



LEGISLATIVE COUNCIL

PORTFOLIO COMMITTEE NO. 1

Budget Estimates 2017-2018



Report 45

December 2017

1

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Portfolio Committee No. 1 – Premier and Finance

Budget Estimates 2017-2018

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Terms of reference

1. That upon tabling, the Budget Estimates and related papers for the financial year 2017 – 2018 presenting the amounts to be appropriated from the Consolidated Fund be referred to the Portfolio Committees for inquiry and report.

2. That the initial hearings be scheduled as follows:

Day One: Thursday 31 August 2017

PC 3	Early Childhood Education, Aboriginal Affairs, Assistant Minister for Education	1.45 pm – 3.45 pm
PC 3	Skills, Regional NSW, Small Business	4.00 pm – 6.00 pm
PC 4	Police, Emergency Services	2.00 pm – 6.00 pm

Day Two: Friday 1 September 2017

PC 5	Primary Industries, Regional Water, Trade and Industry	9.00 am – 1.00 pm
PC 6	Environment, Heritage, Local Government	9.00 am – 1.00 pm
PC 5	Transport and Infrastructure	2.00 pm – 6.00 pm
PC 6	Resources, Energy and Utilities, Arts	2.00 pm – 5.00 pm

Day Three: Monday 4 September 2017

PC 1	Finance, Services and Property	9.00 am – 12.00 pm
PC 1	The Legislature	12.15 pm – 1.15 pm
PC 1	Innovation and Better Regulation	1.45 pm – 3.45 pm
PC 3	Tourism and Major Events, Assistant Minister for Skills	4.00 pm – 6.00 pm

Day Four: Tuesday 5 September 2017

PC 2	Family and Community Services, Social Housing, Prevention of Domestic Violence and Sexual Assault	9.00 am – 12.00 pm
PC 4	Corrections, Counter Terrorism, Veterans Affairs	9.00 am – 12.00 pm
PC 2	Mental Health, Women, Ageing	2.00 pm – 5.00 pm
PC 3	Education	2.00 pm – 6.00 pm

Day Five: Wednesday 6 September 2017

PC 1	Treasury, Industrial Relations	9.00 am – 1.00 pm
PC 5	Western Sydney, WestConnex, Sport	9.00 am – 11.00 am
PC 5	Lands and Forestry, Racing	11.15 am – 1.15 pm
PC 2	Health, Medical Research	2.00 pm – 6.00 pm
PC 5	Roads, Maritime and Freight	2.00 pm – 6.00 pm

Day Six: Thursday 7 September 2017

PC 1	Premier	2.00 pm – 6.00 pm
PC 2	Disability Services, Multiculturalism	2.00 pm – 5.00 pm

Day Seven: Friday 8 September 2017

PC 6	Planning, Housing, Special Minister of State	9.00 am – 1.00 pm
PC 4	Attorney General	2.00 pm – 4.00 pm

3. That supplementary hearings be scheduled during the week of 3 to 6 October 2017.
4. That each scheduled day for the initial round of hearings will begin not earlier than 9.00 am and conclude by 6.00 pm.
5. That the committees must hear evidence in public.
6. That the committees may ask for explanations from ministers, or officers of departments, statutory bodies or corporations, relating to the items of proposed expenditure.
7. That ministers may not make an opening statement before the committee commences questions.
8. That the committees are to present a final report to the House by 15 December 2017.
9. That members may lodge supplementary questions with the committee clerk by 5.00 pm, within two days, excluding Saturday and Sunday, following the hearing.
10. That answers to questions on notice and supplementary questions be published, except those answers for which confidentiality is requested, after these answers have been circulated to committee members.

These terms of reference were referred to the committee by the House: *Minutes*, NSW Legislative Council, 21 June 2017, pp 1756-1757.

Committee details

Committee members

Reverend the Hon Fred Nile MLC	Christian Democratic Party	<i>Chairman</i>
The Hon Ben Franklin MLC	The Nationals	<i>Deputy Chair</i>
The Hon Scott Farlow MLC	Liberal Party	
Mr Justin Field MLC	The Greens	
The Hon Taylor Martin MLC	Liberal Party	
The Hon Peter Primrose MLC	Australian Labor Party	
The Hon Adam Searle MLC	Australian Labor Party	

Non-substantive members who attended the hearings

The Hon Wesley Fang MLC	The Nationals
The Hon Daniel Mookhey MLC	Australian Labor Party
Mr David Shoebridge MLC	The Greens
The Hon Shaoquett Moselmane MLC	Australian Labor Party
The Hon Trevor Khan MLC	The Nationals
The Hon Dr Peter Phelps MLC	Liberal Party
Mr Jeremy Buckingham MLC	The Greens

Website	www.parliament.nsw.gov.au/budgetestimates
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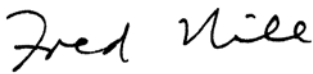
Chairman's foreword

I am pleased to present this report on the Inquiry into Budget Estimates 2017-2018. This annual inquiry into the Budget Estimates ensures parliamentary oversight of the Budget, and provides an important mechanism for the accountability of the executive government to the Legislative Council.

The inquiry consisted of five hearings to examine the following portfolios:

- Finance, Services and Property
- The Legislature
- Innovation and Better Regulation
- Treasury, Industrial Relations
- Premier.

On behalf of the committee, I would like to thank the Ministers and their officers who assisted the committee during this important inquiry. I am grateful to my fellow committee members and the secretariat staff for their contributions to the inquiry process.



Revd the Hon Fred Nile MLC
Chairman

Chapter 1 Introduction

Referral of the 2017-2018 Budget Estimates

- 1.1 On 21 June 2017, the Legislative Council resolved that ‘the Budget Estimates and related papers for the financial year 2017-2018 presenting the amounts to be appropriated from the Consolidated Fund be referred to the Portfolio Committees for inquiry and report’.¹ The resolution (hereafter referred to as the Budget Estimates resolution) requires each committee to examine the Budget Estimates for the relevant portfolios and report to the House by 15 December 2017.²
- 1.2 The Budget Estimates resolution further stipulated that the initial hearings be held from 31 August to 8 September 2017 and the initial round of supplementary hearings be scheduled during the week of 3-6 October 2017.³

Hearings

- 1.3 The committee held five public hearings as follows:
- Monday 4 September 2017 – Finance, Services and Property
 - Monday 4 September 2017 – The Legislature
 - Monday 4 September 2017 – Innovation and Better Regulation
 - Wednesday 6 September 2017 – Treasury, Industrial Relations
 - Thursday 7 September 2017 – Premier.

Transcripts, questions on notice and supplementary questions

- 1.4 Transcripts of the hearings, questions taken on notice, supplementary questions and answers to these questions are available on the Budget Estimates web page at: www.parliament.nsw.gov.au/budgetestimates.

¹ *Minutes*, NSW Legislative Council, 21 June 2017, pp 1756-1757.

² *Minutes*, NSW Legislative Council, 21 June 2017, pp 1756-1757.

³ *Minutes*, NSW Legislative Council, 21 June 2017, pp 1756-1757.

Chapter 2 Issues raised during hearings

This chapter provides a brief summary by portfolio of the key issues raised during the hearings.

Finance, Services and Property

2.1 A hearing examining the portfolio of Finance, Services and Property was held on Monday 4 September 2017. The following issues were raised during the committee's examination of this portfolio:

- Due diligence undertaken during procurement negotiations
- The number of workers due to lose benefits under s 39 of the *Workers Compensation Act 1987*
- Uber, the taxi industry and hire cars
- GovConnect and the use of labour in India
- Lease of Land and Property Information
- Asset sales
- Wage theft
- Negotiations for school cleaning contracts.

The Legislature

2.2 A hearing examining the portfolio of The Legislature was held on Monday 4 September 2017. The following issues were raised during the committee's examination of this portfolio:

- Broadcasting system
- Security barriers
- Disability access.

Innovation and Better Regulation

2.3 A hearing examining the portfolio of Innovation and Better Regulation was held on Monday 4 September 2017. The following issues were raised during the committee's examination of this portfolio:

- Action to address buildings with aluminium composite cladding
- Other actions on fire safety
- Measures to address ticket scalping
- Compliance with biofuels mandates
- Measures to improve quad bike safety.

Treasury, Industrial Relations

2.4 A hearing examining the portfolios of Treasury, Industrial Relations was held on Wednesday 6 September 2017. The following issues were raised during the committee's examination of these portfolios:

- Fire and Emergency Services Levy
- Shenhua Watermark mining exploration licence buyback
- GST distribution
- Housing affordability
- Government asset sales and privatisation
- Sydney Gateway project
- Domestic violence leave entitlement
- Workers compensation and industrial diseases.

Premier

2.5 A hearing examining the portfolio of Premier was held on Thursday 7 September 2017. The following issues were raised during the committee's examination of this portfolio:

- Electricity prices
- The state's energy sources
- Electoral material.

Appendix 1 Witnesses at hearings

Finance, Services and Property – Monday 4 September 2017

Name	Position and Organisation
The Hon Victor Dominello MP	Minister for Finance, Services and Property
Mr Martin Hoffman	Secretary, Department of Finance, Services and Innovation
Ms Kelly Wood	Executive Director, Product Service and Compliance, Revenue NSW
Mr Andrew McMaster	Chief Financial Officer, Service NSW
Mr Brett Newman	Chief Executive Officer, Property NSW
Ms Carmel Donnelly	Acting Chief Executive, State Insurance Regulatory Authority

The Legislature – Monday 4 September 2017

Name	Position and Organisation
The Hon John Ajaka MLC	President of the Legislative Council of NSW
Mr David Blunt	Clerk of the Parliaments
Mr Mark Webb	Executive Manager, Department of Parliamentary Services
Mr John Gregor	Director, Financial Services, Department of Parliamentary Services

Innovation and Better Regulation – Monday 4 September 2017

Name	Position and Organisation
The Hon Matt Kean MP	Minister for Innovation and Better Regulation
Mr Martin Hoffman	Secretary, Department of Finance, Services and Innovation
Mr Andrew Gavrielatos	Acting Fair Trading Commissioner and Acting Deputy Secretary, Better Regulation Division, Department of Finance, Services and Innovation

Mr John Tansey	Acting Executive Director, Regulatory Policy, Department of Finance, Services and Innovation
Mr Peter Dunphy	Executive Director, SafeWork, Department of Finance, Services and Innovation

Treasury, Industrial Relations – Wednesday 6 September 2017

Name	Position and Organisation
The Hon Dominic Perrottet MP	Treasurer and Minister for Industrial Relations
Mr Michael Pratt AM	Secretary, Treasury
Ms Caralee McLiesh	Deputy Secretary, Fiscal and Economic Group, Treasury
Mr Phil Gardner	Deputy Secretary, Commercial, Treasury
Ms Simone Constant	Deputy Secretary, Financial Risk Management and Transformation, Treasury
Mr Vivek Bhatia	Chief Executive Officer, icare
Ms Vicki Telfer	Executive Director, Industrial Relations, Treasury

Premier – Thursday 7 September 2017

Name	Position and Organisation
The Hon Gladys Berejiklian MP	Premier
Mr Blair Comley PSM	Secretary, Department of Premier and Cabinet
Mr Graeme Head	Public Service Commissioner, Public Service Commission
Mr John Schmidt	NSW Electoral Commissioner, NSW Electoral Commission

Appendix 2 Minutes

Minutes no. 18

Tuesday 8 August 2017

Portfolio Committee No. 1 – Premier and Finance

Members' Lounge, Parliament House, 2.15 pm

1. Members present

Revd Nile, *Chairman*

Mr Franklin, *Deputy Chair*

Mr Farlow

Mr Field (from 1.17 pm)

Mr Martin

Mr Primrose

Mr Searle

2. Previous minutes

Resolved, on the motion of Mr Franklin: That draft minutes no. 17 be confirmed.

3. Correspondence

The committee noted the following items of correspondence:

Received:

- 6 July 2017 – Letter from Mr Stewart Little, General Secretary, Public Service Association of New South Wales to Chairman, requesting that the committee undertake an evaluation of the implementation of the recommendations from the inquiry into allegations of bullying in WorkCover NSW
- 11 July 2017 – Email from Ms Tina Daniels, Office of the President of the NSW Legislative Council, the Hon John Ajaka MLC, providing the list of witnesses for Budget Estimates
- 19 July 2017 – Email from Ms Elisabeth Stepanian, Office of the Hon Victor Dominello MP, Minister for Finance, Services and Property, providing the list of witnesses for Budget Estimates
- 28 July 2017 – Email from Mr Richard Hodge, Office of the Hon Matt Kean MP, Minister for Innovation and Better Regulation, providing the list of witnesses for Budget Estimates
- 31 July 2017 – Email from Mr Joseph Watson, Office of the Hon Dominic Perrottet MP, Treasurer, providing the list of witnesses for Budget Estimates
- 1 August 2017 – Email from Mr Zach Bentley, Office of the Hon Gladys Berejikilian MP, Premier, providing the list of witnesses for Budget Estimates.

Sent:

- 10 July 2017 – Letter from Ms Beverly Duffy, Clerk Assistant - Committees to the Hon Victor Dominello MP, Minister for Finances, Services and Property, inviting the Minister to Budget Estimates and requesting witness details
- 10 July 2017 – Letter from Ms Beverly Duffy, Clerk Assistant - Committees to the Hon John Ajaka MLC, President, The Legislature, inviting the President to Budget Estimates and requesting witness details
- 10 July 2017 – Letter from Ms Beverly Duffy, Clerk Assistant - Committees to the Hon Matt Kean MP, Minister for Innovation and Better Regulation, inviting the Minister to Budget Estimates and requesting witness details
- 10 July 2017 – Letter from Ms Beverly Duffy, Clerk Assistant - Committees to the Hon Dominic Perrottet MP, Minister for Treasury, Industrial Relations, inviting the Treasurer to Budget Estimates and requesting witness details

- 10 July 2017 – Letter from Ms Beverly Duffy, Clerk Assistant - Committees to the Hon Gladys Berejiklian MP, Premier, inviting the Premier to Budget Estimates and requesting witness details.

Resolved, on the motion of Mr Searle: That the consideration of the correspondence from the Public Service Association of New South Wales dated 6 July 2017 be deferred to a future committee meeting.

4. Inquiry into Budget Estimates 2017-2018 – procedural resolutions

The committee noted that the Budget Estimates timetable for 2017-2018 was agreed to by the House, with the following Portfolio Committee No. 1 hearings:

Date	Time	Portfolio	Room
Monday 4 September	9.00 am – 12.00 pm	Finance, Services and Property (Dominello)	Macquarie
	12.15 – 1.15 pm	The Legislature (Ajaka)	Macquarie
	1.45 pm – 3.45 pm	Innovation and Better Regulation (Kean)	Macquarie
Wednesday 6 September	9.00 am – 1.00 pm	Treasury, Industrial Relations (Perrottet)	Jubilee
Thursday 7 September	2.00 pm – 6.00 pm	Premier (Berejiklian)	Jubilee

4.1 Government questions

Resolved, on the motion of Mr Franklin: That with government members not asking questions:

- The portfolio of Finance, Services and Property be examined from 9.00 – 11.00 am
- The portfolio of The Legislature be examined from 12.15 – 12.55 pm
- The portfolio of Innovation and Better Regulation be examined from 1.45 – 3.05 pm
- The portfolios of Treasury, Industrial Relations be examined from 9.00 – 11.40 am
- The portfolio of Premier be examined from 2.00 – 4.40 pm.

4.2 Sequence of questions

The committee noted that, under the resolution establishing the Portfolio Committees, the sequence of questions alternates between opposition, crossbench and government members, with equal time allocated to each, unless the committee decides otherwise.

4.3 Procedure for examining more than one portfolio

Resolved, on the motion of Mr Searle: That the Treasury, Industrial Relations portfolios be examined on Wednesday 6 September 2017 in this order and timeframe:

- Treasury: 9.00 am – 11.00 am
- Industrial Relations: 11.00 – 11.40 am.

4.4 Additional witness requests

The committee noted each minister's list of proposed witnesses, as per the table below.

Resolved, on the motion of Mr Searle: That the attendance of the following additional witnesses be requested at the Budget Estimates hearings for Portfolio Committee No. 1:

- Mr Vivek Bhatia, Chief Executive Officer, icare – for the Treasury portfolio
- Mr John Schmidt, NSW Electoral Commissioner – for the Premier's portfolio.

Minister	Portfolio	Witness	Position and Department
Dominello	Finance, Services and Property	Mr Martin Hoffmann	Secretary, Department of Finance, Services and Innovation
		Ms Kelly Wood	A/g Deputy Secretary, Office of State Revenue (Revenue NSW from 31 July)
		Ms Rachna Gandhi	Chief Executive Officer, Service NSW
		Mr Brett Newman	Chief Executive Officer, Property NSW
		Ms Carmel Donnelly	A/g Chief Executive Officer, State Insurance Regulatory Authority
Ajaka	The Legislature	Mr David Blunt	Clerk of the Parliaments
		Mr Mark Webb	Executive Manager, Department of Parliamentary Services
		Mr John Gregor	Director, Financial Services, Department of Parliamentary Services
Kean	Innovation and Better Regulation	Mr Martin Hoffman	Secretary, Department of Finance, Services and Innovation
		Mr Andrew Gavrielatos	Acting Fair Trading Commissioner and Acting Deputy Secretary, Better Regulation Division, Department of Finance, Services and Innovation
		Mr John Tansey	Acting Executive Director, Regulatory Policy, Department of Finance, Services and Innovation
		Mr Peter Dumphy	Executive Director, SafeWork, Department of Finance, Services and Innovation
Perrottet	Treasury	Mr Michael Pratt	Secretary, Treasury
		Ms Caralee McLiesh	Deputy Secretary, Fiscal and Economic Group, Treasury
		Mr Phil Gardner	Deputy Secretary, Commercial, Treasury
		Ms Simone Constant	Deputy Secretary, Financial Risk Management & Transformation, Treasury
	Industrial Relations	Ms Vicki Telfer	Executive Director, Industrial Relations, Treasury
Berejiklian	Premier	Mr Blair Comley	Secretary, Department of Premier and Cabinet

5. Adjournment

The committee adjourned at 2.22 pm, *sine die*.

Sharon Ohnesorge

Clerk to the Committee

Minutes no. 19

Monday 4 September 2017

Portfolio Committee No. 1 – Premier and Finance

Macquarie Room, Parliament House, Sydney, at 8.56 am

1. Members present

Revd Nile, *Chairman* (from 9.07 am)

Mr Fang (substituting for Mr Franklin)

Mr Farlow

Mr Field

Mr Martin

Mr Mookhey (substituting for Mr Searle)

Mr Primrose

Mr Shoebridge (participating) (from 9.07 am until 9.38 am)

2. Election of Chair for the meeting during the absence of the Chair and the Deputy Chair

The Clerk noted the absence of both the Chair and the Deputy Chair for the meeting.

The Clerk called for nominations for a member to act as Chair for the purpose of the meeting, until the arrival of the Chair.

Mr Fang moved: That Mr Farlow be elected Chair of the committee for the purpose of the meeting, until the arrival of the Chair.

There being no further nominations, the Clerk declared Mr Farlow elected Chair for the purpose of the meeting, until the arrival of the Chair.

3. Draft minutes

Resolved, on the motion of Mr Field: That draft minutes no. 18 be confirmed.

4. Correspondence

The committee noted the following items of correspondence:

Received:

- 14 August 2017 – Email from Mr Joseph Watson, Office of the Hon Dominic Perrottet MP, Treasurer, advising that Mr Vivek Bhatia, Chief Executive Officer, icare will attend Budget Estimates, and that Professor Allan Fels AO, Emergency Services Insurance Monitor will not be able to attend
- 18 August 2017 – Email from Mr Zach Bentley, Office of the Hon Gladys Berejiklian MP, Premier, advising that the additional requested witnesses are available to attend Budget Estimates
- 29 August 2017 – Email from Mr Tom Green, Office of the Hon Victor Dominello MP, Minister for Finance, Services and Property, advising of a change to the witness attending Budget Estimates from Service NSW.

Sent:

- 8 August 2017 – Email from the secretariat to Mr Joseph Watson, Office of the Hon Dominic Perrottet MP, Treasurer, requesting additional witnesses for Budget Estimates

- 8 August 2017 – Email from the secretariat to Mr Zach Bentley, Office of the Hon Gladys Berejiklian MP, Premier, requesting additional witnesses for Budget Estimates
- 14 August 2017 – Email from the secretariat to Mr Zach Bentley, Office of the Hon Gladys Berejiklian MP, Premier, requesting a further additional witness for Budget Estimates
- 14 August 2017 – Email from the secretariat to Mr Joseph Watson, Office of the Hon Dominic Perrottet MP, Treasurer, requesting a further additional witness for Budget Estimates.

5. Inquiry into Budget Estimates 2017-2018

5.1 Public hearing: Budget Estimates 2017-2018 – Finance, Services and Property

Witnesses, the public and the media were admitted.

The chair made an opening statement regarding the broadcasting of proceedings and other matters. The chair noted that members of Parliament swear an oath to their office, and therefore do not need to be sworn prior to giving evidence before a committee.

Minister Dominello MP was admitted.

The following witnesses were sworn:

- Mr Martin Hoffman, Secretary, Department of Finance, Services and Innovation
- Ms Kelly Wood, Executive Director, Product Service and Compliance, Revenue NSW
- Mr Andrew McMaster, Chief Financial Officer, Service NSW
- Mr Brett Newman, Chief Executive Officer, Property NSW
- Ms Carmel Donnelly, Acting Chief Executive, State Insurance Regulatory Authority.

The chair declared the proposed expenditure for the portfolio of Finance, Services and Property open for examination.

The Minister and departmental witnesses were examined by the committee.

Revd Nile joined the meeting and resumed the Chair.

The evidence concluded and the witnesses withdrew.

The public hearing concluded at 11.00 am.

The public and media withdrew.

5.2 Supplementary hearings

Resolved, on the motion of Mr Mookhey: That the committee defer its decision on whether to hold supplementary hearings for the portfolio of Finance, Services and Property.

6. Adjournment

The committee adjourned at 11.01 am, until 12.00 pm, Monday 4 September 2017, Macquarie Room (*The Legislature*).

Kate Mihaljek
Clerk to the Committee

Minutes no. 20

Monday 4 September 2017

Portfolio Committee No. 1 – Premier and Finance

Macquarie Room, Parliament House, Sydney, at 12.00 pm

1. Members presentRevd Nile, *Chairman*Mr Franklin, *Deputy Chair*

Mr Farlow

Mr Martin

Mr Moselmane (substituting for Mr Searle)

Mr Primrose

Mr Shoebridge (substituting for Mr Field) (from 12.03 pm)

2. Inquiry into Budget Estimates 2017-2018**2.1 Supplementary hearings**

Resolved, on the motion of Mr Moselmane: That the committee defer its decision on whether to hold supplementary hearings for the portfolio of The Legislature.

Mr Shoebridge arrived at 12.03 pm.

2.2 Public hearing: Budget Estimates 2017-2018 – The Legislature

Witnesses, the public and the media were admitted.

The chair made an opening statement regarding the broadcasting of proceedings and other matters. The chair noted that members of Parliament swear an oath to their office, and therefore do not need to be sworn prior to giving evidence before a committee.

President Ajaka MLC was admitted.

The following witnesses were sworn:

- Mr David Blunt, Clerk of the Parliaments
- Mr Mark Webb, Executive Manager, Department of Parliamentary Services
- Mr John Gregor, Director, Financial Services, Department of Parliamentary Services.

The chair declared the proposed expenditure for the portfolio of The Legislature open for examination.

The President and departmental witnesses were examined by the committee.

The evidence concluded and the witnesses withdrew.

The public hearing concluded at 12.57 pm.

The public and media withdrew.

3. Adjournment

The committee adjourned at 12.57 pm, until 1.30 pm, Monday 4 September 2017, Macquarie Room (*Innovation and Better Regulation*).

Teresa McMichael

Clerk to the Committee

Minutes no. 21

Monday 4 September 2017

Portfolio Committee No. 1 – Premier and Finance

Macquarie Room, Parliament House, Sydney, at 1.30 pm

1. Members present

Revd Nile, *Chairman*

Mr Franklin, *Deputy Chair*

Mr Farlow

Mr Field

Mr Martin

Mr Mookhey (substituting for Mr Searle) (from 1.36 pm)

Mr Primrose

Mr Shoebridge (participating) (from 1.48 pm until 2.20 pm)

2. Inquiry into Budget Estimates 2017-2018**2.1 Supplementary hearings**

Resolved, on the motion of Mr Farlow: That the committee defer its decision on whether to hold supplementary hearings for the portfolio of Innovation and Better Regulation.

2.2 Public hearing: Budget Estimates 2017-2018 – Innovation and Better Regulation

Witnesses, the public and the media were admitted.

The chair made an opening statement regarding the broadcasting of proceedings and other matters. The chair noted that members of Parliament swear an oath to their office, and therefore do not need to be sworn prior to giving evidence before a committee.

The chair also reminded Mr Martin Hoffman that he did not need to be sworn, as he had been sworn at another Budget Estimates hearing.

Minister Kean MP was admitted.

The following witnesses were sworn:

- Mr Andrew Gavrielatos, Acting Fair Trading Commissioner and Acting Deputy Secretary, Better Regulation Division, Department of Finance, Services and Innovation
- Mr John Tansey, Acting Executive Director, Regulatory Policy, Department of Finance, Services and Innovation
- Mr Peter Dunphy, Executive Director, SafeWork, Department of Finance, Services and Innovation.

The chair declared the proposed expenditure for the portfolio of Innovation and Better Regulation open for examination.

The Minister and departmental witnesses were examined by the committee.

Minister Kean tendered the following documents:

- Letter from the NSW Cladding Taskforce to owners of buildings that may have aluminium composite wall cladding
- Media release, Hon Matt Kean MP, Minister for Innovation and Better Regulation, 'Fire safety reforms to put consumers first', 28 July 2017.

The evidence concluded and the witnesses withdrew.

The public hearing concluded at 3.03 pm.

The public and media withdrew.

2.3 Tendered documents

Resolved, on the motion of Mr Farlow: That the committee accept and publish the following documents tendered during the Innovation and Better Regulation hearing held on Monday 4 September 2017:

- Letter from the NSW Cladding Taskforce to owners of buildings that may have aluminium composite wall cladding, tendered by Minister Kean
- Media release, Hon Matt Kean MP, Minister for Innovation and Better Regulation, 'Fire safety reforms to put consumers first', 28 July 2017, tendered by Minister Kean.

3. Adjournment

The committee adjourned at 3.03 pm, until 8.45 am, Wednesday 6 September 2017, Jubilee Room (*Treasury, Industrial Relations*).

Merrin Thompson
Clerk to the Committee

Minutes no. 22

Wednesday 6 September 2017

Portfolio Committee No. 1 – Premier and Finance

Jubilee Room, Parliament House, Sydney, at 8.55 am

1. Members present

Revd Nile, *Chairman*

Mr Farlow

Mr Field (until 11.01 am)

Mr Khan (substituting for Mr Martin)

Dr Phelps (substituting for Mr Franklin)

Mr Primrose

Mr Searle

Mr Shoebridge (substituting for Mr Field) (from 11.03 am)

Mr Mookhey (participating) (from 9.35 am until 10.10 am)

2. Inquiry into Budget Estimates 2017-2018

2.1 Public hearing: Budget Estimates 2017-2018 – Treasury, Industrial Relations

Witnesses, the public and the media were admitted.

The chair made an opening statement regarding the broadcasting of proceedings and other matters. The chair noted that members of Parliament swear an oath to their office, and therefore do not need to be sworn prior to giving evidence before a committee.

Treasurer Perrottet MP was admitted.

The following witnesses were sworn:

- Mr Michael Pratt AM, Secretary, Treasury
- Ms Caralee McLiesh, Deputy Secretary, Fiscal and Economic Group, Treasury
- Mr Phil Gardner, Deputy Secretary, Commercial, Treasury
- Ms Simone Constant, Deputy Secretary, Financial Risk Management and Transformation, Treasury
- Mr Vivek Bhatia, Chief Executive Officer, icare

- Ms Vicki Telfer, Executive Director, Industrial Relations, Treasury.

The chair declared the proposed expenditure for the portfolios of Treasury and Industrial Relations open for examination.

The Treasurer and departmental witnesses were examined by the committee.

The evidence concluded and the witnesses withdrew.

The public hearing concluded at 11.45 am.

The public and media withdrew.

2.2 Supplementary hearings

Resolved, on the motion of Mr Primrose: That the committee defer its decision on whether to hold supplementary hearings for the portfolios of Treasury, Industrial Relations.

3. Adjournment

The committee adjourned at 11.47 am, until 1.45 pm, Thursday 7 September 2017, Jubilee Room (*Premier*).

John Young

Clerk to the Committee

Minutes no. 23

Thursday 7 September 2017

Portfolio Committee No. 1 – Premier and Finance

Jubilee Room, Parliament House, Sydney, at 1.46 pm

1. Members present

Revd Nile, *Chairman*

Mr Franklin, *Deputy Chair*

Mr Farlow

Mr Field (from 1.46 pm to 2.51 pm, and from 3.19 pm to 4.40 pm).

Mr Martin

Mr Primrose

Mr Searle

Mr Buckingham (substituting for Mr Field from 2.51 pm to 3.19 pm, then participating from 3.36 pm to 4.31 pm).

2. Inquiry into Budget Estimates 2017-2018

2.1 Public hearing: Budget Estimates 2017-2018 – Premier

Witnesses, the public and the media were admitted.

The chair made an opening statement regarding the broadcasting of proceedings and other matters. The chair noted that members of Parliament swear an oath to their office, and therefore do not need to be sworn prior to giving evidence before a committee.

Premier Berejiklian MP was admitted.

The following witnesses were sworn:

- Mr Blair Comley PSM, Secretary, Department of Premier and Cabinet

- Mr Graeme Head, Public Service Commissioner, Public Service Commission
- Mr John Schmidt, NSW Electoral Commissioner, NSW Electoral Commission.

The chair declared the proposed expenditure for the portfolio of Premier open for examination.

The Premier and departmental witnesses were examined by the committee.

Mr Searle tabled the following document:

- Unauthorised electoral material September 2017

The evidence concluded and the witnesses withdrew.

The public hearing concluded at 4.40 pm.

The public and media withdrew.

2.2 Supplementary hearings

Resolved, on the motion of Mr Farlow: That the committee defer its decision on whether to hold supplementary hearings for the portfolio of Premier.

3. Adjournment

The committee adjourned at 4.42 pm, *sine die*.

Teresa McMichael

Clerk to the Committee

Minutes no. 25

Tuesday 10 October 2017

Portfolio Committee No. 1 – Premier and Finance

Members' Lounge, Parliament House, Sydney, at 2.15 pm

1. Members present

Revd Nile, *Chairman*

Mr Franklin, *Deputy Chair*

Mr Farlow

Mr Field

Mr Martin

Mr Primrose

Mr Searle

2. Draft minutes

Resolved, on the motion of Mr Searle: That draft minutes no. 19, 20, 21, 22, 23 and 24 be confirmed.

3. Correspondence

The committee noted the following items of correspondence:

Received:

- 27 September 2017 – Letter from Hon Victor Dominello MP, Minister for Finance, Services and Property, attaching answers to questions on notice, answers to supplementary questions and transcript corrections
- 27 September 2017 – Letter from Mr Brett Newman, Chief Executive Officer, Property NSW, clarifying evidence provided to the committee during Budget Estimates

- 28 September 2017 – Letters from Hon John Ajaka MLC, President of the Legislative Council to the Chair, attaching answers to questions on notice and answers to supplementary questions
- 28 September 2017 – Letter from Hon Matthew Kean MP, Minister for Innovation and Better Regulation to the Chair, attaching answers to questions on notice, answers to supplementary questions and transcript corrections
- 4 October 2017 – Letter from Hon Gladys Berejiklian MP, Premier, attaching answers to questions on notice and answers to supplementary questions
- 4 October 2017 – Letter from Hon Dominic Perrottet MP, attaching answers to questions on notice, answers to supplementary questions and transcript corrections.

Sent:

- 7 September 2017 – Email from secretariat to Mr Jordan Lane, Minister Dominello’s office, attaching transcript of evidence with questions on notice highlighted, supplementary questions and instructions on how to correct the transcript and return answers to questions
- 7 September 2017 – Email from secretariat to Mr Tom Anderson, President Ajaka’s office, attaching transcript of evidence with questions on notice highlighted, supplementary questions and instructions on how to correct the transcript and return answers to questions
- 7 September 2017 – Email from secretariat to Mr Richard Hodge, Minister Kean’s office, attaching transcript of evidence with questions on notice highlighted, supplementary questions and instructions on how to correct the transcript and return answers to questions
- 11 September 2017 – Email from secretariat to Mr Joseph Watson, Treasurer Perrottet’s office, attaching transcript of evidence with questions on notice highlighted, supplementary questions and instructions on how to correct the transcript and return answers to questions
- 12 September 2017 – Email from secretariat to Mr Zach Bentley, Premier Berejiklian’s office, attaching transcript of evidence with questions on notice highlighted, supplementary questions and instructions on how to correct the transcript and return answers to questions.

4. Inquiry into Budget Estimates 2017-2018

4.1 Supplementary hearings

Resolved, on the motion of Mr Searle: That the committee:

- seek further detailed answers from the Treasurer, the Hon Dominic Perrottet MP, due by Wednesday 18 October, regarding:
 - Question on notice on page 22 of the transcript: costs relating to the challenge to the Australian Energy Regulator determination
 - Question on notice on pages 22-23 of the transcript: total transaction costs for the electricity network transactions.
- meet on Thursday 19 October 2017 to decide whether to hold a supplementary hearing for the portfolios of Treasury, Industrial Relations following receipt of the answers.

Resolved, on the motion of Mr Farlow: That the committee hold no further hearings to consider matters relating to the following portfolios:

- Finance, Services and Property
- The Legislature
- Innovation and Better Regulation
- Premier.

5. Inquiry into Alcoholic Beverages Advertising Prohibition Bill 2015

5.1 Hearing dates

Resolved, on the motion of Mr Primrose: That the committee hold two hearings and a potential public forum in November/December 2017, the dates of which are to be determined by the Chairman after consultation with members regarding their availability.

5.2 Reporting date

Resolved, on the motion of Mr Primrose: That the committee report by the end of March 2018.

6. Adjournment

The committee adjourned at 2.25 pm, *sine die*.

Sharon Ohnesorge

Clerk to the Committee

Minutes no. 26

Thursday 19 October 2017

Portfolio Committee No. 1 – Premier and Finance

Members' Lounge, Parliament House, Sydney, at 1.00 pm

1. Members present

Revd Nile, *Chairman*

Mr Franklin, *Deputy Chair*

Mr Farlow

Mr Martin

Mr Primrose

Mr Searle

2. Draft minutes

Resolved, on the motion of Mr Farlow: That draft minute no. 25 be confirmed.

3. Correspondence

The committee noted the following item of correspondence:

Received:

- 18 October 2017 – Letter from Hon Dominic Perrottet MP, Treasurer, attaching further answers to questions on notice.

4. Inquiry into Budget Estimates 2017-2018

4.1 Supplementary hearings

Resolved, on the motion of Mr Searle: That the committee:

- seek further confirmation around the answer provided on 18 October 2017 for the question on notice on page 22 from the Treasurer, the Hon Dominic Perrottet MP, due by Friday 27 October, regarding:
 - whether the two URL links provided in the answer are the correct links; and
 - if so, whether the figures in Appendix 1 of both links include the total network transaction costs.
- meet on Thursday 16 November 2017 to decide whether to hold a supplementary hearing for the portfolios of Treasury, Industrial Relations following receipt of the answers.

5. Adjournment

The committee adjourned at 1.07 pm, *sine die*.

Beverly Duffy
Clerk to the Committee

Minutes no. 27

Thursday 16 November 2017
Portfolio Committee No. 1 – Premier and Finance
Members' Lounge, Parliament House, Sydney, at 1.09 pm

1. Members present

Revd Nile, *Chairman*
Mr Franklin, *Deputy Chair*
Mr Field
Mr Martin
Mr Primrose
Mr Searle

2. Apologies

Mr Farlow

3. Draft minutes

Resolved, on the motion of Mr Martin: That draft minute no. 26 be confirmed.

4. Correspondence

The committee noted the following item of correspondence:

Sent:

- 10 October 2017 – Letter from the Chairman to the Hon Dominic Perrottet MP, Treasurer, requesting further answers to questions on notice
- 20 October 2017 – Letter from Clerk Assistant – Committees to the Hon Dominic Perrottet MP, Treasurer, requesting further clarification of an answer to a question on notice.

Received:

- 27 October 2017 - Letter from the Hon Dominic Perrottet MP, Treasurer, providing further clarification of an answer to a question on notice.

5. Inquiry into Budget Estimates 2017-2018**5.1 Supplementary hearings**

Resolved, on the motion of Mr Franklin: That the committee hold no further hearings to consider matters relating to the Treasury, Industrial Relations portfolios.

6. Adjournment

The committee adjourned at 1.11 pm, until Friday 1 December 2017, Macquarie Room, Parliament House (Alcoholic Beverages Advertising Prohibition Bill hearing).

Sharon Ohnesorge
Clerk to the Committee

Draft minutes no. 29

Tuesday 5 December 2017

Portfolio Committee No. 1 – Premier and Finance

Macquarie Room, Parliament House, 10.38 am

1. Members present

Revd Nile, *Chairman*

Mr Franklin, *Deputy Chair*

Mr Farlow

Mr Field

Mr Martin

Mr Primrose

Mr Searle

2. Correspondence

The committee noted the following items of correspondence:

Received

- 29 November 2017 – Email from Mr Anthony Trimarchi, Manger – Policy and Government, ClubsNSW / Clubs Australia, to secretariat, advising they are unable to attend the public hearing on 5 December 2017
- 29 November 2017 – Email from Mr Michael Waters, Executive Director, Liquor Stores Association NSW & ACT, to secretariat, advising they are unable to attending the public hearing on 5 December 2017
- 30 November 2017 – Email from Mr Malcolm Speed, Executive Director, The Coalition of Major Professional and Participation Sports to secretariat, advising they are unable to attend public hearing on 5 December 2017.

3. Inquiry into Budget Estimates 2017-2018**3.1 Consideration of Chair's draft report**

The Chairman submitted his draft report entitled *Budget Estimates 2017-2018* which, having been previously circulated, was taken as being read.

Resolved, on the motion of Mr Franklin: That:

The draft report be the report of the committee and that the committee present the report to the House;

The transcripts of evidence, tabled documents, answers to questions on notice and supplementary questions, and correspondence relating to the inquiry be tabled in the House with the report;

Upon tabling, all unpublished transcripts of evidence, tabled documents, answers to questions on notice and supplementary questions, and correspondence relating to the inquiry, be published by the committee, except for those documents kept confidential by resolution of the committee;

The committee secretariat correct any typographical, grammatical and formatting errors prior to tabling;

That the report be tabled on Thursday 14 December 2017.

4. Inquiry into the Alcoholic Beverages Advertising Prohibition Bill 2015**4.1 Public hearing**

The committee proceeded to take evidence in public.

Witnesses, the public and the media were admitted.

The Chair made an opening statement regarding the broadcasting of proceedings and other matters.

The following witness was sworn and examined via teleconference:

- Ms Megan Lim, Deputy Program Director, Behaviours and Health Risks, Head of Sexual Health and Young People's Health Research, Burnet Institute.

The evidence concluded and the witness withdrew.

- The following witnesses were sworn and examined:
- Ms Tess Phillips, General Manager, Outdoor Media Association
- Ms Charmaine Moldrich, Chief Executive Officer, Outdoor Media Association
- Ms Simone Brandon, Director of Policy & Regulatory Affairs, Australian Association of National Advertisers
- Mr Bruce Meagher, Group Director – Corporate Affairs, Foxtel.

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Mr Brett Hefferman, Chief Executive Officer, Brewers Association
- Mr Julian Sheezel, Corporate Affairs Director, Carlton and United Brewers
- Mr Dan Holland, External Relations Director, Lion Beer Australia
- Mr Jules Norton Selzer, External Relations and Public Policy Manager, Diageo.

Mr Holland tendered the following document:

- Understanding behaviour in the Australian and New Zealand night-time economies: An anthropological study, Dr Anne Fox, January 2015.

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Ms Anita Dessaix, Director, Cancer Prevention and Advocacy Division, Cancer Council NSW
- Ms Clare Hughes, Nutrition Program Manager, Cancer Council NSW
- Ms Jane Dibbs, Senior Nutrition Project Officer, Cancer Council NSW
- Mr Michael Moore, Chief Executive Officer, Public Health Association of Australia
- Ms Ingrid Johnston, Senior Policy Officer, Public Health Association of Australia.

The evidence concluded and the witnesses withdrew.

The public and media withdrew.

4.2 Tendered documents

Resolved, on the motion of Mr Farlow: That the committee accept and publish the following documents tendered during the public hearing:

- Understanding behaviour in the Australian and New Zealand night-time economies: An anthropological study, Dr Anne Fox, January 2015, tendered by Mr Dan Holland.

5. Adjournment

The committee adjourned at 3.39 pm, *sine die*.

Rhia Victorino
Committee Clerk

