

PORTFOLIO COMMITTEE NO. 1 – PREMIER AND FINANCE

Thursday, 7 September 2017

Examination of proposed expenditure for the portfolio area

PREMIER

CORRECTED PROOF

The Committee met at 2.00 p.m.

MEMBERS

Reverend the Hon. Fred Nile (Chair)

Mr J. Buckingham

Mr J. Field

The Hon. Scott Farlow

The Hon. Ben Franklin

The Hon. Peter Primrose

The Hon. Adam Searle

PRESENT

The Hon. G. Berejiklian *Premier*

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 the Budget Estimates 2017-2018. Before I commence I would like to acknowledge the Gadigal people, who are the traditional custodians of this land. I would also like to pay respect to elders, past and present, of the Eora nation, and extend that respect to other Aborigines who may be present. I welcome the Premier, Gladys Berejiklian, and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolio of Premier. Today's hearing is open to the public and is being broadcast live via the Parliament's website. In accordance with the broadcasting guidelines, 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 would also remind media representatives that you must take responsibility for what you publish about the Committee's proceedings. The guidelines for the broadcast of proceedings are available from the secretariat.

There may be some questions that a witness could only answer if they had more time, or with certain documents to hand. In these circumstances, witnesses are advised that they can take a question on notice and provide an answer within 21 days. Any messages from advisers or members of staff seated in the public gallery should be delivered through the Committee secretariat. Premier, I remind you and the officers accompanying you that you are free to pass notes and to refer directly to your advisers seated at the table behind you.

Transcripts of this hearing will be available on the web from tomorrow morning. Finally, would everyone please turn their mobile phones to silent for the duration of the hearing? All witnesses from departments, statutory bodies or corporations will be sworn prior to giving evidence. Premier, I remind you that you do not need to be sworn as you have already sworn an oath to your office as a member of Parliament. For all other witnesses, I ask that you each, in turn, state your full name, position title and agency and then swear either an oath or an affirmation. The words of both the oath and affirmation are on the cards on the table in front of you.

JOHN SCHMIDT, NSW Electoral Commissioner, NSW Electoral Commission, affirmed and examined
BLAIR COMLEY, Secretary, Department of Premier and Cabinet, affirmed and examined
GRAEME HEAD, Public Service Commissioner, Public Service Commission, affirmed and examined

The CHAIR: I declare the proposed expenditure for the portfolio of Premier open for examination. The questioning of the portfolio of Premier will run from 2.00 p.m. to 4.40 p.m. As there is no provision for a Minister to make an opening statement before the Committee commences questioning, we will begin with questions from the Opposition.

The Hon. ADAM SEARLE: Good afternoon, Premier.

Ms GLADYS BEREJIKLIAN: Mr Searle.

The Hon. ADAM SEARLE: Premier, according to the Australian Energy Market Operator, New South Wales faces up to a 46 per cent likelihood of blackouts lasting up to six hours after Liddell closes in 2022. We saw how the State's power supplies were stretched on 10 February this year and it really was only the curtailment of power to Tomago Aluminium that saved the State from rolling blackouts. What is your plan to avoid blackouts from next summer?

Ms GLADYS BEREJIKLIAN: I thank you for the question. I do believe this is one of the biggest issues facing not just the State but the nation in terms of energy security into the future. As we stand, New South Wales is the most resilient State when it comes to sourcing energy. New South Wales, compared to other States, is doing very well in its energy sourcing and also in its transition strategies. That being said, we are not at all complacent about our future energy requirements and we are considering all of the State's options in relation to securing our energy into the future.

I say that because the main motivation for me is, first, to ensure that, unlike other States, New South Wales does not have those blackouts and what is called load shedding; second, that we keep maintaining downward pressure on power bills, which is so important; and, third, to work with the other States and the Commonwealth for a national strategy. As you and every member of this Committee would be aware, unfortunately there are many issues outside the control of the New South Wales Government when it comes to energy security. We are part of a national grid and when one or more than one State is not as resilient as New South Wales and takes decisions to move to renewables, perhaps before they should have, that puts pressure on our system.

There is no doubt that we will work hard to do what we can within our own control to secure our energy sources but we do also need a national approach to protect New South Wales, given the actions of other States. We saw, for example, what South Australia's energy situation resulted in, not just for that State but also what it meant for New South Wales, Victoria and others. Fortunately, we were able to withstand those pressures during the last summer and indeed this winter. But we are making sure that we consider all the potential options about securing our energy sources into the future, especially as the State potentially moves to other sources into the future.

The Hon. ADAM SEARLE: Premier, renewable energy is only about 17 per cent of the energy mix in New South Wales but on that hot day, 10 February, our reliance on renewables was up to 27 per cent. Without renewables, we would have run out of power altogether. Can you give a guarantee that New South Wales will not suffer blackouts next summer?

Ms GLADYS BEREJIKLIAN: We are certainly working as hard as we can to maintain our position as the most resilient State when it comes to our energy sources. In fact, the Chief Scientist has given the Government very good advice and recommendations on what our State needs to do moving forward. We are continually in contact with her and the task force that is set up under her to make sure that, as a government, we are doing all we can to maintain our resilience. Also, as you foreshadowed in your question, it is important for us to work with the other States and the Commonwealth. We are part of a national grid. We can do what we can to continue the resilience of our State but we cannot control what other States do in this environment. When other States are not as responsible as we are, when other States do not consider the impact of peak periods as much as New South Wales does, unfortunately that does have unintended consequences for New South Wales.

The Hon. ADAM SEARLE: Premier, do I understand from that lengthy answer that you will not give us a guarantee that we will not suffer blackouts next summer?

Ms GLADYS BEREJIKLIAN: I am confident that we will maintain our resilience. I am confident that the people of New South Wales will not have to worry about that. Absolutely I am confident of that. I am confident that we will manage all of our peak times, especially in the summer. To date, we have managed the winter extremely well, and we will continue to do that. I do not think many people would have foreseen what happened in South Australia, and that put pressure on our system, no doubt about it. The energy Minister and I and all of our colleagues have been working to make sure we have the strongest resilience when it comes to our energy needs.

I have to say, one of the first opportunities I had on taking this position was to be in contact with the Chief Scientist, to make sure that I understood not only her advice at the time but also what we as a government needed to monitor and keep doing to maintain our resilience. I am very confident of our position. Obviously, all of us—when I say "all of us", all the States and Commonwealth—need to do more in terms of the future energy needs. I do not take a back foot on that. It is important for New South Wales, as the most resilient and largest State, to continue to act in the interests of our citizens with energy security and also to do what we can to put downward pressure on household energy bills.

The Hon. ADAM SEARLE: I have not heard you use the word "guarantee", so I accept you will not give that guarantee.

Ms GLADYS BEREJIKLIAN: There is nothing for me to be concerned about in relation to our State's energy requirements. I have not been given any advice to say there is anything which requires that level of concern. Certainly I would never be complacent and we need to work hard on a daily basis to maintain resilience as a State. We need to keep a keen eye on the activities of other States. Unfortunately, whether we like it or not, what other States do does impact New South Wales.

The Hon. ADAM SEARLE: Do you intend to give financial assistance or other incentives to the owner of Liddell Power Station to keep it open beyond 2022?

Ms GLADYS BEREJIKLIAN: We have not come to any conclusions regarding that. I welcome the Federal Government's interest in the future of that energy source. We have not made any conclusive decision around that. Obviously we were interested in the Federal Government's announcements or statements yesterday and we will continue to consider the best options for our citizens moving forward.

The Hon. ADAM SEARLE: Will your Government look at buying a stake in Liddell?

Ms GLADYS BEREJIKLIAN: We have not come to any conclusions at this stage.

The Hon. ADAM SEARLE: I am not asking about conclusions; I am asking you what options are you looking at in connection with Liddell Power Station?

Ms GLADYS BEREJIKLIAN: We are looking at a range of options.

The Hon. ADAM SEARLE: Can you tell us what they are?

Ms GLADYS BEREJIKLIAN: Yes. We are looking at options relating to the length of time our existing energy sources will continue. We are looking at what is happening around the world and what are the best options in terms of energy sources. We are also looking at what we can do in relation to providing certainty to the market. That is a very important matter we need to consider in New South Wales. That comes to us working with the other States and the Commonwealth. The more certainty we can give the market the better opportunities we have in terms of knowing what our sources are in the future. I will ask my secretary to comment on this issue, given his interactions. There have also been interagency workings between New South Wales and other States.

Mr COMLEY: I would add one thing to the Premier's answer. The Finkel review was released and the Federal Government endorsed 49 of those 50 recommendations. One recommendation which was endorsed but has received less public attention than it might have is a recommendation to introduce a generator reliability obligation, which essentially is providing an obligation for backup power to support renewables. The Commonwealth has not finalised the design detail of that. Any response that you would consider in energy security will need to take into account the design details of that. We engage with the Commonwealth through formal Council of Australian Governments [COAG] processes and through other official processes on the design of those schemes because they are important to the overall landscape.

The Hon. ADAM SEARLE: What conversations have you or any person in your Government had with the Prime Minister or any part of the Commonwealth Government about the Commonwealth's announcements in relation to Liddell?

Ms GLADYS BEREJIKLIAN: I engage with the Prime Minister and our State colleagues frequently. It was discussed at the last Council of Australian Governments meeting. This issue was discussed by the Premiers and the Prime Minister. The Prime Minister kindly let me know that he was making the statements yesterday and I was pleased for that conversation.

The Hon. ADAM SEARLE: When did the Prime Minister let you know of that?

Ms GLADYS BEREJIKLIAN: I am not going to get into the details of when and how long I spoke to him. Suffice to say that all the Premiers and the Prime Minister appreciate that we need to move forward together on this issue in some parts. New South Wales is extremely resilient when it comes to our energy sources, far more resilient than the other States. However, we are part of a national grid and it is important for me as the Premier of New South Wales to maintain dialogue not just with the Prime Minister but with my other State colleagues and to work towards national solutions which strengthen the energy sources into that grid and take pressure off New South Wales, which is the most resilient State.

The Hon. ADAM SEARLE: Premier, do you agree that increasing investment in new power generation sources and creating a stable framework for investors are required to give us that certainty and security, not trying to keep old coal-fired power stations on life support beyond their lifespan?

Ms GLADYS BEREJIKLIAN: We need to look at a multiple range of options. The mistake that some other State governments have made is to move to renewables too quickly. That is clearly the case of South Australia. They moved to renewables and when their system suffered stress during peak the renewable sources were not able to cope, and that was the given.

The Hon. ADAM SEARLE: When coal-fired power stations close you need new power generation sources to replace them. It is not the fault of renewables if the private owner of the coal-fired power station in South Australia decided to close.

Ms GLADYS BEREJIKLIAN: Well, it is—

The Hon. ADAM SEARLE: When Liddell closes, what is going to replace the power lost to New South Wales?

Ms GLADYS BEREJIKLIAN: That is the point I am making. What I am suggesting is governments do get advance warning of what may or may not happen in their State.

The Hon. ADAM SEARLE: Not always.

Ms GLADYS BEREJIKLIAN: The comments I have made about South Australia are that I believe their government—and their load shedding requirements last summer proved this when they had to plan blackouts—moved too quickly towards relying on renewable sources of energy. The peak was beyond their expectations during a heatwave on the entire eastern seaboard and South Australia at the same time. There were a multitude of difficult circumstances. Having said that, I believe that State moved too quickly towards renewables and did not do enough to plan ahead for its more traditional sources of energy. I and my Government want to ensure that New South Wales is not in that situation. We are considering options before us in relation to existing sources of generation and other opportunities we might have in discussion with our State and Federal colleagues.

The Hon. ADAM SEARLE: Liddell Power Station was built to last 30 years; it is now 47 years old. At some point your Government will have to face reality, that we need new electricity generation projects. Will you invest in new renewable projects in New South Wales to ensure that we have enough supply being developed to meet the shortfalls that will occur when stations such as Liddell actually close?

Ms GLADYS BEREJIKLIAN: We have significant investment in renewable energy in New South Wales.

The Hon. ADAM SEARLE: Not by your Government.

Ms GLADYS BEREJIKLIAN: We do. The Government provides the regulatory environment for that investment and provides support through various funds, grants and opportunities. That is not what is at the heart of the issue.

The Hon. ADAM SEARLE: Supply is pretty important.

Ms GLADYS BEREJIKLIAN: It is. What is at the heart of the issue is how reliable those sources are. Currently, we know that unfortunately you can not rely on those alternative sources during times of peak usage.

The Hon. ADAM SEARLE: If you do not have them at all, you run out of power.

Ms GLADYS BEREJIKLIAN: South Australia has demonstrated that you cannot solely rely on those sources with the current technology we have because it does jeopardise the opportunity for citizens to use those sources of energy during the peak times when the system is under pressure. It is not a question of the amount available, as you and the members present know. The challenge with those technologies is storage. Technology is currently limited in allowing you to use those sources of energy when you need them. That is the critical thing that State governments have to consider. You have to assume unexpected situations will arise. You have to assume that various States could be under pressure from the national grid at the same time.

If that is the case, you cannot move too quickly to other sources of energy, which are far less reliable, do not support during a peak, and compromise the availability of power for citizens to use electricity freely. That is central to the issue. It is not just the amount of investment going on, it is the reliability and the storage capacity, which unfortunately is still wanting in many of the alternative sources. We appreciate the public sentiment, which is to invest in more alternative energy sources. We appreciate that members of the public feel that and we appreciate that some members of the public are asking government to look at a high energy low emission coal-fired power station.

The Hon. ADAM SEARLE: Will you fund one?

Ms GLADYS BEREJIKLIAN: I am not going to rule it out. I will not rule out anything and compromise the future energy needs of New South Wales. My job as the Premier is to ensure that the citizens do not need to worry about what happens when they flick on a switch. It is my job to make sure we keep energy prices as low as possible. That is why I appreciate there are short- and medium-term impacts on energy prices, which is why on the weekend I announced a range of reforms to support the most vulnerable of our households and small businesses during what is likely to be an unfortunate period of upward pressure on prices.

The Hon. ADAM SEARLE: There is talk about the Commonwealth Government buying the New South Wales share of the Snowy Hydro scheme. Can you tell us where those discussions are up to and will you use those proceeds to build new electricity generation projects in regional New South Wales?

Ms GLADYS BEREJIKLIAN: The New South Wales Government is undertaking its due diligence on evaluating our share. I know the Victorian Government is doing the same. Both the Victorian Government and the New South Wales Government are working to make sure we appropriately value what our share is worth. The Federal Government has given both Victoria and ourselves every indication that it intends to proceed with that transaction. You can rest assured that we are a government that will ensure that every dollar of those proceeds goes to where it is needed most. We are looking forward to the process continuing in the coming months.

The Hon. ADAM SEARLE: You mentioned the package you announced on Sunday. What is the total value of that package?

Ms GLADYS BEREJIKLIAN: It is in the hundreds of millions. Some parts of it are able to be accessed through the Climate Change Fund because some aspects of the proposals—for example, those relating to small businesses being able to have up to 50 per cent upgrade of their appliances or households being able to get discounts on their appliances when they upgrade—can be attributed to the Climate Change Fund. Other parts of the package cannot be. For example, the 20 per cent increase in rebates per annum that we are providing to vulnerable households, including low-income working households or welfare recipients, seniors and anybody on the current rebates, the additional cost of those is, I believe, around \$55 million, which is from outside the Climate Change Fund. My secretary might have more details on the total package in relation to parts of it coming out of the Climate Change Fund.

The Hon. ADAM SEARLE: Perhaps I can assist, is it the \$257 million in Budget Paper No. 3, page 8-18?

Ms GLADYS BEREJIKLIAN: No, this is new.

The Hon. ADAM SEARLE: Totally new?

Ms GLADYS BEREJIKLIAN: Correct.

The Hon. ADAM SEARLE: Apart from the \$55 million you say is coming from the Climate Change Fund—

Ms GLADYS BEREJIKLIAN: No, the \$55 million is the part that is not from the Climate Change Fund, because you cannot have rebates from the Climate Change Fund. You need to use the Climate Change Fund for purposes which support better use of energy.

The Hon. ADAM SEARLE: Can you please provide us with the total figure and where the money comes from?

Ms GLADYS BEREJIKLIAN: Sure.

Mr COMLEY: I do not have the total figure in front of me.

The Hon. ADAM SEARLE: You can take it on notice.

Mr COMLEY: The non \$55 million is out of the Climate Change Fund, which is already in the budget papers.

The Hon. ADAM SEARLE: The Climate Change Fund is referred to in passing in the budget papers but the actual amounts that you are talking about are not itemised in the budget papers.

Ms GLADYS BEREJIKLIAN: They are still—

The Hon. ADAM SEARLE: A passing reference on one page is not an itemised list of where the money is coming from.

Ms GLADYS BEREJIKLIAN: No.

The Hon. ADAM SEARLE: What I am asking for is where are the dollars and cents coming from and where is that list of expenditure found, either in the budget papers or in some other document?

Ms GLADYS BEREJIKLIAN: Just to be clear before I hand back to the Secretary, so the Committee is aware, there is still a portion of Climate Change Fund which the Government has the ability to allocate every year. Part of that allocation has gone towards upgrading these appliances. We have not yet allocated the total amount of the fund. I will ask the Secretary to add to that.

Mr COMLEY: That is right. Essentially, the Climate Change Fund becomes an envelope which comes from the levy.

The Hon. ADAM SEARLE: The levy paid by customers, not by the Government.

Mr COMLEY: That is right, for climate change related purposes.

The Hon. ADAM SEARLE: In this year's budget you provide \$257 million otherwise for helping vulnerable customers.

Ms GLADYS BEREJIKLIAN: No, it is actually much more than that.

The Hon. ADAM SEARLE: In your budget, page 8-18, it is \$275 million to assist up to 900,000 households, which is less than the \$259 million in the previous year's budget. Why is your budget paper less generous to vulnerable customers than in the previous year's budget?

Ms GLADYS BEREJIKLIAN: We have actually now extended the criteria, not limited them. It depends on how many people are eligible to apply for the fund.

The Hon. ADAM SEARLE: I understand it is a protected item, but the amount of money you are estimating to spend this year is \$2 million less than in the year before. So why are you planning on reducing the help you give to vulnerable customers?

Ms GLADYS BEREJIKLIAN: The total amount we dedicate to providing subsidies to the most vulnerable customers in total far exceeds the amount you have raised.

The Hon. ADAM SEARLE: I am just looking at your budget papers.

The Hon. SCOTT FARLOW: Point of order—

The Hon. ADAM SEARLE: If you are happy to refer me to other pages.

The CHAIR: Your time has elapsed, Mr Searle.

Ms GLADYS BEREJIKLIAN: We also have an estimation on how many people we think will take up our offer. I do not think anything can give you a stronger indication of our Government having a big heart than with increasing the rebates by 20 per cent. We have assumed that, for some people, the next bill they get could be a shock to them, including the most vulnerable of our families and individuals. I did not want anyone

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to feel that unnecessary stress, because we are in a strong financial position. For that reason, we have increased the rebates across the board.

You can quite happily add the \$55 million to that \$257 million if you want to be so specific but, having said that, that is only part of the overall amount of concessions we give to vulnerable families. Even if I took your argument to be correct—which I do not—you could add \$55 million onto that. Compared to last year, there will be an extra \$53 million going to the most vulnerable of our families.

Mr JUSTIN FIELD: Last year in budget estimates, as Treasurer, you were asked about modelling that has been done to assess the impacts of climate change on the New South Wales State budget, and of course one of the reasons we are having the discussion about transition of the energy market is because there is a climate change imperative linked to that. I will ask you again: Has any modelling been done by the New South Wales Government to assess the impacts of climate change on the State budget?

Ms GLADYS BEREJIKLIAN: Of course, we always make sure that we consider the environmental impact on our citizens. I might ask my secretary to respond to any specific modelling that has been done since last year when I was asked that question.

Mr COMLEY: I am not aware of any specific modelling but obviously what we do across the whole of government is keep in touch with the various work that has been done on impacts and resilience. That is done by universities, non-government organisations, and State and Federal bodies. That is all part of the policy deliberations in the budgets and looking at the vulnerabilities.

Mr JUSTIN FIELD: We have just had a hurricane hit Texas in the United States, causing estimated damage of \$125 billion—much of that to public infrastructure—and another hurricane is on its way to Florida at the moment. We have had extreme weather events in Australia over the past couple of years. You went up to the floods on the North Coast and the media reported up there that you recognised that as result of climate change those sorts of events would become more common. Reasonable assumptions that be made about increasing costs to the State budget in terms of damage to infrastructure, costs for emergency services, for our health system and the like. Would you not think that is something we should be modelling if we are going to be able to prepare our budgets for the long term?

Ms GLADYS BEREJIKLIAN: I did make those comments because there is no doubt that the frequency of extreme weather conditions is increasing. That is a scientific fact. If you add up the number of natural disasters we have had in the past 10 years compared with other times, it is obvious that they are increasing and we do need to be prepared for what that might mean. We have various agencies through government whose task is to provide advice to me and my colleagues on these matters, and we continue to plan ahead as much as we can for those. In fact, in the last few days we have had significant warnings issued by our State emergency services regarding the upcoming bushfire season, for example—and unfortunately yesterday's fire in Macquarie Park is an indication that the warnings about having what is regarded as a very severe bushfire season could be accurate.

Similarly, we take advice from relevant agencies in relation to extreme weather conditions. I do not think there is anything more heart wrenching than for someone in my position to have to go and watch people throw everything out of their house because they have lost it due to a flood. There is no doubt that, as governments, we need to do all we can to not only warn our citizens about likely risks, but also mitigate risks after a tragedy so that if the same weather pattern was to occur residents appreciate the risks and are mobilised to take care of that.

Mr JUSTIN FIELD: That is totally fair when we talk about the immediate risks to lives and to people's property and the like. But I am talking about longer-terms risks and making sure our budget is in position—or at least we are aware of the risks to the budget from the impacts of climate change, not just on people but also on infrastructure, property and the financial status of the State.

The Australian Prudential Regulatory Authority has put directors of insurance companies and banks on notice that they could be in breach of their director duties if they fail to incorporate climate change risks into their financial models and disclose the risks that they face. Why would the onus be less on a government to do that than on banks and insurance companies? Would that not necessitate some modelling about the potential impacts on our budget from the risks of climate change?

Ms GLADYS BEREJIKLIAN: Certainly we do have advice from our emergency agencies and the relevant Minister about resourcing requirements because we get advice to suggest that there could be extreme weather conditions in the next little while or that the Government needs to prepare in case there are those extreme weather conditions. We are constantly taking advice from our emergency services areas, in particular. I am not sure what broader modelling you think is missing. I am happy for you to outline that and I can take it on Portfolio Committee No. 1

notice if there is anything specific that you feel other governments are doing that our government is not doing, I am happy to hear that.

Mr JUSTIN FIELD: I appreciate that the Government has taken a climate change or emissions target position of net zero emissions by 2050, but there is no legislative pathway to achieving that. Do you expect to achieve that target? How can you possibly expect to achieve it without putting in place some interim targets that require your departments and all of the elements of government to hit those targets, which would send those signals to business and other people who are contributing to emissions or are contributing to emissions reduction?

Ms GLADYS BEREJIKLIAN: You are absolutely right, we do have that zero net emissions target for 2050. I feel that our Government has sent a very strong message to the market about our objectives in trying to achieve that target. One recent example I can give you is that we put out a tender to have solar panels put on all government buildings in the CBD and elsewhere. We are a government that is doing everything it can. I raise that example to demonstrate to you that we are leading in terms of our actions. We are saying to the community that if there are opportunities for us as a government to reduce emissions we will. We certainly expect to provide that regulatory environment and that leadership to allow others in the marketplace to do the same. We also have a number of incentives and grants in place that we offer in relation to reducing emissions. Even establishing cultures of litter reduction, which is one of the Premier's priorities, sends a strong message to the community about our intent not only to reduce emissions where possible but also to take care of the environment.

Mr JUSTIN FIELD: Why do you not legislate it then? If you are committed to that target, why do you not legislate a pathway to achieving it?

Ms GLADYS BEREJIKLIAN: I do not feel that legislating it will necessarily change our ambition or target at all. We are working towards that. I know it is a national target, so all the other States are working towards it as well. I have to say that as a government we do spend considerable time thinking about our own activity. In fact, many of the projects that we have going get extra points or are incentivised to provide reduced emissions or green friendly—or environmentally friendly. Not necessarily relating to you, Mr Field. Not that I would slur your representation; I just wanted to clarify what I meant. In fact, we do send very strong messages both directly and indirectly to everybody who interacts with us that we have that target in place. We also try to demonstrate through our actions that we are committed to reducing emissions. I will ask my secretary to add to that, in case there are any—

Mr JUSTIN FIELD: I am happy to move on. There is no legislation and aspirational for the moment. In the next hour early childhood educators across the country, including in New South Wales, are going to walk off the job to protest the unacceptably low wages in that sector. These workers earn about \$30,000 less than the average wage. Do you think it is acceptable that the people caring for our children receive such low pay?

Ms GLADYS BEREJIKLIAN: Firstly, I empathise with anyone in our community who has responsibility in taking care of children. There is no more important job than keeping our children safe and providing a safe haven where parents can trust others with their children. However, I do not support that type of industrial action. I feel that if people have a strong case as to why they would like to see their work conditions change or want to receive more resources for what they do then that is a fair enough argument. But I would not support doing that through industrial action. I think it is unfair to the families.

I know that a lot of those award conditions relate to laws and award conditions that are outside New South Wales's responsibility. Some of them relate to Federal conditions and are not New South Wales conditions. Having said that, all of my team and I are always ready and willing to talk to any cohorts of workers who want their conditions changed or different. But I do not support industrial action. I empathise with their argument and I empathise with their situation. I do believe that there is no higher honour or responsibility than taking care of children, whether it is in the home, in child care, or in early childhood education.

Mr JUSTIN FIELD: Early educators that are employed by the Department of Education get paid significantly more than those working in the private sector in New South Wales. Most of them do work in the private sector and we are hearing that people are starting to leave. This is going to create a problem for our economy and our community if people cannot access child care because of the terrible pay. I am asking you what you will do to ensure that early learning workers in the childcare sector and the early learning space are paid enough to support their families and be able to keep providing that really essential service to our community.

Ms GLADYS BEREJIKLIAN: As you indicated, we have certainly sent the right message to everybody in the way that we remunerate our early childhood workers in New South Wales. I think the

Government's actions speak louder than its words. We have made our position known on those issues. I also want to see more childcare providers in the system, not less. I urge those who are advocating for the industrial action to talk to the decision-makers who can assess the situation, as opposed to industrial action, which I do not feel helps anybody in this situation. I think the public has a lot of empathy for people who work with children and they want to see that they are provided with enough resources. We want to see more people in early childhood, not less. There is no doubt about that. I would hope that the comments made by the union would be directed to those decision-makers at meetings and other forms of progress, rather than through industrial action.

The CHAIR: What is the Government doing to enhance the competitiveness of the Port of Newcastle with Port Botany?

Ms GLADYS BEREJIKLIAN: As you might be aware, in 2013 the then freight and roads Minister, on behalf of the Government, put out a ports strategy. Our ports strategy was very comprehensive and until that point was the first one that took a view across the State. In designating that ports strategy, it determined that Port Botany remained the preferred facility to receive and ship containers, that any future overflow from Port Botany would go to Port Kembla, and that Newcastle would remain the main port for exporting coal. Our freight strategy was very clear in those objectives, and I believe that is a sound strategy. I think it is an important certainty not only for the port operators but also for the many people who rely on those ports to ensure that their goods and services are delivered in a timely fashion. We outlined that strategy nearly three to four years ago to give clarity and certainty about what we saw was the most appropriate way to move forward. Our philosophy and our position on that freight strategy still stands.

The CHAIR: Do you envisage Newcastle being the main port dealing with coal exports? Do you see any changes in that situation with the movement to use less coal?

Ms GLADYS BEREJIKLIAN: We certainly do not see any changes relating to that general strategy, and that strategy remains the case. It is also appropriate to highlight that there are opportunities for Newcastle to undertake other activities. There are still opportunities for growth in other activities, but our ports strategy is that that port would mainly be for coal.

The CHAIR: What other activities are you referring to?

Ms GLADYS BEREJIKLIAN: For example, container activities or others. There are opportunities for growth in that port for those opportunities still.

The CHAIR: In Newcastle?

Ms GLADYS BEREJIKLIAN: Correct.

The CHAIR: There are some disadvantages in Newcastle. One that I have been advised of is the issue that the fee payable by the Port of Newcastle for an excess of containers processed through the port is virtually a fine and may be in breach of Federal competition law. Are you aware of that problem?

Ms GLADYS BEREJIKLIAN: Firstly, when the Government considered its ports strategy, including any transactions regarding ports, we took advice on competition issues. There is, as you say, a cross-payment considered in specific circumstances, which have been outlined previously to Parliament and publicly. I want to give you a sense of comfort that the port deeds do not trigger any cross-payments until a container through port threshold is reached at the Port of Newcastle. That threshold has not yet been reached. The test is quite high. I am happy to outline what that test is. It essentially requires the equivalent of 30,000 twenty-foot equivalent units [TEUs] in a standard shipping container being exceeded at the Port of Newcastle, with the threshold increasing each year by either 6 per cent or the level of container growth at Port Botany. As I understand, in 2016 only 7,960 TEUs were handled at the Port of Newcastle. Those cross-payment arrangements do not come into play until the 30,000 number is hit. Last year it was only 7,960. The opportunity for growth is there, which is quite substantial. There are opportunities for that port to grow by way of its container movements as well. Obviously, a cross-payment issue is triggered once it gets to that 30,000 threshold, but we are not even one-third of the way there.

The CHAIR: Where are we up to?

Ms GLADYS BEREJIKLIAN: I am advised that in 2016 there were only 7,960 TEUs and the threshold is 30,000. There is still an opportunity for growth. The threshold includes a growth increase factor of 6 per cent. There is still quite a way to go before that growth capacity is reached. The port has an opportunity to increase other movements as well.

The CHAIR: Is the Government directly or indirectly imposing constraints on the growth of container movements through the Port of Newcastle?

Ms GLADYS BEREJIKLIAN: We have identified the main role that the Port of Newcastle has in the State's freight strategy. There are opportunities for shipping containers. That threshold has not been exceeded yet, so there are opportunities for that to increase. Obviously, once the threshold is reached a cross-payment is triggered, but we are nowhere near that yet.

The CHAIR: Moving on to urban planning and housing red tape, what is the Government doing to enhance housing affordability through the reduction of red tape? Apparently the New South Wales guide for apartments is approximately 180 pages long compared to the Victorian guide, which is 40 pages long. It would appear that there is more red tape in urban planning and housing in New South Wales than in other States.

Ms GLADYS BEREJIKLIAN: As part of the housing affordability package we announced earlier in the year we looked at opportunities to reduce red tape and the length of time it takes to increase supply, which is important to putting downward pressure on prices. During the announcement of that package we ensured that we had targets to reduce the time it takes to make those approvals. In April this year Victoria introduced new apartment design standards which in fact replicate many of the things we already have in New South Wales, so they were behind us. This was in response to criticism that apartments in Victoria, especially in Melbourne, did not provide basic residential amenities such as natural sunlight and ventilation. I understand that before Victoria made the changes in April there was no regulation for a window in a bathroom and things like that. When Victoria revised its laws in April, it adopted a lot of the basic standards we already have in New South Wales. In introducing the new requirements for apartment design, the Victorian planning Minister stated:

There are a number of apartments that have been built in Melbourne which frankly don't reach in our view a minimum standard.

Buildings that rely on borrowed light, buildings that have poor ventilation, buildings where you can barely put a double bed into a bedroom: this is not the quality of apartments that we should have.

In fact, a lot of the changes they made brought them in line with New South Wales. Having said that, I take your point about there being too much red tape in New South Wales. It has been raised with me and other colleagues by a number of stakeholders. One of our priorities for the housing affordability package was to reduce the time it takes to provide successful outcomes. Our target is that 90 per cent of housing approvals should be determined within 40 days by 2019. We know that sometimes we are making that target and sometimes we are not, but we have a target. The advice we received when putting together the housing affordability package showed that we have more room for improvement. I accept that. We are vigilant about increasing supply because that puts downward pressure on prices. Having said that, there is some good news. We have had a record number of approvals, but the challenge is to convert those approvals to construction in a shorter period of time, which is why we have a target to try to get everybody approved within 40 days.

Mr COMLEY: This year the Government commissioned the Greiner review. Nick Greiner is chairing a panel to look further at the question of red tape and unnecessary regulatory burden. It has put out a draft report. There has been extensive consultation with stakeholders and a lot of feedback on ways that the New South Wales Government can generally improve its processes, including, particularly, looking at digital channels and other things that make it much easier for people to comply with regulation. It has been a big push.

The CHAIR: An issue that concerns people in New South Wales is religious freedom. Recently some young Catholic doctors commencing their registrar training in New South Wales public hospitals were being asked to sign a form that they would agree to perform abortions, if required. Those people should have legal protections for their employment if they say it is against their conscience. Would the Government be prepared to introduce a religious conscience or freedom of religion bill, or an alternative, that could assist these people who have strong religious feelings?

Ms GLADYS BEREJIKLIAN: We appreciate that medical practitioners work in public health organisations and public health organisations are protected under New South Wales Government directives. I am advised that NSW Health has a policy directive entitled "Pregnancy—Framework for Terminations in New South Wales Public Health Organisations". That provides a framework to support the review and development of appropriate protocols for our officials. If people have a conscientious objection in our public facilities, the system respects their conscientious objection. Compliance with this directive is mandatory for NSW Health and is a condition of subsidy for public health organisations. If there are medical health practitioners working in public health organisations who have objections to any procedures based on religious grounds, they are protected from being part of those procedures.

The Hon. ADAM SEARLE: In 2015 your predecessor Mike Baird visited people in the local community at Williamstown suffering from contamination. He promised \$4 million so all those living inside the red zone would be connected to town water. Two years on, there are still many properties not connected to town water and many of those people have elevated levels of perfluorooctane sulfonate [PFOS] chemicals in their blood. As a matter of urgency, will you call in Hunter Water to ensure that all those who should be connected to town water are connected?
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town water are? Will you also tell the Committee how much of the \$4 million has been spent and why two years on this process has not been completed?

Ms GLADYS BEREJIKLIAN: I remember former Premier Baird spoke to his colleagues about his visit and how much he was impacted by it. Our Government took proactive action at the time. I do not know how much of that money has been expended to date. I will refer to my secretary if he has any such information. I am happy to take that on notice. I do not have the information in front of me.

The Hon. ADAM SEARLE: Moving back to new sources of energy, the company Dial A Dump is proposing a large waste incinerator to generate energy in Western Sydney at Eastern Creek. There is a lot of concern in the community and there has been trenchant criticism of the proposal by the Environment Protection Agency [EPA]. Will your Government take steps to ensure that that project does not go ahead and pollute local communities?

Ms GLADYS BEREJIKLIAN: Mr Searle, I have heard those concerns. As a layperson, not as the Premier of this State, I appreciate why the community would be concerned about that proposal. There is a Planning Assessment Commission [PAC] process for that proposal. I will await the outcome of that process before I make any public statements. I have met with people who are concerned about that proposal. I have listened to their concerns. I have listened to my colleagues who have raised many concerns on their behalf. I appreciate their reasons for raising those concerns, but there is a proper process going ahead. We will consider our options depending on the outcome of that process. We have to let that process take its course.

The Hon. ADAM SEARLE: Just to be clear, you are not going to take steps to make sure that the project does not go ahead? You are just going to let the process take its course?

Ms GLADYS BEREJIKLIAN: No, if you listen to my answer, we need to make sure that the current process comes to a conclusion and what we will do will depend on that outcome. The process might determine that the proposal should not go ahead, in which case no further action is required. If the process suggests that the proposal should go ahead, the Government can consider its options at that stage. But we will await that outcome. I am not sure of the timing of that outcome. I am not sure if my secretary has any extra advice on when that might be.

Mr COMLEY: No, I do not.

Ms GLADYS BEREJIKLIAN: In fact, it would be inappropriate for government to interfere in a process that is currently going on. I have listened to people who have raised those concerns and I place on record how vigilant my colleagues have been in raising those concerns with me and in highlighting the concerns of their communities. We will have something to say about that once the formal process has concluded, depending on the outcome of that process.

The Hon. ADAM SEARLE: In relation to energy and electricity in particular you would agree that less supply will usually mean higher prices?

Ms GLADYS BEREJIKLIAN: I will wait until the next part of your question before I proceed to answer that one.

The Hon. ADAM SEARLE: It is a pretty straightforward proposition.

Mr COMLEY: Can I comment on that?

Ms GLADYS BEREJIKLIAN: My secretary wants to make a comment.

The Hon. ADAM SEARLE: My question was to you, Premier. When the Government of which you were a part sold the Wallerawang Power Station you did not provide any mechanism to stop the new private owner closing that power station, and that cost New South Wales 1,000 megawatts of energy. Your actions in allowing that to happen cost New South Wales precious electricity supply, did it not?

Ms GLADYS BEREJIKLIAN: If you want to start that line of questioning I could go back to your time in government with the Solar Bonus Scheme that costs billions of dollars to New South Wales taxpayers.

The Hon. ADAM SEARLE: I am talking about constraining power supply to New South Wales so please attend to the question. The Government of which you were a part sold a power station and allowed its new owner to close it, costing New South Wales 1,000 megawatts of energy. You did not do anything to make sure they had to replace that energy, did you?

Ms GLADYS BEREJKLIAN: There are a number of things I will go through in answering your question. Before I do, I know my secretary was keen to place something on the record. I will ask him to do that before I proceed with my answer.

Mr COMLEY: In electricity markets, as the Premier said before, simply thinking about aggregate supply and aggregate demand does not get to pricing because pricing is fundamentally about what is dispatched at a particular point in time at a particular demand. I am sure you are aware that the price in the National Electricity Market [NEM] varies from \$14,000 a megawatt hour down to minus—

The Hon. ADAM SEARLE: Sure, but supply has an impact on price.

Mr COMLEY: That is because you really have to think of when it is dispatched. The thing we have not talked much about in this Committee is that the architecture of the National Electricity Market is the primary thing driving both dispatch decisions and investment decisions. That has been a conscious policy choice over more than 20 years now where the market participants are responding to the incentives given by the market. The general approach of participants in the market making decisions unrelated to those drivers from the overall NEM that I think you are suggesting would have very profound consequences for all investment incentives through the market, including for anyone who wants to be a new entrant and any existing participants. They get enormous comfort in their investment decisions by knowing what the various players are likely to do in that regulatory framework.

The distinction between the Government setting the regulatory framework to get the desired outcomes and allowing market participants to act within that market has been a very fundamental part of the NEM for at least 20 years and it has been very important. That regulatory framework in trying to bring together energy and climate has been fundamentally the NEM rules plus the renewable energy target. As I mentioned earlier, the Finkel report is saying that the architecture was a reasonable architecture in a world in which we had legacy assets that had been around for a long time and demand at the level it was. In a world in which we have a greater penetration of renewables we have to think about augmenting those rules, those regulatory structures. Finkel particularly focused on the generator reliability obligation, which is new and is a particularly new concept because it is a regionally based mechanism. It is not one that just goes NEM wide. Second is the idea that you may need to enhance markets for auxiliary services frequency, which was a direct response to the learnings that came out of South Australia.

The Hon. ADAM SEARLE: But if you do not have the power supply in the first place you cannot dispatch it. The actions of the Government in allowing 1,000 megawatts of energy to exit the system cost New South Wales pretty dearly on 10 February, including running the risk that the power would go out and also paying a very high price for the power that was available. You have cost us supply through your actions.

Mr COMLEY: The actions of governments both at Commonwealth and State level have set the incentives for whether people will maintain power stations and whether they will invest in new ones. The thing that is worth coming back to—

The Hon. ADAM SEARLE: Can you name one new coal-fired power station that anyone is considering building?

Mr COMLEY: The answer I would put to that is—

The Hon. ADAM SEARLE: Yes or no?

Mr COMLEY: No, because earlier you made a comment about how old a coal-fired power station is. In a sense, at coal-fired power stations incremental investment decisions are being made all the time. It is probably not right to think about just whether there is a new power station. It is also a question of asking do you do maintenance activity. Do you augment? The phrase often used in this industry is that it is the grandfather's axe. It has been there for 50 years but almost no part of that power station is the same. Every market participant is making ongoing decisions about incremental investments, which effectively are whether they will refurbish, increase capacity or maintain capacity, on a continual basis. The general policy approach has been that you want those market participants who have genuine skin in the game to be taking into account that regulatory structure that is trying to achieve the right overall policy outcomes.

The Hon. ADAM SEARLE: Premier, another action taken by the Government of which you were a part that increased the cost of power for consumers was deregulating retail electricity prices. Within 12 months of deregulation in 2014 retailers had marked up their prices by up to 15 per cent. Since then they have increased in double digits, including by up to 20 per cent from 1 July this year. You now have the Australian Energy Market Operator chief executive and the Federal energy Minister saying that if power prices keep going up like

this there will have to be new government regulation to bring it under control. Will you consider re-regulating electricity prices in New South Wales in line with those observations?

Ms GLADYS BEREJIKLIAN: The short answer to that question is no, because in fact the evidence is to the contrary. The key thing in competition in the retail network is to make sure that households and individuals are aware of their rights and made aware that if they shop around they will get a better deal. In fact, if I am not mistaken there was an Independent Pricing and Regulatory Tribunal [IPART] report towards the end of last year that talked about downward pressure being placed on prices when there was more competition, not less, in that market.

The Hon. ADAM SEARLE: It said that people could save; not that people were saving.

The CHAIR: Let the Premier answer the question.

Ms GLADYS BEREJIKLIAN: That report indicated that greater competition did result in lower prices. In fact, another report, which I do not have in front of me, also vindicated the Government's position. Unfortunately, not everybody knows their rights to be able to shop around and get a better deal. Part of the package that we announced on the weekend involves saying to the retailers, "Do not charge people for switching accounts. Do not charge people for wanting to pay their bills over the counter. Do not charge people for getting a better deal." Part of the package we announced was actually to incentivise our citizens in New South Wales to try to get a better deal. We are looking at ways in which we can raise awareness of that.

We are making sure that we have as much public information as possible because if people shop around they will find that in all likelihood they can get a better deal. Unfortunately, what your party and your leader is advocating takes us backwards and puts upward pressures on prices. That is the last thing you want to do. What we want in the retail sector is downward pressure on prices. That is why the ability of people to shop around and get a better deal is absolutely critical. This competition really causes all those retailers to look at what they are offering because of people's ability to switch.

I am very proud of the fact that last weekend we acknowledged there are opportunities for people who want to get a better deal. We are going to enforce penalties on those retailers that are not allowing people to switch without fees or those that are still charging fees—some elderly people still want to pay through Australia Post, they want to pay over the counter and they want to get their bills in paper form. We want to make sure they are not penalised for those things. I refute your opening statement about downward pressure on prices in the retail market. It has been demonstrated that competition puts downward pressure on prices.

What is at stake, and is a matter of concern, are the power generation sources. But there is no doubt that more competition puts downward pressure on prices; what you are proposing puts upward pressure on them. Interestingly, in 2012 a Federal Labor Government inquiry found gold plating in New South Wales when Labor was in government, and that was the key reason for electricity price hikes during that time. That was the Duffy-Parry report.

The Hon. ADAM SEARLE: If it had not been for your intervention and the Australian Energy Regulator [AER] proceedings, prices in New South Wales would have gone down by \$6 billion. Your Government has kept prices artificially higher than they should have been.

Ms GLADYS BEREJIKLIAN: Not at all, because you made those same approaches to AER. We wanted to make sure that there was not a cliff whereby hundreds of employees lost their jobs. On the one hand, you were telling us that no-one could lose a job and, on the other hand, you were saying, "Do not appeal the AER determination." That would have caused hundreds of people—

The Hon. ADAM SEARLE: Premier, you are dodging the question.

Ms GLADYS BEREJIKLIAN: No.

The Hon. ADAM SEARLE: Your actions have kept network prices higher than they should have been.

Ms GLADYS BEREJIKLIAN: You are wrong because network prices are legislated to come down in—

The Hon. ADAM SEARLE: I said higher than they should have been under the original AER determination.

Ms GLADYS BEREJIKLIAN: You said network prices. I am happy to talk about network prices—

The Hon. ADAM SEARLE: I said they are higher than they should have been.

Ms GLADYS BEREJIKLIAN: Because of Reverend the Hon. Fred Nile's amendment we legislated to make sure that network prices—

The Hon. ADAM SEARLE: I was there.

Ms GLADYS BEREJIKLIAN: —are lower in 2019 than they were in 2014.

The Hon. ADAM SEARLE: But they would have been lower still under the original AER determination.

Ms GLADYS BEREJIKLIAN: No. I would ask you to refer—

The Hon. ADAM SEARLE: Then why did you spend all of that money going to court to stop the AER determination going ahead?

The Hon. SCOTT FARLOW: Point of order: The Premier is trying to understand the question but the Hon. Adam Searle is not allowing her to.

The Hon. ADAM SEARLE: If only she would.

The Hon. SCOTT FARLOW: She is. You just do not like the answer.

The Hon. ADAM SEARLE: She is not being responsive.

The CHAIR: The Premier will be allowed to answer the question.

Ms GLADYS BEREJIKLIAN: I think the Committee is in agreement that it was legislated that in 2019 network prices will be lower than they were in 2014. The Duffy-Parry report found that a series of Labor Government decisions led to a \$3 billion blowout in power company spending and revenue raising in New South Wales, which meant when Labor was in government it took New South Wales from having the lowest electricity bills in the nation to higher than the national average. Your track record is not one to look at when it comes to downward pressure.

The Hon. ADAM SEARLE: You and your party went to the last election in New South Wales promising lower electricity prices after privatisation. Has your electricity bill gone down? Has anyone's electricity bill gone down?

Ms GLADYS BEREJIKLIAN: We were very clear—

The Hon. ADAM SEARLE: Prices have kept going up, have they not?

Ms GLADYS BEREJIKLIAN: Please stop misleading the public with your question. We were very clear to say that network prices will be less in 2019—

The Hon. ADAM SEARLE: That is not the basis upon which you have put the argument.

The CHAIR: Order! The Premier will be allowed to answer the question.

Ms GLADYS BEREJIKLIAN: We said that network prices would be less in 2019 than they were in 2014. We promised to legislate that, which we did. I thank Reverend the Hon. Fred Nile and his colleague for making sure that amendment was successful, that it is in black-and-white legislation. I am very proud of that fact because we had made a commitment to the community and we stuck by that commitment. I also want to highlight the hypocrisy of the line of questions when it comes to electricity prices because under your regime, regrettably, New South Wales did have some of the highest prices in the nation compared with other States. In New South Wales we acknowledge that there are factors within our control, and we are addressing them, but there are some factors outside of our control.

The good news for households, especially those most vulnerable, is that we are taking care of them during this time, when energy prices are likely to go up, by increasing rebates, by providing discounts for those people who are either in small business or individuals upgrading their appliances. We are also taking a heavy-handed approach to retailers that do not allow people to switch and get a better deal without incurring penalty. I think the types of fees that people have to pay are annoying. We also have to acknowledge that some customers, including seniors, prefer to pay over the counter or to get a paper bill. In those circumstances, we do not feel they should be penalised. We are not only taking every measure we can to put downward pressure on households but we are also taking the carrot-and-stick approach to retailers and saying, "You must get rid of all those fees, which add to the cost—and every dollar counts—otherwise you will have to answer to us."

The Hon. ADAM SEARLE: The respected Grattan Institute found that the lack of information in the hands of customers—

The Hon. SCOTT FARLOW: The left-wing Grattan Institute.

The Hon. ADAM SEARLE: It is not actually.

The Hon. SCOTT FARLOW: Yes, it is.

Ms GLADYS BEREJIKLIAN: Mr Farlow seeks out some information.

The Hon. ADAM SEARLE: It found that the lack of information in the hands of customers meant that they could not easily compare offers made by different electricity companies, and retailers in particular. It also found that competition could be driving pricing up because such a small percentage of the market actually engaged in switching. What is your Government doing to address those issues?

Ms GLADYS BEREJIKLIAN: We have discussed this issue at some length. We are looking at better ways in which we can promote the rights of individuals to get a better deal. There is no doubt that not everybody has as much information as they should when it comes to knowing their rights. The whole point of having more competition in the retail market is to put downward pressure on prices. I am pleased when people tell me that they have shopped around and got a better deal but not everybody knows they have the capacity to do that. We do feel a responsibility to try and increase the information flow to customers, and if there is more we can do in that regard then we will. Clearly, there are various ways in which government touches households where we can provide that information. We will also consider other opportunities such as inserting a message on bills and other things to make sure that people know their rights. That is something that we feel strongly about.

As you allude to in your question, governments can do more. Certainly I agree there is more we can do to make sure everyone is aware of their rights. We are considering, in view of the package we announced, how customers can be encouraged to be advised of their rights and how better information can be directly provided to them to make sure they shop around. Because there are not only deals to be had but also vulnerable families, including families on low incomes, should know that the Government has increased rebates, which are effective immediately. Any family that is on a family tax benefit, any senior who is on a benefit or any person who is currently receiving a rebate will see that amount increased.

Mr JEREMY BUCKINGHAM: In its submission on the proposal to build the world's largest waste incinerator in Western Sydney, NSW Health, Western Sydney Local Health District, said:

The proposal to build and operate an incinerator within city limits is not consistent with over 100 years of environmental regulation to improve urban air quality by removing incinerators and power stations and other sources of pollutants from urban areas.

Premier, do you agree with the submission of NSW Health?

Ms GLADYS BEREJIKLIAN: Mr Buckingham, I appreciate that you have just stepped in but I was asked similar questions by Mr Searle, and I will respond accordingly. I have heard the concerns from the community and from my parliamentary colleagues who represent those communities. I have also heard about the submissions of various agencies, including NSW Health. An assessment of that proposal is currently underway. If the assessment process finds that that proposal should not go ahead, all well and good; if there is a different finding, the Government will then consider its options. But there is a process going ahead at the moment and that process is considering all those submissions, including the submission of NSW Health.

I have to say that I empathise with those concerns. I appreciate that if a proposal like that was coming to a particular community that people would have concerns about it. I have been encouraging, and so have my colleagues, everybody to make their views known and to make submissions. I have also personally met with some community organisations to discuss their concerns. This is going through the proper assessment process and once that process is complete we will have the answer. The Government will then consider its position depending on that answer.

Mr JEREMY BUCKINGHAM: What do you mean by that, Premier, in terms of "consider its position"? If it gets an approval, it gets an approval.

Ms GLADYS BEREJIKLIAN: I do not want to delve in the hypotheticals at this stage.

Mr JEREMY BUCKINGHAM: But you know this is not hypotheticals; you said that the Government will consider its options if the proposal is approved by the Planning Assessment Commission. What are the options that you would consider?

Ms GLADYS BEREJIKLIAN: I do not want to pre-empt a decision, but I will certainly wait until we hear what the result is of those assessments. I do not want to pre-empt and speak about hypotheticals at this stage.

Mr JEREMY BUCKINGHAM: But have you not just done that? Have you not just said that if there is an approval you may consider an alternative range of options?

Ms GLADYS BEREJIKLIAN: Again without getting into hypotheticals, often if proposals are either accepted or rejected there are reasons given either way. So I cannot pre-empt either way what those reasons or what those conditions might be, but it goes to the heart of your question because, no matter what the outcome, presumably there will be a list of reasons and the Government will consider that at the appropriate time. But I cannot pre-empt what the likely outcome will be of that.

Mr JEREMY BUCKINGHAM: I know you cannot pre-empt that, but what you have just said on the record here is that if there is an approval you "may intervene in the process".

Ms GLADYS BEREJIKLIAN: There will not be a process by then.

Mr JEREMY BUCKINGHAM: How could the Government intervene in the process after an approval?

Ms GLADYS BEREJIKLIAN: I do not want to get into the ins and outs of what might happen, but I will say this: I am a firm believer that governments are elected to do what is in the best interests of the community and we always consider our options when it comes to issues which we know the community feels strongly about.

Mr JEREMY BUCKINGHAM: How else does the Government do that around planning issues? Where else has the Government done that where there has been a Planning Assessment Commission approval of a project?

Ms GLADYS BEREJIKLIAN: I cannot answer that question; I do not know. I will have to take that on notice.

Mr JEREMY BUCKINGHAM: What you are talking about—potentially intervening—is that unprecedented?

Ms GLADYS BEREJIKLIAN: I am not suggesting intervening; I am suggesting—

Mr JEREMY BUCKINGHAM: You used the word "intervene".

Ms GLADYS BEREJIKLIAN: I am suggesting waiting for the process to come to a conclusion.

Mr JEREMY BUCKINGHAM: And then you may intervene.

Ms GLADYS BEREJIKLIAN: Presumably, but I do not want to go any further than what I have said. Essentially, my strongest message to the community is we empathise with the concerns raised; we will wait for the process to reach its conclusion and then we will consider our options after that point.

Mr JEREMY BUCKINGHAM: That would be of concern, I suppose, to the proponent, who may then be spending millions of dollars on the project, going through a Planning Assessment Commission process and then, because of community concern, at the end have the Government intervene. Would you consider special legislation? I have a bill before the Legislative Council to create a prohibition on large waste incinerators within 15 kilometres of residential areas. Is that the sort of thing the Government may consider?

Ms GLADYS BEREJIKLIAN: Again, I do not want to get into hypotheticals, but I guess the point I am trying to make as strongly as I can is that there is a process that is occurring, but notwithstanding that process I appreciate the concerns in the community. I have nothing further to add to that question.

Mr JEREMY BUCKINGHAM: Do you accept that this proposal is on the books because of the Government's own waste energy policy—that the policy your Government has developed has actually facilitated this proposal?

Ms GLADYS BEREJIKLIAN: I cannot comment on why proponents put up proposals; that is a matter for them.

Mr JEREMY BUCKINGHAM: The proponent has said that it is consistent with the Government's policy; they have been working with Government to implement the waste energy policy.

The Hon. BEN FRANKLIN: Point of order: The Premier has already made it clear that she cannot speak for the proponent of the project, so the question is irrelevant.

Ms GLADYS BEREJIKLIAN: I cannot speak on behalf of them; I can only tell you what my sense is and where the process is at. I do not have the most recent advice as to the likely timing of an outcome.

Mr JEREMY BUCKINGHAM: AGL CEO Andy Vesey says his company is getting out of coal and will not extend the life of the ageing Liddell Power Station, which is due to close in 2022. Today we have the Prime Minister hinting that taxpayers may buy a share in the ageing power station to keep it open. Do you think the Prime Minister has got it horribly wrong when it comes to energy policy in this country?

Ms GLADYS BEREJIKLIAN: The short answer to that question is no, of course. But there is no doubt that these are conversations we have to have about the future of energy sources and, as highlighted by the line of questioning and also my acceptance of the fact that I believe this is, at this point in time, one of if not the biggest issues facing our nation in terms of future energy sources, in terms of security issues but also in terms of keeping downward pressure on prices, there is no doubt the States and Commonwealth have to continue to work together to find solutions in relation to the national grid and future energy sources which are reliable.

Mr JEREMY BUCKINGHAM: On that answer, is not the Clean Energy Target [CET] the key part of the Finkel review? The State Government has already backed the adoption of a CET, so is that not the key element that is missing from the national policy debate? Is that not the key failure of the Federal Government to adopt that to give the private sector the signal it needs to make the investment to provide the energy we need into the future? Is not the CET absolutely fundamental?

Ms GLADYS BEREJIKLIAN: I would expect you to have that position.

Mr JEREMY BUCKINGHAM: Is it not your position?

Ms GLADYS BEREJIKLIAN: Our position is that we need a common approach with all the States and the Commonwealth. This does not work if one State goes it alone. We need to make sure that whatever we support in relation to the response to the Finkel review is a national approach. We had quite a substantial conversation about this at the last COAG. All the State Premiers indicated the challenge and opportunities they found, as well as the national Government did. These are matters that we all have to move together on; you cannot have any form of energy policy which does not take the States with you.

Mr JEREMY BUCKINGHAM: Are not all the States supporting the CET?

Ms GLADYS BEREJIKLIAN: No. We have not formally signed up to anything.

Mr JEREMY BUCKINGHAM: I know you have not signed up but Minister Harwin has said that a CET is attractive and something that the New South Wales Government would welcome.

Ms GLADYS BEREJIKLIAN: What is really critical is that whatever agreement is made is done so with all the Premiers and the Prime Minister on the same page, because you cannot have a response to a major issue which affects—it does not stop at State boundaries.

Mr JEREMY BUCKINGHAM: But if you have got all the States and Territories agreeing, is not really the roadblock to this your loyalty to your party political colleague—

Ms GLADYS BEREJIKLIAN: No, not at all.

Mr JEREMY BUCKINGHAM: Is not your loyalty to your own party and really quite a ridiculous position federally the key roadblock to a sensible national energy policy?

Ms GLADYS BEREJIKLIAN: The short answer is no. In fact, it was the Labor Premiers—the South Australian Premier, in particular, and this was publicly known—that raised the notion, and other Premiers supported him in this, that we needed more detail before any of the States signed up to anything. So the position of the Labor States is entirely consistent with our position in New South Wales: Before we sign up to anything we need to know exactly what the position of the Federal Government is and obviously the States need to move forward together because you cannot have these types of policy decisions made in isolation, and all the States were pretty uniform in the fact that we needed to go in this together.

So it does not matter what kind of political complexion the Government has had, at COAG it was pretty clear to me that all the Premiers were of the same view: We needed more detail. In principle, a number of the recommendations were obviously at adopted face value; however, we still have some work to do about any adoption, and all the Labor States are in the same positions as all the other governments.

Mr COMLEY: If you look at the COAG communiqué, the States and Territories noted the Finkel report; they did not endorse it.

Ms GLADYS BEREJIKLIAN: And we did not set any targets or any decisions because we accepted—all of us, and we had a briefing from Mr Finkel himself—that we needed more detail around what

was being proposed. That was the unanimous position of all the States no matter what political view they came from.

Mr JEREMY BUCKINGHAM: You should tell Minister Harwin—oh, he was there; that is right.

Ms GLADYS BEREJIKLIAN: They are different; he is conflating the two arguments. He will have another go.

The CHAIR: Premier, are there any plans to announce funding for the third bridge across the Shoalhaven River?

Ms GLADYS BEREJIKLIAN: I know this is a matter very important to that community. In fact, when I was down there recently it was raised with me. There is no doubt that our State Government is in a very strong position when it comes to our ability to build infrastructure. I know that issue is very important to that community, including the member for South Coast and adjoining communities. Of course, we will continue to work with the Federal Government in relation to its share of the funding for that project but obviously we have committed to it, in terms of our contribution. I do see it as a priority and when there are further details we will make sure in our State, Reverend Nile. I think everybody would agree that that is a priority infrastructure project for the future and we are certainly doing everything we can to bring it forward as soon as we can.

The CHAIR: A general question concerning compensation. You are probably aware that to clear her name Senior Police Prosecutor Margaret Cunneen had to go through a series of court cases, right to the High Court where she was successful. I understand from media reports that her legal expenses totalled \$80,000. Will you give any consideration to whether she should receive some compensation, as she was successful in the High Court?

Ms GLADYS BEREJIKLIAN: I will not say anything beyond the Government is considering and has that matter in hand. That is all I will say at this stage.

The CHAIR: I do not know the details.

Ms GLADYS BEREJIKLIAN: I have not heard what the media reports are, so I do not want to respond to something I have not heard about.

The CHAIR: I do not know whether she has made an application or not.

Ms GLADYS BEREJIKLIAN: If she has and it may have been approved, I do not want to disclose private information. I will say that the Government is always respectful towards those applicants. I do not want to breach anybody's privacy by saying what we have done about it. But I will say that we are empathetic to issues such as that, but I do not want to breach anybody's privacy by saying what may have occurred because I do not know what the media report said.

The CHAIR: It will remain confidential.

Ms GLADYS BEREJIKLIAN: Yes, unless the person wants to say themselves, but I would not want to engage in any public discussion of someone's personal circumstances.

The CHAIR: During the past few months you have had some new, unusual controversies. One concerned removing monuments to famous Australians who have benefitted Australia. They are British, such as Captain Cook, Governor Arthur Phillip and so on. Has the Government a policy in ensuring the protection and maintenance of those historic monuments?

Ms GLADYS BEREJIKLIAN: Yes, we have certainly made our commitment to protecting and respecting those monuments, absolutely. I think we are a tolerant enough society to acknowledge the contributions of everybody into the society we have today. First and foremost, of course, we acknowledge the contributions of our First Australians, our Indigenous communities, who have the longest continuous culture on the face of the earth on our continent. I am incredibly proud of that. That is why it was a great pleasure for me to be able to be part of a government that started flying the Aboriginal flag in the lower House Chamber. I am not sure if it flies in the upper House, but certainly in the lower House we made that decision. Just as I am respectful about our wonderful Indigenous culture, our first culture, I am also respectful of our colonial history and also our migrant history, of which I am a subject. There is a lot to be proud of and I think it is sad when members of the community choose not to respect part of our history.

The CHAIR: You are also aware that a number of councils, particularly in Victoria, have announced that they will not celebrate Australia Day. They want to choose another day.

Ms GLADYS BEREJIKLIAN: Yes.

The CHAIR: Is the Government committed to supporting and protecting our traditional Australia Day on 26 January?

Ms GLADYS BEREJIKLIAN: Yes, I think it is unfortunate, and I did see reports of that today. I think it is unfortunate that councils have made those decisions. I do not think it is Australian to not celebrate Australia Day. Having said that, I want to state my absolute empathy, sympathy, respect and affection for our Indigenous Australians at all times. And I want to make that point clear, Reverend Nile. I think we have broad enough shoulders to respect every part of our community. That is what makes New South Wales unique; that is what makes Australia unique. And the more we can include everybody in our celebrations, whether it is National Aborigines and Islanders Day Observance Committee [NADOC] week, Australia Day or Harmony Day, I think it is really important for us to be respectful of all successive generations who have made our State what it is and who have made our nation what it is. I do not think by respecting one culture that it necessarily means you disrespect another. I think we should really support and encourage our strengths, which is to respect everybody who calls New South Wales and Australia home.

The CHAIR: Another recent controversy has been mainly in Queensland, whether schoolchildren in Government schools can sing Christmas carols. As we are coming up to Christmas in a few months time, what is the Government's position? I have raised this with the Minister for Education and he indicated that there is no change in the departmental policy and I assume you would probably uphold that policy?

Ms GLADYS BEREJIKLIAN: Definitely. Who does not love a Christmas carol at Christmas? But in addition to that, it is wonderful that our schools celebrate a range of days that are significant to the community and I cannot imagine Christmas without Christmas carols.

The CHAIR: A question for the Electoral Commissioner: You are probably aware, with the local council elections, there is some confusion because not all councils are having elections. Are you confronting a particular problem with the local government elections set for 9 September this year?

Mr SCHMIDT: Thank you for that question, Chair, it is very pertinent. As with any elections, there can be confusion in the community. For example, I have been in this position for 12 months now and in sending out notices to people who did not vote in the first tranche of elections in September last year, people said, "I did vote" but in fact they were referring to the Federal election for that year. So this is an ongoing issue. In light of that potential, we have spent additional funds this time around to endeavour to raise awareness. We have sent out a letterbox drop to every household in the council areas that are having elections. The basic question is: Is your council having an election? This is how you can find out and make inquiries. For some of the council areas that are on the boundary of the City of Sydney, which had its election last year and is not having one now, for those people who are on the City of Sydney side, we sent out a notice saying: You may not be having an election, but check. Because people are not always sure, of course, where their boundaries are drawn in a council.

We have also put additional funding aside for social media and other forms of advertisements. For the sake of completeness, I note that council elections are funded by the councils themselves. On this occasion, because of the two tranches, we received additional funding from the Government to meet some of the incremental costs where you lose scale of activity, et cetera. So we are able to fund some additional activities out of our own pocket, or the Government's pocket, but ultimately it is a decision for the council, each individual council, when they negotiate with us. For those councils that we run the election for and we run the elections for most councils, amalgamated councils must use the Electoral Commission. Established councils can choose to go with other parties and there is one council in the current round—I think it is Maitland—running its own election. It is ultimately a matter for those councils as to whether they want to do additional advertising or awareness raising. We will still place the statutory advertisements that have to go out. There is a degree of negotiation with individual councils. But, back to your starting point, we have taken additional measures to endeavour to raise awareness.

(Short adjournment)

The Hon. ADAM SEARLE: Premier, you would be aware that in the 2007 Federal election in the seat of Lindsay and the 2015 State election in the seat of East Hills the election was marred by the distribution of illegal and unauthorised anti-Labor electoral material. Are you aware of unauthorised anti-Labor and homophobic materials being distributed this week ahead of local government elections in different areas across Sydney? I have some examples that I am happy to provide to the Committee and the Electoral Commissioner.

Ms GLADYS BEREJIKLIAN: I have not been following the material distributed by anybody, to be honest. I will ask the Electoral Commissioner to respond as to how the Electoral Commission independently deals with this and if there is any role government has to play in ensuring that offensive material is not

distributed. I was the subject of offensive material during the North Shore by-elections and I would hope that none of your colleagues had anything to do with that.

The Hon. ADAM SEARLE: No.

Ms GLADYS BEREJIKLIAN: I know what it is like to be the subject of offensive material and it is not pleasant. I will ask the Electoral Commissioner to comment further.

Mr SCHMIDT: The Labor Party has brought that matter directly to my attention and it is being examined by my investigatory unit.

The Hon. ADAM SEARLE: In each of the examples of Lindsay and East Hills the Liberal Party were the beneficiaries of that unauthorised material. In the case of East Hills, a member of the Liberal Party was charged but found not guilty in connection with that matter. Premier, do you take seriously the creation and distribution of unauthorised and defamatory materials such as this?

Ms GLADYS BEREJIKLIAN: Any normal human being would. I have not seen what you have in front of you. There is a reason why the Electoral Commission is there: to maintain integrity of the process and that includes distribution of material. I am heartened by the fact that it is now very difficult to do what was done in the past when unauthorised material was present on election day. Now you have to submit to the Electoral Commission what you want to distribute on the day.

The Hon. ADAM SEARLE: You need to have it registered.

Ms GLADYS BEREJIKLIAN: That was not the case previously when you would turn up on election day and be surprised and shocked by what was at the polling booths. It sounded like that was a leading question and there is a follow-up question.

The Hon. ADAM SEARLE: There is.

Ms GLADYS BEREJIKLIAN: I will make the general statement, without having seen what you have in front of you, that all of us want to make sure that when people go to vote you respect the integrity of the system and have confidence that people are not swayed by offensive material. The Electoral Commission is there to protect the public and those individuals who put themselves up for election. Is there anything further you wish to comment upon, Commissioner?

Mr SCHMIDT: I would like to make a technical comment. I am not sure if members of the Committee are aware of the distinction between the Electoral Commissioner and the Electoral Commission. I, as the Electoral Commissioner, am responsible for the conduct of the election. When it comes to the investigation of complaints, including in relation to electoral material, that is in fact the function of the Electoral Commission of which I am a member but not the chair. The Hon. Keith Mason is the chair. I note in passing that the commission's role in relation to local government elections, its power to investigate and prosecute electoral offences, was conferred upon it on 18 August this year following passage of legislation earlier in August. This is a new function for the organisation as well.

The Hon. ADAM SEARLE: Premier, the current maximum penalty for distributing unauthorised electoral material is six months imprisonment. In the new draft electoral bill that the Department of Premier and Cabinet [DPC] has put out for public consultation the imprisonment penalty has been removed from that offence and other like offences. I note the money penalties have been increased but the deterrent of jail has been dropped altogether. Can you explain why is that? Is it so that no members of your party who might be charged in the future are running the risk of a jail penalty?

The Hon. BEN FRANKLIN: That is a bit of a stretch.

Ms GLADYS BEREJIKLIAN: I am happy to answer the question. You correctly refer to it as a draft for consultation. The briefing that I received is that my department did consult with a number of different entities, including the Electoral Commission and the commissioner. I will refer the question to the commissioner.

The Hon. ADAM SEARLE: Can you indicate who we should thank for the drafting of the document? Is it the commissioner or the DPC?

Mr COMLEY: The drafting of the bill is by Parliamentary Counsel but the instructing officers are DPC.

The Hon. ADAM SEARLE: It is your fault.

Ms GLADYS BEREJIKLIAN: I ask the commissioner to indicate his level of engagement in the process.

Mr SCHMIDT: This bill has been drafted for some years. It certainly precedes my taking up the role, but I have taken an active interest in its drafting since then. As the Premier has pointed out, it is a consultation draft and my officers have had input into the draft as it stands now. There are further matters which I am considering which I intend raising as part of that consultation process. As far as I am concerned, that is a living process which I am happy to engage in.

Ms GLADYS BEREJIKLIAN: Mr Searle, I would also like to add to that that you are more than free to put in your own submission which recommends the reintroduction of those jail terms. You and any member of the public can make that submission and we will consider that.

The Hon. ADAM SEARLE: I think you can be safe in assuming there will be a number of submissions. The printing, publishing and distributing of electoral material in contravention of the requirements, which was in section 151A, is now section 183 of the draft bill and imprisonment has been taken out; the requirement to authorise advertisements on electronic billboards, digital road signs, imprisonment taken out; and distribution of electoral material unregistered on election days, jail penalty taken out. The jail penalty for the offence of bribery has been reduced from three years to two years and the old harassment charge—now called, somewhat grandly, interference with political liberty—has also had the maximum jail penalty reduced from three years to two years.

What is the policy thinking behind the abandonment of jail penalties in these important provisions and the downgrading of the jail penalties in those others, because it seems to me that these provisions are important for the integrity of the process and they are being seriously devalued in this draft bill. I would like to know where these ideas came from.

Ms GLADYS BEREJIKLIAN: Certainly NSW Department of Premier and Cabinet was responsible for coordinating all the feedback we had on the various consultations, so I will ask both the secretary and the commissioner if they have any comments. I cannot answer that question because I do not know whose suggestions they were.

The Hon. ADAM SEARLE: They are not your suggestions, is that what you are saying?

Ms GLADYS BEREJIKLIAN: They are personally not my suggestions, no.

The Hon. SCOTT FARLOW: I do not think the Premier was working on that.

The Hon. ADAM SEARLE: I had to ask.

Ms GLADYS BEREJIKLIAN: I would even go so far as to say I understand that government essentially allowed the experts to indicate their views and to put forward what they believed was the best way forward. To be absolutely frank, I was extremely comforted by the fact that this is a draft consultation and if there is anything which has widespread concern, the Government will respond to that. That is the point of putting out a consultation paper first. It is obviously a very topical issue. I cannot tell you when the process started, but I do know it has been around for some years. It is not as if we put this draft document out overnight; it has actually been the subject of consultation for a significant number of years. I will ask both my secretary and the commissioner to add anything that I may not be aware of.

Mr COMLEY: The only thing I would add is my advice is the review is largely in line with the response to the recommendation of the Joint Standing Committee on Electoral Matters, which followed both the 2011 and 2015 committees. What I am happy to take on notice is the extent to which those penalty provisions are consistent with the recommendations that were made by that Joint Standing Committee on Electoral Matters.

Mr SCHMIDT: For the sake of completeness, I am not aware of the history of those provisions but I will make my own inquiries for my own illumination in the office.

The Hon. ADAM SEARLE: And if you can produce any documentation relevant to that that would very useful. I refer to the old section 151 of the Parliamentary Electorates and Elections Act, which is the new section 210, Interference with political liberty. The old provision was quite definitive about the behaviour or misbehaviour to be captured and punished, whereas the new provision is quite broad. In relation to section 210 (1) which says:

A person must not hinder or interfere with the free exercise or performance, by any other person, of any political right or duty relevant to an election under this Act.

is it the intention in the drafting to actually reach back into and interfere in the internal workings of political parties or is it meant to only relate to the formal electoral process, because the drafting is unclear and quite broad?

Mr COMLEY: Unless the commissioner wants to comment, I would have to take that on notice because I am not as close to that draft.

The Hon. ADAM SEARLE: I am happy for you to take that on notice.

Ms GLADYS BEREJIKLIAN: At least I would like to hear from the commissioner.

Mr SCHMIDT: My response is this is an excellent example where the public consultation is vital to eliminate issues like this. I would welcome any feedback on that point.

The Hon. ADAM SEARLE: As would I. Last year I asked the former Premier some questions about correspondence between the Hon. Lynda Voltz and the Electoral Commission relating to complaints about the conduct of the election in the seat of East Hills. As a result of that, Mr Schmidt, you wrote to the Hon. Lynda Voltz on 10 October. The Hon. Lynda Voltz had been informed previously that her complaint was being investigated by the commission and she would be informed at some future point of the outcome. That point was confirmed in your letter. You said, "I can confirm this matter is ongoing and you will be advised when it has been finalised." It is now a year later, can you update the Committee as to where that investigation is up to?

Mr SCHMIDT: I would have to take that on notice.

The Hon. ADAM SEARLE: Premier, in relation to the Community Building Partnership grants, what actions has your department taken to recover the \$10,000 grant paid to the Australian Multicultural Christian Society, and when were these actions undertaken?

Ms GLADYS BEREJIKLIAN: As the DPC manages those grants, I will ask my secretary to respond to that. But I think it is also appropriate to say that from time to time members of Parliament from any political party or Independents do make formal requests to the DPC about extensions or changing proposals, which the DPC considers on a case-by-case basis. I do not have the details about that, but I know my secretary is going through the list, so he will be able to give you some information about that. I did want to make the Committee aware that in general terms sometimes I receive correspondence, as Premier, from members of Parliament commenting on various organisations that for whatever reason are seeking extensions and on those occasions I refer them to the DPC, who manages the process.

The Hon. ADAM SEARLE: Perhaps I can assist further—

Ms GLADYS BEREJIKLIAN: The secretary has something.

Mr COMLEY: I have. Is this the multipurpose food van project?

The Hon. ADAM SEARLE: Yes, this was a purchase to fit out a catering van to feed the homeless at Lambeth Reserve. In relation to what the Premier said about members sometimes asking for an extension, did the member for East Hills, Glen Brookes, write and ask you for an extension of the repayment?

Ms GLADYS BEREJIKLIAN: I do not have recollection of that.

Mr COMLEY: I am not aware of that, but I can advise—

The CHAIR: You will have to take that question on notice.

Mr COMLEY: —in terms of the process, Family and Community Services [FACS] administers the Community Building Partnerships [CBP] program on our behalf and it determined that they had not made the funding conditions. As part of the process to legally terminate the grant and pursue repayment, letters were sent to the organisation on 23 January, 16 March, and again on 19 May.

Ms GLADYS BEREJIKLIAN: Is that this year?

Mr COMLEY: This is 2017. We are currently considering court action. We have not commenced court action yet, but we have been in correspondence with that organisation.

The Hon. ADAM SEARLE: Premier, are you aware that Liberal Party identity and convicted drug money launderer Carl Trad is the responsible officer of this organisation with the Australian Charities and Not-for-profits Commission?

Ms GLADYS BEREJIKLIAN: I am not aware of that, no. To be honest I am not aware of any of those details.

The Hon. ADAM SEARLE: Given that Carl Trad is a member of the Liberal Party and is a close political ally of the member for East Hill, Glen Brookes, why do you not contact Glen Brookes and ask him to have the money repaid?

The Hon. BEN FRANKLIN: Point of order: The member is making a number of insinuations that may or may not be based on fact. I do not think it is fair to ask the Premier things that may or may not be true.

Ms GLADYS BEREJIKLIAN: Can I also say in generic terms that it would be inappropriate for me to deal with a matter that, clearly, the Department of Premier and Cabinet [DPC] already has in hand.

The Hon. ADAM SEARLE: I am happy for the DPC to handle the matter but it sounds like the money was due. Nothing has happened all year. It is September now and letters were written—

The CHAIR: Order! The member should not use budget estimates to make serious allegations against individuals and businesses.

Mr COMLEY: On the question of whether nothing has happened, we have been in correspondence and we have taken legal advice. One of the challenges with a program like CPB is that these are relatively small grants to organisations. We do need to balance the amount of overhead of administration we have because the vast majority of these grants go to community groups with relatively low resources which very successfully achieve the outcomes of the program. We are conscious of not having a disproportionate administrative burden. That might include background checking everyone in an organisation for a \$10,000 grant, but if we did that we would spend more on grants administration than we would on the actual grants themselves. In this case, we are now at the point of considering court action. Of course, we do have to weigh the costs of pursuing court action against the prospect of the amount of recovery. We also have to balance what that may do as a signal to other participants who might try to receive grants that do not make the requirements. Those are the sorts of considerations we have to make, which are commonplace in grants in other programs' administration when they have to consider how to recover these monies.

The Hon. ADAM SEARLE: These monies were given out over three years ago. When was the last time correspondence was exchanged in relation to this matter?

Mr COMLEY: As I said, 19 May was the last time we exchanged correspondence, which was the third letter that was provided to that organisation this year.

The Hon. ADAM SEARLE: It is now September. What have you done since the last exchange?

Mr COMLEY: That is what I am saying. We are considering whether we are going to take court action.

The Hon. ADAM SEARLE: You are considering your position. Have you considered referring the matter to the police?

Mr COMLEY: I am not aware whether we have considered referring it to the police.

The Hon. ADAM SEARLE: Could I ask you to do so and to take it on notice?

Mr COMLEY: We will take it on notice.

The Hon. ADAM SEARLE: Premier, would you agree that protecting New South Wales's reputation for integrity and probity is important?

Ms GLADYS BEREJIKLIAN: What is the next question? If nothing else, you are very predictable, Mr Searle.

The Hon. ADAM SEARLE: I am disappointed by that. Feel free to advance the contrary proposition.

Ms GLADYS BEREJIKLIAN: I advance this proposition to you: I am very keen to hear part B of your question and then I will proceed to answer both.

The Hon. ADAM SEARLE: Are you aware of the big contradiction between the evidence given by your resources Minister at budget estimates last Friday over whether or not there was an agreement between your Government and Shenhua for the partial extension of the exploration licence? The Minister and his officials say they are still considering the matter; Shenhua told the Hong Kong Stock Exchange that a deal had been reached with your Government. I ask you as Premier and head of the Government, have you looked into this matter and who is telling the truth: the Government or Shenhua?

Ms GLADYS BEREJIKLIAN: I am not aware of any of those details and I was not aware that that issue was raised. I am happy to take that on notice. I do not have anything to add to that because I do not know.

The Hon. ADAM SEARLE: I am happy for you to take this on notice as well, but if you look into the matter and form the view that your Government is telling the truth and that what Shenhua told the Hong Kong Stock Exchange is untrue or inaccurate, would you take the matter up with the Hong Kong Stock Exchange and other regulatory authorities?

Ms GLADYS BEREJIKLIAN: Given my response to the previous answer, I think it is best that I take both questions on notice. I am not aware of the details of what was said on the public record or otherwise. I will take that on notice.

The Hon. ADAM SEARLE: Your Minister has also not responded to invitations from local community groups—

Ms GLADYS BEREJIKLIAN: Which Minister are you referring to? The same Minister?

The Hon. ADAM SEARLE: The resources Minister—to visit the Liverpool Plains and the affected communities, farmers, and traditional owners before he makes a final decision on whether or not to renew the remaining half of the exploration licence not bought back by your Government. At budget estimates last week he said he would try to do so but he did not make a commitment. Given that your predecessor Mike Baird has been out there and has met with the community and that the former Deputy Premier Troy Grant has also had the decency to do that, will you make a commitment to go to the Liverpool Plains and meet with the affected community before your Government makes a final decision on this matter?

Ms GLADYS BEREJIKLIAN: You have made an assumption that I am not aware of or that I have not already spoken to people in that regard. I believe that it is important for governments to consider all stakeholders in all options when they are dealing with very sensitive matters. I will take all of those questions on notice.

Mr JUSTIN FIELD: Premier, are you aware that youth unemployment in Shoalhaven in the Southern Highlands has reached 28.1 per cent recently? It is more than 2.5 times the State average for youth unemployment and is almost double that of comparable regional communities. What are you doing to reduce youth unemployment in the district that is highest in the State by a mile?

Ms GLADYS BEREJIKLIAN: When I saw those figures when I was Treasurer, I raised them at a number of community meetings I attended in southern New South Wales. In a number of the communities that I spoke to—and I do not want to give away the exact location of this because I do not want it to reflect on the community. But there are significant social challenges that go with that. I will tell you why. New South Wales has the lowest youth unemployment rate in the nation. When I visit some New South Wales regional communities, small businesses will tell me that they cannot find enough people—

Mr JUSTIN FIELD: That is no comfort to the South Coast community.

Ms GLADYS BEREJIKLIAN: No, exactly. Again, I will not say what location it was in the South Coast, but what really disturbed me was that I had people tell me at a community forum that when there was a careers day at school a number of the students said, "My parents suggested that I don't need to come because you can get money from not working." I would not have wanted to raise that in this forum but the reason why I am raising that stark example is that there is significant social issues in pockets of New South Wales. I do not say it is the issue everywhere.

Mr JUSTIN FIELD: I trust that you are not blaming the unemployment rate on the individuals down there who are really suffering. They are struggling to access training and employment opportunities.

Ms GLADYS BEREJIKLIAN: Not at all.

Mr JUSTIN FIELD: What are doing? It is the stand-out unemployment statistic in the State. Your programs, such as the Smart, Skilled and Hired program, target almost every other area other than that area. The youth unemployment program for the Illawarra does not extend down past Berry. That is the stark, stand-out youth unemployment hotspot for the State and there are almost no government services targeted at youth unemployment.

Ms GLADYS BEREJIKLIAN: That is not true.

Mr JUSTIN FIELD: That is what my question was. What are you doing to address that important issue in that area?

Ms GLADYS BEREJIKLIAN: Not only do we have targeted programs but I also—

Mr JUSTIN FIELD: What are they?

Ms GLADYS BEREJIKLIAN: I also do want to stress that I took it upon myself when I was the Treasurer to look and ask questions as to why that number was higher in some parts of the State than it was in others. There is another region that had a similar concern. But I will say that the amount of infrastructure we are building in that part of New South Wales is creating a lot of jobs, including apprenticeships.

Mr JUSTIN FIELD: Not for local people.

Ms GLADYS BEREJIKLIAN: Make a bet. A lot of local people are involved in those local projects.

Mr JUSTIN FIELD: In the 12 months since you have become Premier this has become about 20 per cent worse.

Ms GLADYS BEREJIKLIAN: Can you allow me to complete my response?

Mr JUSTIN FIELD: Sure.

Ms GLADYS BEREJIKLIAN: In fact, in addition to pockets of challenge that exist in this State that relate to opportunities, just as I cannot ignore the anomalous figures you cannot ignore that there are some social challenges in parts of New South Wales.

Mr JUSTIN FIELD: Absolutely.

Ms GLADYS BEREJIKLIAN: Therefore, we have to agree that we have targeted policies in those areas where the figures are highest, but we also have to accept that some traditional ways in which the Government deals with specific areas of challenge in the past have not been effective, so we have to think of different ways to do that. The way you do that is by going to local communities and having conversations with businesses, schools, and organisations that deal directly with young people to ascertain the root cause. It is easy to gloss over a figure and to throw a figure out there. If you are really keen to make a difference, you have to get to the root cause.

Mr JUSTIN FIELD: I am holding a forum in Nowra in October. I have invited all the stakeholders who are concerned about this, including members of your Government, candidates for elections, councillors, people who work with young unemployed people, educators and service providers. Will you give me an undertaking that someone from Premier and Cabinet will attend that forum, listen to what is said and assist in coming up with solutions to help that community that is hurting from youth unemployment?

Ms GLADYS BEREJIKLIAN: We are more than happy to take on board anything that is raised at that forum. If we can do specific things, we will. Please also note that not only are we aware of the pockets of challenge that exist, but we also have the biggest infrastructure program that region has seen in a long time. I have met people who are employed locally. I have met people who have apprenticeships. I have also been to the University of Wollongong, which is doing an amazing job in supporting young people. It allows them to use its facilities on campus for start-ups and other things, which they otherwise would not have had the opportunity to do. The Government is considering all options to support people obtaining employment.

Education and employment are the two things that a good government can provide to change lives. That is why I have taken a personal interest not only in education but also in job security. I believe that when we allow someone to excel through having a good education and providing appropriate job opportunities, we can change the cycles of despair. Unfortunately, none of us can ignore the fact that there are some communities in New South Wales in which the same conditions are going from one generation to another due to social issues not only the economic conditions. The economic conditions are extremely strong, but that does not change the social challenges which, unfortunately, perpetuate hardship and circumstance from one generation to another. First, I take exception to your point that perhaps the Government has not cared or I do not personally take an interest in this. For me, it is fundamental.

Mr JUSTIN FIELD: I just identified the programs of this Government that are not targeting the area with the worst problem.

Ms GLADYS BEREJIKLIAN: You are making that assumption. What I am suggesting—

Mr JUSTIN FIELD: No, that program is directed to nearly every area of the State other than the South Coast. It is on the website that that area is not included in the program.

Ms GLADYS BEREJIKLIAN: We also have specific incentive programs for businesses to employ locally. Again, I do not want to mention the particular town I was in, but I know of one business that required physical labour. I was told that it had to advertise in a local paper elsewhere because even though the area had one of the highest youth unemployment rates in the State, it could not find anyone to take up an apprenticeship. That is a fact.

Mr JUSTIN FIELD: That is why we need specific targeted programs.

Ms GLADYS BEREJIKLIAN: Correct. There is clearly a disconnect between what businesses require and the apprenticeships available, and what is happening in local communities. To me, that rings alarm bells that a specific social issue exists in a particular community. We need to get to the root cause of those. That is why we engage with local communities through local members and non-government and non-profit organisations that work with vulnerable families. Of course there is more we need to do. If there are specific challenges in a specific location that we feel we can do better, we will.

Mr JUSTIN FIELD: Thank you, Premier. I will hand over to my colleague, but I extend that invitation to your department.

Mr COMLEY: If there is a specific invitation to that forum, we have people in the area who would be most happy to go to that forum to hear what the concerns are on the ground.

Mr JEREMY BUCKINGHAM: Earlier in this hearing you said, "I want to state my absolute empathy, sympathy, respect and affection for Indigenous Australians." You also told the Committee how proud you are that the Aboriginal flag is now flown in the Legislative Assembly. The town of Wilcannia in outback New South Wales is one of the most disadvantaged communities in New South Wales, if not Australia. The population is predominantly Aboriginal. The life expectancy for men is 37 and for women it is 42. It has one of the worst outcomes in the developed world. Currently, the broken weir in Wilcannia is upstream of the town, meaning that the river is either a miserable trickle or it is dry. For decades, the town has been asking for a new downstream weir to be built to provide them with a weir for swimming, fishing, recreation, cultural purposes and even some small-scale irrigation for vegetables. Your Government has completed a feasibility study, but has not committed the \$10 million to build the new weir. Given the New South Wales budget is \$45 billion in surplus—

Ms GLADYS BEREJIKLIAN: It is not quite that amount.

Mr JEREMY BUCKINGHAM: It might as well be. The budget is thousands of millions of dollars in surplus. Given the Government is willing to spend \$1.6 billion on a stadium upgrade, will you commit to funding the Wilcannia weir for the disadvantaged community of Wilcannia, for the Barkindji people, the river people of Western NSW?

Ms GLADYS BEREJIKLIAN: Mr Buckingham, I regret that you are clearly across the issue more than I am. I am relieved that our Government has taken a feasibility study. That often means that not only have we identified a problem but also we have provided an opportunity. It means we have done work. I will take it on board and consult with the relevant Minister on the prospects of that occurring. I am relieved there has been a feasibility study. That often means that the relevant Minister or the relevant government agency has identified an opportunity. We have invested funds to look at the situation and I will take that on board.

Mr JEREMY BUCKINGHAM: Are you aware that the Minister—

The Hon. BEN FRANKLIN: Point of order—

The CHAIR: Your time has expired. Following up on earlier questions about electoral material that has not been authorised, for instance, there is no name of a person or printer, is that a fact for the local government elections?

Ms GLADYS BEREJIKLIAN: I will let the commissioner deal with that to ensure I have understood the question.

The CHAIR: You are aware of that material?

Mr SCHMIDT: Yes, Chair. The same rules apply, essentially, as for a State election. We have received complaints about material that does not have the appropriate authorisation. Quite often, for the majority of occasions, so far as I am aware, when it is brought to people's attention it is done more out of ignorance than a deliberate attempt to avoid a law, and people remedy it very quickly because they are told they are liable for prosecution. There is engagement with people when complaints are made to us about that. The rules are basically the same.

The CHAIR: What action are you taking to educate the community about the requirements for electoral material, both the authorising person and the printer? Has there been any attempt to inform printers of those requirements as well?

Mr SCHMIDT: It is a good question. I am not specifically aware of targeting printers, but certainly with the whole gamut of political participants, we send out information to parties and to candidates, people who

are nominating who are not successful ultimately in the election, but anybody who engages with us as part of the election process. We make material available to them that spells out their roles and responsibilities. Obviously the authorisation of electoral material is an important component of that.

The CHAIR: Due to the amount of time remaining we will move to the Opposition member, Mr Primrose.

Ms GLADYS BEREJIKLIAN: To be clear, you have not given up your time to them, have you?

The Hon. PETER PRIMROSE: Thank you, Chair.

Mr JEREMY BUCKINGHAM: Is it not coming back to us?

The CHAIR: Yes, I am coming back to you. We are allocating a shorter amount of time to each person.

Ms GLADYS BEREJIKLIAN: Okay. As long as it is fair to me, I do not care.

The Hon. ADAM SEARLE: Of course, Premier. We would not be unfair to you.

The CHAIR: Do not tempt me.

Ms GLADYS BEREJIKLIAN: I will not tempt them.

The Hon. PETER PRIMROSE: Premier, do you have a private email address?

The Hon. BEN FRANKLIN: This is the Hillary Clinton issue.

The Hon. SCOTT FARLOW: Do you want to become penpals or something?

Ms GLADYS BEREJIKLIAN: I am worried about that second question. It is a recent addition to my repertoire. Yes.

The Hon. PETER PRIMROSE: Have you ever used it for Government business or has it ever been used for that purpose?

Ms GLADYS BEREJIKLIAN: I hope not. I am not a frequent checker.

The Hon. PETER PRIMROSE: Would you like to take that question on notice?

Ms GLADYS BEREJIKLIAN: I do not have any records. I am happy to take a question on notice but, as I have no records, I would not be able to verify the answer. I have nothing in my inbox that relates to any Government matters.

The Hon. PETER PRIMROSE: I am giving you the opportunity to think about the question.

Ms GLADYS BEREJIKLIAN: I can take the question on notice. I just do not know.

The Hon. PETER PRIMROSE: There are also outboxes, so I ask you to take that question on notice.

Ms GLADYS BEREJIKLIAN: I will.

The Hon. PETER PRIMROSE: I was a member of the Joint Standing Committee on Electoral Matters in 2016, which unanimously recommended legislating for spending caps for local government elections. On 31 May 2016 the Leader of the Opposition, Mr Luke Foley, asked this question to the then Premier:

My question is directed to the Premier. Will the Government legislate prior to the winter recess to introduce caps on political donations and spending so that they will be in place for council elections that will take place this year?

The then Premier answered yes. The 2016 council elections came and went without spending caps and this Saturday we will have the 2017 council elections, still without a spending cap. Why will you not introduce spending caps as unanimously requested by the standing committee on electoral matters?

Ms GLADYS BEREJIKLIAN: I may be corrected by my secretary on this, but we did introduce spending caps in relation to State Government elections. That is legislated.

The Hon. PETER PRIMROSE: Yes.

Ms GLADYS BEREJIKLIAN: The balance of those spending caps incorporated a number of recommendations from the Schott report. We committed to introducing that legislation to Parliament within 12 months of the 2019 election. As far as I understand, the Government is still committed to proceeding with those reforms. We indicated that it had to happen at least 12 months before the next election, which means our deadline is March next year. I will ask the secretary to confirm that. I believe we have also committed to dealing

with some outstanding reforms which were the subject of the Schott review. Those reforms were to occur at least 12 months before the next State election.

The Hon. PETER PRIMROSE: Mr Comley, the former Premier indicated to Parliament that these spending caps would be introduced before the 2016 council elections. That was a year ago and we will soon hold the 2017 council elections. It was the unanimous decision of a parliamentary enquiry. Why have these caps not been introduced?

Mr COMLEY: We intend for these caps to be a part of the same legislation we spoke about earlier on electoral reform and that they would be introduced at least 12 months before the next State election.

Ms GLADYS BEREJIKLIAN: That was always our commitment.

The Hon. PETER PRIMROSE: It certainly was not the commitment given by the former Premier and it was not the expectation of the joint standing committee. We have now had two council elections without spending caps.

Ms GLADYS BEREJIKLIAN: When we first introduced caps to State elections the Labor Party opposed it. We are more favourable to spending caps than the Labor Party. They voted against those caps.

Mr JEREMY BUCKINGHAM: I remember that.

Ms GLADYS BEREJIKLIAN: Even The Greens remember it. I am glad that I remembered that point.

The Hon. ADAM SEARLE: We voted against restricting donations to individuals only, with which the High Court agreed.

The CHAIR: It is not clear whether you are discussing local or State government elections. There is some confusion.

Ms GLADYS BEREJIKLIAN: I was just pointing out that when we introduced legislation which implemented State election caps and which is now law, the Labor Party opposed those reforms.

The Hon. PETER PRIMROSE: But you have not introduced spending caps for local government.

Ms GLADYS BEREJIKLIAN: Exactly. They will be introduced by March next year. We are committed to that process. I hope that on this occasion, unlike the previous one, the Labor Party will support the spending caps.

The Hon. PETER PRIMROSE: Obviously nobody told the former Premier about this.

Ms GLADYS BEREJIKLIAN: I thank The Greens member for remembering.

The Hon. PETER PRIMROSE: What was the effect on candidate information sheets [CISs] of schedules 4 and 5 of the recent Environmental Planning and Assessment and Electoral Legislation Amendment (Planning Panels and Enforcement) Bill? Under schedule 5, the 2016 council elections will also now come under that rubric. I believe that those candidate information sheets are essentially statutory declarations. That is certainly true for section 1 of the form. What do you expect the penalty will be under the Local Government Act for failing to complete the form appropriately?

Mr SCHMIDT: There are two possible penalties. I am not able to give you the values of the monetary or imprisonment penalties at the moment. You can be charged with giving a false document under the local government legislation itself, which I think carries only monetary penalties. However as a statutory declaration you may be in breach of the Oaths Act, which can carry with it a term of imprisonment.

The Hon. ADAM SEARLE: Up to five years.

The Hon. PETER PRIMROSE: Do you expect that you will conduct audits or proactive investigations in relation to these CISs or will you rely on people notifying you of their concerns?

Mr SCHMIDT: This issue first arose for me due to allegations following the 2016 election. The candidate information sheet requires people to say whether they are or are not a property developer and whether or not they have a party affiliation. That captures people's imaginations. The definition of a property developer is complex but people must answer yes or no. After the 2016 election it was found that we did not have the power to take action under the legislation at the time. Thus we have introduced legislation which was recently passed.

I anticipate from some of the recent media reports I have seen that we can expect to receive further complaints about the current round of elections. We would not proactively investigate the current elections. Too many resources would be required to check every nomination form. I think there are about 2,000 people standing for election in the current round. All those people had to make a declaration. In regard to the circumstances and complexity of the definition, we will examine matters which are brought to our attention but we will not randomly audit people.

The Hon. PETER PRIMROSE: Section 2 of the CIS is an optional statement. Would any incorrect statement made in section 2 be regarded as an offence even though it is optional?

Mr SCHMIDT: It would certainly be an offence under the relevant provisions of the Local Government Act in that you have made a false statement in a document. This is an interesting question and I have not yet thought about it. The document itself is given in the form of a statutory declaration. I am not 100 per cent sure whether the statutory declaration captures the secondary component of the form.

The Hon. PETER PRIMROSE: I am wondering myself. It is not a trick question. I hope you will take a question on notice.

Mr SCHMIDT: Yes. We will turn our minds to it.

The Hon. ADAM SEARLE: The People Matter Employee Survey is open to all staff across the New South Wales public sector, is it not?

Mr HEAD: Yes.

The Hon. ADAM SEARLE: And employees in statutory authorities and State owned corporations [SOCs] have participated?

Mr HEAD: They have, although SOC's are not compelled to be a part of the survey whereas the rest of the government sector participates.

The Hon. ADAM SEARLE: No, but they can and they have.

Mr HEAD: They can and some do.

The Hon. ADAM SEARLE: Can you explain why employees in TAFE and Landcom, which is known as UrbanGrowth, were prevented this year from participating? Does it relate to the fact that they are both engaged in traumatic restructuring processes and you do not want to hear from the staff?

Mr HEAD: No, we have always encouraged every part of the public sector to participate in the People Matter Employee Survey but we are also mindful of the fact that in some parts of the sector other major surveys are being conducted by agency management. In respect to TAFE, certainly the position put to me was that a survey was in train and it would be duplicating that effort. That is in fact what I understand has happened. With all SOC's, it is always a matter of whether or not they wish to participate. With TAFE, it was really about a unique set of circumstances.

The Hon. ADAM SEARLE: When you say "whether they wish to participate", you mean whether their management wishes to allow their staff to participate?

Mr HEAD: With state-owned corporations we offer the use of this survey. In fact, many state-owned corporations have a history of surveying their staff routinely on things like employee engagement and a wide range of climate surveys. In my experience, running a water utility was probably the first evidence I saw of very regular staff surveys. The Act is quite clear that I cannot compel state-owned corporations in respect of any of my functions but we make the service available to SOC's. Some participate and some do not.

The Hon. ADAM SEARLE: Again, it is a matter for a SOC's management?

Mr HEAD: It is.

The Hon. ADAM SEARLE: I will put some further questions on notice. Premier, last week the NSW Liberal Party suspended five candidates for Newcastle City Council because their statutory declaration nomination forms had defects. Documents obtained from your party's executive say that the director felt he had no choice but to drop them due to the seriousness of any potential breach of the Oaths Act and the legal consequences. For example, knowingly making a false declaration carries a penalty of up to five years in jail. How is the situation of those Liberal Party candidates for council different from that of your North Sydney member of Parliament Felicity Wilson? In the wake of this development will you now reconsider Ms Wilson's position?

Ms GLADYS BEREJIKLIAN: As you would know, those matters are dealt with by the party organisations—just as your party would have processes for vetting candidates and for dealing with anyone who breached what they had told the party they had previously signed up to.

The Hon. ADAM SEARLE: Ms Wilson has breached what she told the party in her statutory declarations.

Ms GLADYS BEREJIKLIAN: The matters you raise are for the party.

The Hon. ADAM SEARLE: Come on, Premier. You are the elected leader of the party and you are the Premier. Like your predecessor, are you going to wash your hands of responsibility for your party's administration.

The Hon. BEN FRANKLIN: Point of order: The Premier was in the middle of a sentence.

The CHAIR: Order! The Premier is seeking to answer the question.

Ms GLADYS BEREJIKLIAN: I was going to say that in all of my public life and particularly since I have been Premier I am someone who deals with the facts. Unless there are any facts placed before the party organisation or, in fact, me as the leader which prove that any wrongdoing has occurred there is no issue. At the end of the day, they are matters for the party organisation and for the State director. I respect his decisions. My understanding is that you or your party leader do not go through candidate selection processes, do you?

The Hon. ADAM SEARLE: No, but we take responsibility for the outcomes when they are matters of public controversy.

Ms GLADYS BEREJIKLIAN: Does that include Ian Macdonald, Eddie Obeid and Joe Tripodi?

The Hon. ADAM SEARLE: We have taken action against all of those people. They have been expelled from our party. The original police investigation turned on a wrong date and the heading on the form of Ms Wilson's statutory declaration but legal experts have said that any defect in the heading would not affect whether the substance and content of the declaration would constitute an offence. Given that, will you now refer her matter to the police to be re-examined and if not, why not?

Ms GLADYS BEREJIKLIAN: I understand the matter was raised with police and it is up to the police as to whether they choose to investigate it or not. That was their decision. I am not going to interfere in what the police choose to do.

The Hon. ADAM SEARLE: I am not suggesting you should interfere.

Ms GLADYS BEREJIKLIAN: I think you are.

The Hon. ADAM SEARLE: I am suggesting you should refer the matter to them so they can have another look.

Ms GLADYS BEREJIKLIAN: It is not for me. The police already considered the matter and, I understand, chose not to proceed. That is a matter for them. I am not going to tell any authority what to do or what not to do. Similarly, when there are matters raised before me and questions are asked about the Electoral Commission and what I will do, that is a matter for the commission to come forward to me or to anybody else to say there is something wrong that has happened here. Until that occurs, there is no case.

The Hon. ADAM SEARLE: Given that the reason for standing down your Newcastle City Council candidates is the same defect as Ms Wilson committed in her statutory declaration nomination, why will you not take action?

Ms GLADYS BEREJIKLIAN: That is an assumption you are making.

The Hon. ADAM SEARLE: Will you at least look into the matter?

Ms GLADYS BEREJIKLIAN: No, because it is not for me to look into.

Mr JEREMY BUCKINGHAM: Regarding the Wilcannia weir, Minister Niall Blair has stated in Parliament that the feasibility study has been done but the cost benefit analysis and Treasury have recommended the proposal does not stack up. To his credit, Minister Blair has said that there are other issues, considerations and benefits of the proposal that should be considered. Premier, will you knock heads together and get the weir built?

Ms GLADYS BEREJIKLIAN: You raise an interesting point. I made local infrastructure a priority when I became Premier. I said that we have got a lot of major projects on the go and I am extremely proud of

that. I am extremely proud of our Government's record of being the infrastructure capital of Australia and indeed our region in many ways. But when I became Premier I also said that I wanted to focus on local infrastructure. One thing we are looking at more generally—and I hope this gives you a degree of comfort—is sometimes when local infrastructure projects come up for consideration they have a lower business case than other projects because they are looked upon specifically to that town but they might have a regional benefit. We are looking at opportunities. Understandably, a country town might say to us, "If you fix our freight hub we can support the entire region. You should not look at the business case just as it relates to our town; you should look at the entire region."

I am probably one of the hardest ones when it comes to making sure that projects go through the proper assurance and that they all stack up. But we are looking at opportunities to make sure that we are not missing the boat when it comes to the regional benefits of a project. That is a general comment I will make that really in rural and regional communities we need to look at the regional benefits and not just the benefits to that town, which is what traditional business cases do. That stacks up in the cities where you have scale but it does not necessarily stack up elsewhere. Again, I would not in any way want to compromise the integrity of the processes we have in place. However, I concede that in some exceptional circumstances if there are regional benefits which are not captured by that business case governments should look at those regional benefits.

I am not specifically close enough to the project you talk about to give you any commitments here, but I said in my previous response to you that I would raise the fact that you have raised it with me with the relevant Minister. He is obviously across the brief more readily than I am, so I will raise that with him. I want to use this opportunity to make a general statement about the need for us to make sure that in rural and regional New South Wales we are not ignoring the regional benefits that come from the opportunities that some projects offer. I will ask my secretary if he wants to say anything more on that.

Mr COMLEY: I think you have covered it. The Government recently announced significant regional funds for local infrastructure. Some of those funds are allocated on a per region basis so it is not a beauty contest across the whole State in a sense. That gives greater prospects in this area with particular need in local communities. I think in that conversation with the Minister the existence of those funds would also have to be considered.

Mr JEREMY BUCKINGHAM: In your time as Premier have you visited a farm?

Ms GLADYS BEREJIKLIAN: Yes, I have.

Mr JEREMY BUCKINGHAM: Where was that and when?

Ms GLADYS BEREJIKLIAN: One of the first farms I visited was one that was impacted by the bushfires in January. I will not say where it was. I flew in by helicopter and spoke to the farmers because they had lost everything in that location and I wanted to get an impression from them directly about how they were affected and what assistance they needed. That was probably one of the first occasions, but I have visited a number of farms and farmers and spoken to many communities. In fact, I make no secret of the fact that for me one of the most enjoyable parts of my job is to visit rural and regional communities. I really love doing that and I have spent a lot of time in regional communities. I think, from memory, that was the first farm that I had gone to, but I have since visited a lot of locations throughout the State.

Mr JEREMY BUCKINGHAM: Would you be prepared to provide us with some details of where and when that was?

Ms GLADYS BEREJIKLIAN: I would prefer not to because I do not feel as Premier that if I try to disclose every location I have been to and then missed some out—I think that would be inappropriate. But it is fair to say that I am not backward in telling people where I go. In fact—

Mr JEREMY BUCKINGHAM: You just were though. You just said—

Ms GLADYS BEREJIKLIAN: Only because it was a personal set of circumstances.

Mr JEREMY BUCKINGHAM: Pardon?

Ms GLADYS BEREJIKLIAN: Only because on the first occasion that I mentioned it was a personal set of circumstances.

Mr JEREMY BUCKINGHAM: Have you visited farms for purposes other than disaster relief?

The Hon. BEN FRANKLIN: She just announced the Casino stockyards. It was incredible. The community loved it.

Ms GLADYS BEREJIKLIAN: That was fun. I got to speak to a lot of people that day. A lot of farmers came for that announcement.

Mr JEREMY BUCKINGHAM: But have you been out into rural New South Wales and visited farms?

Ms GLADYS BEREJIKLIAN: Yes.

The Hon. BEN FRANKLIN: Casino is in rural New South Wales.

Mr JEREMY BUCKINGHAM: Are you prepared to list—

Ms GLADYS BEREJIKLIAN: In fact, I am happy to tell you some of the locations I have visited, and I hope I do not leave any out. I think I had been Premier for a few days when I went to Tamworth. I have also been to—

Mr JEREMY BUCKINGHAM: Have you visited a farm in Tamworth?

Ms GLADYS BEREJIKLIAN: No, not on that occasion.

Mr JEREMY BUCKINGHAM: Then what has that got to with the question?

Ms GLADYS BEREJIKLIAN: Because you just said to me, "Have you been to rural and regional New South Wales?"

Mr JEREMY BUCKINGHAM: No, I did not ask that. I asked how many farms have you been to.

Ms GLADYS BEREJIKLIAN: I have been to many farms in different locations.

Mr JEREMY BUCKINGHAM: But you are not prepared to list which ones you have been to.

The Hon. BEN FRANKLIN: It is a ridiculous question.

Ms GLADYS BEREJIKLIAN: I do not want to omit some of them. It is fair to say that I have been to a number of different locations in rural and regional New South Wales, including farms and other locations—community centres, schools, hospitals, lifesaving clubs, stockyards, saleyards—

The Hon. BEN FRANKLIN: A great afternoon tea at the Ballina RSL, for example.

Ms GLADYS BEREJIKLIAN: Indeed.

Mr JEREMY BUCKINGHAM: Are the farm visits a matter of public record?

Ms GLADYS BEREJIKLIAN: Not all of them.

Mr JEREMY BUCKINGHAM: Are any of them?

Ms GLADYS BEREJIKLIAN: I am not sure. I will have to look at the public record. But your question was: Have I been to a farm since I have been Premier? And the answer is yes. That is the answer to your question.

Mr JUSTIN FIELD: There was a recent global scientific study into drinking water supplies around the world—none in Australia, but it covered developed and developing countries in the United States, Europe, Asia and Africa. It found 80 per cent of drinking water supplies had a degree of plastic contamination in them. First, are you aware of the study? And do you know if we have done any testing of drinking water supplies in New South Wales to check for plastic pollution?

Ms GLADYS BEREJIKLIAN: First I will say I am not aware of the study that you referred to. I apologise if I should be. Also, in terms of the quality of drinking water—and I took a special interest when I was responsible for the stock when I was the Treasurer—we have some of the best quality drinking water in the world and I am very proud of that fact. There are very few jurisdictions you can actually go to a tap and drink water and have confidence that it is high quality, the fluoride content—

Mr JUSTIN FIELD: Europe thought it did too, and now it has found plastic in a lot of its supplies.

Ms GLADYS BEREJIKLIAN: I have not seen that report, but I am just telling you what I know from our own water stocks and water utilities, and that is that New South Wales prides itself on having some of the safest quality drinking water on the planet. Not only that but, because of the way we have managed some of our water utilities, we now have the lowest bills for water in the nation as well. Sydney and, I think, the Hunter have the lowest water bills in the nation, in fact. I am proud of the fact we have high-quality drinking water and

that we have affordable, accessible water. We all know that west of the Great Dividing Range—and I am sorry Mr Buckingham is not here to hear this—

Mr JUSTIN FIELD: I will let him know.

Ms GLADYS BEREJIKLIAN: We know that west of the Great Dividing Range water and water security is one of the biggest issues. Again, I do not know the plastic survey you are referring to, but if you would like to bring it to our attention—

Mr JUSTIN FIELD: Thank you, Premier. I will.

The CHAIR: I am pleased that you stated earlier that there are some protections for employees such as doctors and so on in the public hospitals—that a doctor could not be forced to perform an abortion against his conscience.

Ms GLADYS BEREJIKLIAN: Or her—yes.

The Hon. SCOTT FARLOW: Good point, Premier.

The CHAIR: I am concerned, however, about young doctors who have just graduated seeking employment in a public hospital. They are the ones I am concerned about. They have come to see me and have said that they have been required to sign these forms before the hospital will employ them. They are not in any way an employee. They are an applicant to become an employee to get their qualifications as a general practitioner [GP]. If they cannot get a job in a public hospital after they finish their training, they cannot actually become a GP. It is critical. People could say, "They can all go to Catholic hospitals," but a number of these doctors do not wish to go to Catholic hospitals.

Ms GLADYS BEREJIKLIAN: Reverend the Hon. Fred Nile, just to clarify, are you talking about people with religious views specifically or just generally?

Mr COMLEY: It is the anti-abortion issue.

Ms GLADYS BEREJIKLIAN: It is still the anti-abortion issue.

The CHAIR: Their religious views—

Ms GLADYS BEREJIKLIAN: Sorry, I was not sure if it was the same issue.

The CHAIR: They had a conscientious objection to abortion, for example.

Ms GLADYS BEREJIKLIAN: I understand now. The New South Wales guidelines say, first, you cannot use that as a basis for not employing somebody and that you cannot force someone to undertake any procedure in a public facility if they are a conscientious objector. That is a fact and apparently the New South Wales Health Department takes very seriously any breaches of that guideline. If there is any specific example you have, I would be more than happy to pass it on to the head of the Health Department, because that is part of the context of religious freedom in New South Wales. I cannot comment as to what happens in non-public facilities, of course, but in public facilities there are very clear guidelines to protect people who might have a conscientious objection to undertaking a procedure from participating in that procedure.

The CHAIR: Are you not aware of any cases then? Are you saying there should be no cases because of those regulations?

Ms GLADYS BEREJIKLIAN: I am certainly not close enough to it to know if there are any cases, but I ask you or anybody else that if any come across your desk or you meet with someone who expresses a different view, I or the health Minister would be more than happy to pass it on to the head of the Health Department.

The CHAIR: I will try to get copies of those forms that they were asked to sign before they would be employed in the public hospital. I trust that they were telling me the correct information on that occasion.

Ms GLADYS BEREJIKLIAN: Of course. They would not dare do otherwise.

The CHAIR: It raised in my mind whether there should be some amendments to the Anti-Discrimination Act providing a general protection for people who have a conscientious objection.

Ms GLADYS BEREJIKLIAN: As far as I am aware, those safeguards are there for people who are conscientious objectors.

The CHAIR: But it could apply to other areas of employment in the government service, not just in the hospital area.

Ms GLADYS BEREJIKLIAN: I am not aware. If there is a specific question, I am happy to take it on notice.

The CHAIR: If you could conduct an examination as to what powers need to be put into legislation to protect people with a conscientious objection—

Ms GLADYS BEREJIKLIAN: Do you mind if I ask the Public Service Commissioner? He might be able to shed some light.

Mr HEAD: I probably would want to take at least part of it on notice, but the Government Sector Employment Act sets the pre-screening requirements for employment in the public service. People are employed in other services under other legislation. So, as the Premier has pointed out, the Secretary of Health employs people under arrangements in the Health Services Act in that sector; similarly, the Secretary of Transport in the transport service, The secretary of Education in the teaching service and the Commissioner of Police in the police force. Each piece of legislation, of course, sets out how employment practices are undertaken. And of course there are the relevant intersections with the Anti-Discrimination Act. I should say that people tend to refer matters to me even if they are not directly in my jurisdiction where they are concerned about recruitment processes or pre-employment screening process occurring, and I am not aware of any of those issues being raised with my office in the almost six years that I have been in this office. But I am happy to have a closer look and answer—

The CHAIR: I would like you to take that on notice because you are the person who covers all of those areas you have just outlined—medical, education and so on—

Mr HEAD: I have some—

The CHAIR: —as to what protections are there for applicants as well as actual employees.

Mr HEAD: There are protections in the legislation. I will give a comprehensive answer on notice. My powers are very specific in terms of the public service and rather more general in relation to those other four large operational areas.

The Hon. ADAM SEARLE: Premier, there was a report about due diligence for all major regional land approvals. It was about a new process to go through before mining exploration licences are issued. I think the report was written by Simon Draper and Liz Livingstone from your department. Apparently that report was given to former Premier Baird in 2016. Are you willing to furnish the Committee with a copy of that report?

Mr COMLEY: I will take that on notice.

Mr JUSTIN FIELD: Premier, returning quickly to plastics. We know how much plastics have permeated our environment in the past couple of decades. Would you undertake to look at whether or not New South Wales has done any testing for plastic contamination of drinking water? Will you undertake to at least do an assessment of that?

Ms GLADYS BEREJIKLIAN: I do know from inquiries I have made in the past that water quality is of the highest priority and that any form of contamination would have been dealt with. But I am happy to take that specific question on notice.

The CHAIR: Premier, thank you and your departmental officers for being here today.

Ms GLADYS BEREJIKLIAN: It has been a very respectful afternoon and I appreciate the Committee's efforts. Thank you.

(The witnesses withdrew)

The Committee proceeded to deliberate.