted?
 - c) Where was it conducted what were the costs of the training?
 - d) Who paid for the training?

Industrial relations

78. On the 3rd September 2012, in the Australian Financial Review, Minister Pearce said the NSW Government was trying to modernise and simplify its awards. Can you explain what is meant by "modernise" and "simplify" in this context?
79. In that same article, Minister Pearce stated that it was likely that the Industrial Relations Commission would rule that if payments such as leave loadings were removed, the savings should be used to fund a pay increase for affected workers. Will the Government commit to passing on all productivity savings to fund pay increases?
80. Will existing awards for fire fighters, paramedics, rescue paramedics and other emergency services personnel remain as stand-alone awards or will they be consolidated into one award? If they will be consolidated, when will this process begin and will consultation occur?
81. Minister Pearce has stated that consolidation of awards is in the interests of employees because it enables them to understand their entitlements more easily. Do you share this view?
82. Public sector awards can only be altered by the Industrial Relations Commission. Will the Government amend legislation to impose a policy of minimum conditions on these awards?

83. The Government's application to the Industrial Relations Commission to alter the Crown Employees award will not be resolved for 6 – 8 months. Minister, isn't this just a tactic to delay the process because the longer you delay, the more money you save?
84. Minister Pearce has stated that changes to the Crown Employee awards are in line with community standards. How would you define those community standards?
85. If the O'Farrell Government believes that leave loading should be abolished, can you explain why the Government is promoting leave loading as an important condition on the Family and Community Services website, and in Jobs NSW disability support worker ads?
86. Minister, under your proposed changes to the Crown Employees award, can you advise how access domestic violence leave will be affected?
87. Currently, when an employee needs to access domestic violence leave, they apply to use sick leave and then FACS leave. If these 2 leave forms are exhausted, the employee can then apply for special leave of 5 paid days. Under your proposed changes to the Crown Employees award, domestic violence leave will be reduced, because FACS leave will be abolished and miscellaneous leave will override special leave. Under miscellaneous leave, the rules have now changed and it is up to the department head to decide whether an employee can take paid or unpaid leave. This will add undue hardship to victims of domestic violence. Can you explain how these changes are in keeping with community standards, at a time when domestic violence is no longer acceptable?
88. To date, the NSW Government has not committed one dollar towards equal pay. You have been in office for nearly 19 months, and you have not contributed to increase the pay of workers who help people with disabilities, counsel families in crisis, and run services for those experiencing homelessness, domestic violence, and sexual assault. 87% of them are women. Will the NSW Government honour its commitment to work with the Federal Government to provide pay equity? If so, what concrete steps have been taken to achieve this?
89. There is a gender pay gap in the NSW public service. On average female public service employees are paid \$71 573 compared to an average of \$76 742 for men. Will the Government openly move to address this issue? Why or why not?
90. 82% of women aged 65 years or older who are retired rely on government pensions and allowances as their main source of income. This compares with 75% of men in NSW. Will the Government conduct a review to assess whether female retirees' needs are met by these government allowances and pensions? Why or why not?
91. Superannuation, as a function of lifetime earnings indicates that more women are being paid less, either in low paying jobs or in part-time/casual positions, and therefore seek government allowances and payments. The median superannuation balance for NSW women is \$18 238 compared to \$30 555 for men. Will the Government conduct an inquiry addressing the ways these issues that face women in later life can be addressed earlier, particularly during their time as an active member of the labour force?

92. Minister, can you advise when were you made aware of the government's proposed changes to the crown employees' public service conditions of employment?
93. The government's application was lodged by your predecessor, the minister responsible for industrial relations, Mr Pearce. When were you made aware of this application and its contents?
94. Did the application go to Cabinet?
95. Did you or Treasury officials have costs savings figures which were used in the decision-making process before this application was put to the Industrial Relations Commission?
 - a) If so, what are those figures?
 - b) If not, why not? If costs savings figures were not used in making the decision to amend the Crown Employees (Public Service Conditions of Employment) Award then what information was used?
96. In answer to a Question Without Notice asked by Roza Sage about the wages policy on 26 May 2011, the Premier stated that "...in those areas where unions and public servants identify productivity savings they could be paid more than the 2.5 per cent..." Minister, can you provide details of what the Government would classify as "productivity gains"?
97. Several of your colleagues, including the Minister for Health, the Minister for Education and the Premier, have stated in the House that the O'Farrell Government is "not in the business of taking conditions away from public servants." Can you explain why your Government is now taking away conditions from public servants by applying to the IRC to make a new award?
98. Will the government cut the rural and remote incentive scheme that provides incentives to employees to apply for positions in regional and rural communities?
99. How many public sector jobs will be cut in Maitland, Port Macquarie, Port Stephens, Smithfield, and Rockdale?
100. Are nurses in aged care, disability and home care considered "front line" and if so, will they be quarantined from cuts to both conditions under the Crown Employees Award and job cuts? How many nurses in aged care, disability and home care will be made redundant?
101. Does the Government supports recommendation 15 of the final report of the Visitor Economy Taskforce, which calls for the removal of those provisions for penalty rates that significantly increase labour costs and deter businesses in the visitor economy from operating at times and days of the week when the tourism and hospitality sector faces peak demands?

Questions from Dr. J. Kaye

1. With respect to the Payroll Tax rebate scheme, Jobs Action Plan, when did the scheme begin and how many jobs have been created by this scheme to date?
2. With respect to jobs created to date under the Payroll Tax rebate scheme, Jobs Action Plan, what modeling or analysis has been performed that demonstrates that those jobs would not have been created without the scheme in place. Please provide details.
3. With respect to the empty-nesters stamp duty exemption passed by legislation in 2011, how much revenue has that initiative cost the NSW budget to date? What are the anticipated costs to future budgets?
4. With respect to the abolition of the ad valorem component of the Torrens assurance levy passed by legislation in 2011, how much revenue has that initiative cost the NSW budget to date?
5. In relation to questions 3 and 4, for each of those schemes:
 - a) For each of the years that they have operated please provide the total cost to the budget and the number of units provided (exemptions and transactions,
 - b) For each of the budget forecast years, please provide the forecasted total cost to the budget and the number of units provided (exemptions and transactions,)
6. If the NSW government is genuine in its attempts to make savings, why does it continue to subsidise the sale of native forest logs to the wholly Japanese owned chipmill at Eden, given that the relatively miniscule number of jobs involved can be transferred to plantations?
7. With respect to the Eden chipmill:
 - a) Please provide the total value of sub-economic cost sale of logs to the chipmill for the past 3 years and forecasted amounts for the next 4 years.
 - b) Please provide an estimate of the number of jobs that are created or produced by the sub-economic sale of logs.
 - c) Please provide an explanation as to why now economic loss can be justified in the context of a tight budget where cuts are being made to education and health?
8. Given this government's drastic cuts to make savings in a range of portfolios including education and health, has the government considered saving \$2.5 million annually by abolishing the Game Council of NSW?
 - a) If not, why not?
9. Given that responses to earlier parliamentary questions on notice to the Treasurer relating to NSW government investment in tobacco have indicated that NSW fund managers have discretion to invest in anything including tobacco companies, can the Treasurer please outline the extent and size of all of its investments in the tobacco industry, including any indirect or passive tobacco investments made via fund managers? Please provide a breakdown by company.

- a) If the Treasury is unable to provide this information, please explain why such records are not kept given the Health Minister's statement in Opposition condemning the former government's investments in the tobacco industry.
10. Will the NSW government commit to following a recent ACT government decision to adopt a socially responsible investment policy that excludes tobacco investments, including indirect or passive investments via fund managers?
- a) If not, how does the NSW government accord this decision with the statements made by the current NSW Health Minister when in Opposition in 2006 on ABC Radio on 26 June 2006 that: "I find it hard to....defend a government owning shares in a tobacco company....one of its primary responsibilities is looking after the health of the population of New South Wales....I think the Premier....must sell these shares today"?