



LEGISLATIVE COUNCIL

GENERAL PURPOSE STANDING COMMITTEE NO. 1

# **BUDGET ESTIMATES 2010-2011**

## **QUESTIONS ON NOTICE**

### **General Purpose Standing Committee No. 1**

Ports and Waterways and Illawarra

Monday 13 September 2010

Answers to be lodged by: Thursday 7 October 2010

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<b>Hearing date</b>	<b>Portfolio</b>	<b>Answer to be lodged by</b>
13 September 2010	Tourism	7 October 2010 [21 days]
13 September 2010	Hunter	7 October 2010 [21 days]
13 September 2010	Science and Medical Research	7 October 2010 [21 days]
13 September 2010	Women	7 October 2010 [21 days]
13 September 2010	Ports and Waterways	7 October 2010 [21 days]
13 September 2010	Illawarra	7 October 2010 [21 days]
14 September 2010	Treasury	8 October 2010 [21 days]
14 September 2010	Special Minister of State	8 October 2010 [21 days]
14 September 2010	State and Regional Development	8 October 2010 [21 days]
14 September 2010	Premier	8 October 2010 [21 days]
14 September 2010	Redfern Waterloo	8 October 2010 [21 days]

## Questions relating to the portfolios of Ports and Waterways

13 September 2010, 2:00 pm – 6:00 pm

### Questions from Mr Gay

Port Botany Landside Improvement Strategy (PBLIS)

1. We understand that PBLIS fees have been collected since 1 July 2010 on all import and export containers yet the Industry is still to see any of the major reforms in place. How is the government accounting for this revenue and reporting back to industry on the use of these funds?
2. We note that industry has lobbied the NSW Government to introduce regulation so that stevedores provide two days of free storage (instead of one as exists today) from the time that the container “Customs border processing hold” is released and the container is physically available for collection.
  - a) Do you see merit in this requirement to allow adequate time to book available transport slots and to co-ordinate delivery with importers?
  - b) Can the Government advise whether regulation has been prepared to address this as a part of the Port Botany Landside Improvement Strategy (PBLIS)?
3. We note that Sydney Ports Corporation claimed that they were to instigate PBLIS regulation to prevent stevedore price increases to rail operators, which they claim are already charged to shipping lines. Patrick commenced this fee increase from 1 September 2010.
4. Is it the intention of the NSW Government to proceed with the regulation?
  - a) If yes, is there any intention to have rail operators and their customers reimbursed for this fee increase?
  - b) If not, why not?
  - c) How many per cent of trains do not arrive at the port on schedule?
  - d) How many per cent of trains do not leave the port on schedule?
  - e) Would the increase in rail operating fees undermine the Government’s long-term plan to shift 40 per cent of Port Botany’s freight movements to rail?
  - f) What is the Government’s plan to make sure that the fee increases will not steer industry towards a greater dependence on road transport?

The “knuckle” – Port Botany

Information released in 2009 indicates that one of the Port Botany terminal operators, Patrick Stevedores, secured legal title to the 18-hectare site next to the western border of the terminal, known as the “knuckle”. In December 2009, a Freedom of Information request was lodged with Office of State Revenue relating to any documentation associated with the lease of this land by the NSW Labor Government. The request was refused in January 2010.

5. The reasons given for the refusal to release the 10 documents in the reply from the Office of State Revenue generally relating to cabinet-in-confidence. Given the public interest test applying to FOI requests, on what reasons did this request fail to meet the public interest?
6. Do you agree that competition in the NSW Stevedoring industry is a significant issue that the NSW public would find important, in particular business owners who import and export goods through Port Botany?
  - a) If yes, on this basis alone, would it not be in the public interest to release these documents?
  - b) If no, why not?

7. How long had the NSW Government been negotiating with Patrick Stevedores on the lease arrangement for the “knuckle” land?
8. Were any restrictions contained in the lease that limit the possible uses on how Patrick Stevedores may utilise the “knuckle” land?
9. Is this NSW Government aware of Patrick Stevedores intention to use the “knuckle” land? If yes, what are they?
10. Has Patrick Stevedores made any application with the NSW Government, specifically the Department of Planning, for development on the “knuckle” land? If yes, how many applications have been made and what is the nature of these applications?
11. What are the terms of the lease of the “knuckle” land to Patrick Stevedores – specifically, the length of the lease, and the value of any rental fees and royalties to be paid to the NSW Government?

#### Better Boating Program

12. Under the Better Boating Program (BBP), how much funding is available for the following programs for the current financial year?
  - a) Better Boating - Regional Infrastructure Grants?
  - b) What is the funding ratio for this?
  - c) Better Boating – Sharing Sydney Harbour Access Program (SSHAP)?
  - d) What is the funding ratio for this?
  - e) Better Boating – Sydney Harbour Boatramps?
  - f) What is the funding ratio for this?
  - g) It is reported that in 2009/2010, Better Boating Program provided grants worth a total of \$5.5 million. Can you please list all 74 projects and their allocated funding?

#### Boat registration tax

19. What was the outcome of the consultation process?
20. How many responses to the discussion paper proposal were received?
21. How many responses were supportive of the contribution?
22. How many people were against the contribution?
23. How much additional funding will NSW Rescue receive through the introduction of this new contribution?
24. What accountability measures have been put in place to ensure this additional funding is going to Rescue NSW and not the NSW Maritime as a whole?
25. Will there be an annual report produced with detailed reporting on expenditure?
26. Will there be an annual increase in the funding contribution? If so, how much per year?

#### NSW Maritime Development Applications

27. How many Water-based development applications has NSW Maritime received in the 2009/2010 financial year?
28. How many of those were granted?  
Please provide a list of granted applications
29. How many of those were rejected?  
Please provide a list of rejected applications

Port and Maritime Security

30. What is the total expenditure/budget allocation and forecast for Port and Maritime Security for
  - a) 2008/2009
  - b) 2009/2010
  - c) 2010/2011
  - d) 2011/2012

NSW Maritime Software

31. The SMH reported on 3 September 2010 that workers shut down its workplaces on Friday following months of frustration over flawed licensing software. Is this true?
32. How many of the NSW Maritime Offices across the state were closed in protest?
33. Is it true that NSW Maritime management has refused to acknowledge the failure of the new software?
34. What evidence did the Department rely on that this would be most effective licensing software for NSW Maritime?
35. Is this new software is capable of processing new commercial boat licences?
36. If not, why not?
37. Is the new computer system quicker than the old system?
38. On average, how long (in minutes) does each registration take? How much quicker/slower is this using the old system?
39. Is the new computer system more expensive than the old system? If yes, please provide details of costs.
40. Did NSW Maritime have mechanisms in place to ensure the software was implemented correctly?
  - a) If yes, what mechanisms?
  - b) If not, why not?
41. Can you please explain how staff was trained to work with this new system?
42. Did any problems arise during these training sessions?
43. If so, were they resolved?
44. What was the total expenditure for the training sessions?
45. Is it true that NSW boat owners may unknowingly be out on the water in unlicensed boats because reminder letters haven't been sent out since the software was adopted in July?
  - a) If yes, how many?
  - b) If not, please give evidence to support your claims.
46. Is it true that incorrect letters were sent to boat owners telling them their licences had expired?
  - a) If yes, how many incorrect letters were sent out?
  - b) Has NSW Maritime resolved this issue?
  - c) How has it been resolved?
  - d) If not, why not?
47. How many complaints has the Department received as a result of the troubled new software?
48. We note that a spokesperson for the Department has said that NSW Maritime is working with the developer, the Department of Services Technology and Administration, to resolve this issue. Is this true?
49. When do you anticipate resolving this issue?
50. In the interim, what measures have been put in place to cope with the current situation?
51. How are staff dealing with customers' anger and frustration?
52. Does the Department agree with the Australian Services Union (ASU) Secretary Sally McManus that the current system is a 'nightmare'?

#### Safety Murray River

53. How many incidents have occurred in the Murray River area in
  - a) 2005/2006
  - b) 2006/2007
  - c) 2008/2009
  - d) 2009/2010
54. What measures will be implemented as part of the review into safety on the Murray River?
55. How will NSW Maritime deal with safety issues concerning Victorian registered vessels?

#### New Patrol Boat – Illawarra

56. In regards to the new patrol boat that was unveiled on 20 August 2010, was is the total cost of the new vessel?
57. What are its operating hours?

#### Mr Joe Tripodi

58. Why has Joe Tripodi represented the government at least one meeting about the future of landside transport arrangements at Port Botany?
59. Why would Mr Tripodi attend meetings representing the government in a portfolio area from which he is no longer responsible?
60. Does the new Minister believe this is appropriate?
61. Will he ask Mr Tripodi to represent him at meetings?
62. Does Mr Tripodi also meet with Sydney Ports officials or transport operators?
63. Is the Government going to regulate road and rail transport at Port Botany, including pricing?
64. Has Mr Tripodi been involved in these considerations?
65. Is Mr Tripodi an advocate for regulating the port's landside operations?

#### Waterfront Action Group

66. Are you aware of an unanswered letter dated 27 July 2010 from the Waterfront Action Group and addressed to Paul McLeay MP?
67. When do you propose to respond to that letter?
68. The Auditor-General in his report to Parliament of 23 September 2009 was critical of NSW Maritime not having reviewed the rate of return used to calculate NSW Maritime rentals, despite IPART's April 2004 recommendation that "The rate of return will need to be reviewed regularly". The Auditor-General wrote (on page 8 of his report) that NSW Maritime together with the Land and Property Management Authority should "...ensure more effective implementation of the IPART recommendations" by "Jointly reviewing the net rate of return in an open and consultative manner by December 2009. The review should include assessment of the net rate of return from a location and time specific perspective, similar to the approach taken for assessing statutory land value of precincts".
  - a) Was that review done as specified by the Auditor-General?
  - b) If so, what was the outcome of this review?
  - c) If not, why not?
  - d) Who was consulted?
69. Are you aware that NSW Maritime recently refused a Freedom of Information request to reveal the results of the review of the rate of return?
  - a) When will the detail and the results of that review be released to interested parties?
  - b) If not, why not?

70. Attached to the letter of 27 July is a record of a meeting that took place on 6 July 2009 between Steve Dunn, Chief Executive of NSW Maritime, Patrick Low, then General Manager of Policy at NSW Maritime, a representative of Minister Tripodi's office and two committee members of the Waterfront Action Group. Steve Dunn then advised words to the effect "the Rate of Return is set by the Government ... and the Government's revenue needs may influence that decision. On that basis the Government may decide not to reduce the Rate of Return, following the upcoming review".
- Is that statement by the Chief Executive of NSW Maritime accurate?
  - Is that why the rate of return used by NSW Maritime has not been reduced, despite it having reduced in the rental market, since IPART set it at 3.05% in April 2004?
  - If not, why has the rate of return used by NSW Maritime not been reduced?
71. Also within the letter to Paul McLeay MP is a complaint that NSW Maritime refuses to negotiate the terms of a new lease that it is currently forcing its tenants to sign, under threat of demolition of tenants' structures. One of the clauses (Clause 3.7) locks in the current flawed rental calculation, based on an incorrect rate of return for the next 4 years and then allows for a possible new unspecified formula thereafter. NSW Maritime is clearly abusing its monopoly power in forcing tenants to sign these leases against the advice of the tenants' lawyers.
- Will the Minister intervene to ensure that NSW Maritime negotiates a fair and equitable lease?
  - If yes, can you please provide details of this process?
  - If not, why not?

#### Legal Branch NSW Maritime

72. On what dates were all section 11 referrals to ICAC made in relation to activities in the Legal Services Branch of NSW Maritime?
73. How many people in the Legal Department of NSW Maritime have either resigned or been terminated by NSW Maritime in 2008/09 and 2009/10? Please list by reason for leaving.
74. Further to the Question immediately proceeding, please provide their names, reason for leaving NSW Maritime and separation date.
75. What steps have NSW Maritime taken to give effect to the ICAC recommendations from the Report, "Investigation into the Misuse of resources by a NSW Maritime Legal Services Officer"?
76. What was the objective for the service delivered by IAB in 2009?
77. How much money was paid to IAB for this contract?
78. Was any employee identified in the IAB investigation? If so, what action was taken against them?
79. Did Steve Dunn consult with the Minister's office at any time regarding answering Questions on Notice from the 2009 Budget Estimates Committee? If so, what was the nature of this consultation and interaction?
80. On 24 August 2009, Mr Dunn granted Ms Kelly ongoing approval for her secondary employment on the basis that she was not to use any NSW Maritime resources. Mr Dunn cancelled that approval in March 2010. Why was approval only revoked in March 2010?
81. On what date did the Crown Solicitor give advice to NSW Maritime that Private Indemnity Insurance was not required for employees in the service of NSW Maritime?
82. Since the time Ms Tonette Kelly began taking various forms of leave up to and including the date of production of these answers to the Budget Estimates Committee how many days has Ms Tonette Kelly physically been at work undertaking her duties at NSW Maritime?
83. From the time Ms Tonette Kelly began taking various forms of leave either in 2010 or 2009 up to and including the date of production of these answers to the Budget Estimates Committee, how much money has been expended on her wages and other entitlements?

84. How much money has been expended on legal assistance for Ms Tonette Kelly thus far, broken down into separate matters?
85. How much did the implementation of the GLS database cost?
86. What problems have been experienced with the implementation of the GLS database and with the system itself?
87. What public consultation has been conducted in relation to proposed changes to lifejacket laws?
88. What representations have been received by the Minister, or his predecessor, Paul Mcleay, regarding the administration of the legal branch of NSW Maritime? What actions have been taken in consequence?
89. On what date or dates did NSW Maritime offer to reinstate Mr Tim Lloyd to his former position in the NSW Maritime legal branch?
90. On what date or dates did NSW Maritime invite Mr Paul Bertram to return to his substantive position in the NSW Maritime legal branch?
91. In regards to the preceding 2 questions, if no offers have been made, why not, and are there any plans to make such an offer/s?
92. What action has been taken to investigate Mr Dunn's conduct during 2009 and 2010 in relation to the investigation of matters concerning Ms Kelly, Mr Lloyd, Mr Bertram or any other officer of the NSW Maritime legal branch?



## Questions relating to the portfolios of Illawarra

13 September 2010, 2:00 pm – 6:00 pm

### Questions from Mr Shoebridge

Stockland development – Sandon Point

1. Given Wollongong Council's won study into the coastal zone says that rising sea levels will adversely affect Sandon point, should Stockland's proposed development at Macauley's beach really be going ahead?
2. Are you aware if any agreement about the 'keeping place' for Aboriginal relics found on the site has been agreed yet?

Future flood risk

3. Why are the recommendations of Government and studies such as the one commissioned by Wollongong Council on likely coastal sea level rises not binding on Council when it makes zoning decisions, given the areas of flood risk in the Illawarra?

Wollongong Council

4. What is the annual cost of the administration of Wollongong Council for the years
  - a) 2008-2009
  - b) 2009-2010
  - c) and projected for 2010-2011?
5. When will democracy be restored in Wollongong by allowing an election of Wollongong Council?

### Questions from Mr Pearce

In relation to youth unemployment in Wollongong:

6. What is the current rate of youth unemployment in Wollongong?
7. What has been the average rate of youth unemployment in Wollongong each financial year from 2003-04 to present?
8. Which region has the highest level of youth unemployment in NSW?
9. What is the NSW Government doing to reduce youth unemployment in Wollongong?

In relation to youth homelessness in the Illawarra:

10. Broken down each year from 2003-04 to present, how many young people sleep rough in the Illawarra on average each night?
11. Broken down each year from 2003-04 to present, how many young homeless people are there in the Illawarra on average each night?
12. What is the NSW Government doing to reduce youth homelessness in the Illawarra?

In relation to the Green Jobs Illawarra Project:

13. How many FTE jobs have been initiated by this project since April 2009?
14. How much money has been spent on this project since 2009?
15. How much money will be spent on this project in 2010-11, 2012-13 and 2013-14?
16. How many FTE jobs are expected to be initiated by this project in 2010-11, 2012-13 and 2013-14?