



LEGISLATIVE COUNCIL

PORTFOLIO COMMITTEE NO. 1

Budget Estimates 2018-2019

Report 48

December 2018

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Portfolio Committee No. 1 – Premier and Finance

Budget Estimates 2018-2019

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Terms of reference

1. That upon tabling, the Budget Estimates and related papers for the financial year 2018-2019 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 30 August 2018

PC 4	Police, Emergency Services	2.00 pm – 6.00 pm
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Day Two: Friday 31 August 2018

PC 5	Primary Industries, Regional Water, Trade and Industry	9.00 am – 1.00 pm
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PC 6	Planning, Housing, Special Minister of State	9.00 am – 1.00 pm
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PC 5	Transport and Infrastructure	2.00 pm – 6.00 pm
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PC 6	Resources, Energy and Utilities, Arts	2.00 pm – 5.00 pm
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Day Three: Monday 3 September 2018

PC 1	Finance, Services and Property	9.00 am – 12.00 pm
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PC 5	Lands and Forestry, Racing	2.00 pm – 4.00 pm
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PC 1	Treasury, Industrial Relations	2.00 pm – 6.00 pm
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Day Four: Tuesday 4 September 2018

PC 3	Early Childhood Education, Aboriginal Affairs, Assistant Minister for Education	9.00 am – 11.00 am
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PC 4	Counter Terrorism, Corrections, Veterans Affairs	9.00 am – 12.00 pm
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PC 3	Regional New South Wales, Skills, Small Business	2.00 pm – 4.00 pm
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PC 4	Attorney General	2.00 pm – 4.00 pm
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Day Five: Wednesday 5 September 2018

PC 2	Multiculturalism, Disability Services	9.00 am – 12.00 pm
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PC 2	Family and Community Services, Social Housing, Prevention of Domestic Violence and Sexual Assault	2.00 pm – 5.00 pm
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PC 3	Tourism and Major Events, Assistant Minister for Skills	2.00 pm – 4.00 pm
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Day Six: Thursday 6 September 2018

PC 2	Mental Health, Women, Ageing	9.00 am – 12.00 pm
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PC 1	Innovation and Better Regulation	9.00 am – 11.00 am
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PC 1	The Legislature	12.00 pm – 1.00 pm
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PC 2	Health, Medical Research	2.00 pm – 6.00 pm
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PC 1	Premier	2.00 pm – 6.00 pm
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Day Seven: Friday 7 September 2018

PC 3	Education	9.00 am – 1.00 pm
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PC 5	Roads, Maritime and Freight	9.00 am – 1.00 pm
PC 6	Environment, Local Government, Heritage	2.00 pm – 6.00 pm
PC 5	Western Sydney, WestConnex, Sport	2.00 pm – 4.00 pm

3. That supplementary hearings be scheduled during the week of 8 to 12 October 2018.
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 14 December 2018.
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, 20 June 2018, pp 2758-2759.

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 Lou Amato MLC	Liberal Party
The Hon Wes Fang MLC	The Nationals
The Hon John Graham MLC	Australian Labor Party
The Hon Trevor Khan MLC	The Nationals
The Hon Daniel Mookhey MLC	Australian Labor Party
The Hon Shaoquett Moselmane MLC	Australian Labor Party
Mr David Shoebridge MLC	The Greens
The Hon Natalie Ward MLC	Liberal Party

Website	www.parliament.nsw.gov.au/budgetestimates
Email	budget.estimatedes@parliament.nsw.gov.au
Telephone	(02) 9230 3313

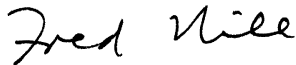
Chairman's foreword

I am pleased to present this report on the Inquiry into Budget Estimates 2018-2019. 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
- Treasury, Industrial Relations
- Innovation and Better Regulation
- The Legislature
- 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 2018-2019 Budget Estimates

- 1.1 On 20 June 2018, the Legislative Council resolved that ‘the Budget Estimates and related papers for the financial year 2018-2019 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 14 December 2018.²
- 1.2 The Budget Estimates resolution further stipulated that the initial hearings be held from 30 August to 7 September 2018 and the initial round of supplementary hearings be scheduled during the week of 8 to 12 October 2018.³

Hearings

- 1.3 The committee held five public hearings as follows:
- Monday 3 September 2018 – Finance, Services and Property
 - Monday 3 September 2018 – Treasury, Industrial Relations
 - Thursday 6 September 2018 – Innovation and Better Regulation
 - Thursday 6 September 2018 – The Legislature
 - Thursday 6 September 2018 – 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, 20 June 2018, pp 2758-2759.

² *Minutes*, NSW Legislative Council, 20 June 2018, pp 2758-2759.

³ *Minutes*, NSW Legislative Council, 20 June 2018, pp 2758-2759.

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 3 September 2018. The following issues were raised during the committee's examination of this portfolio:

- Section 39 of the *Workers Compensation Act 1987* and vulnerable injured workers
- Workers Compensation Independent Review Office (WIRO)
- Payroll tax and the gig economy
- Revenue from the sale of government properties
- Purchase of government properties
- Housing affordability
- Increasing population and the pressure on infrastructure
- Digital transformation
- Data and cybersecurity.

Treasury, Industrial Relations

2.2 A hearing examining the portfolios of Treasury, Industrial Relations was held on Monday 3 September 2018. The following issues were raised during the committee's examination of these portfolios:

- Details of the WestConnex transaction
- Financial arrangements for the CBD Light Rail project
- Government spending on contingent labour
- Establishment and purpose of the Board of Treasurers
- Cost-benefit ratio calculations for the Sydney Football Stadium
- Forecasts of gaming machine revenue
- Australian Competition and Consumer Commission inquiry into the Newcastle and Port Kembla ports transaction
- Growth in part time versus full time employment.

Innovation and Better Regulation

2.3 A hearing examining the portfolio of Innovation and Better Regulation was held on Thursday 6 September 2018. The following issues were raised during the committee's examination of this portfolio:

- Discussion paper to consider proposal to abolish 13 trade licenses
- *Residential Tenancies Act 2010*
- Short term letting
- Misuse of RSL funds
- Findings of inquiry into retirement villages
- Use of E10 fuel in public service fleet vehicles
- Money spent by the department on contractors and labour hire
- Luna Park
- Flammable cladding on buildings.

The Legislature

2.4 A hearing examining the portfolio of The Legislature was held on Thursday 6 September 2018. The following issues were raised during the committee's examination of this portfolio:

- Meeting efficiency dividends
- Supply of milk to Parliament
- After-hours use of facilities
- Use and management of bio-plastics
- Allocation and accommodation of staff to cross-bench members
- Computer upgrades.

Premier

2.5 A hearing examining the portfolio of Premier was held on Thursday 6 September 2018. The following issues were raised during the committee's examination of this portfolio:

- The former member for Wagga Wagga
- Drought assistance for New South Wales farmers
- Forced council amalgamations
- Religious Freedom Bill
- Plastic bags
- Climate change

- CBD light rail project
- Sydney Stadiums.

Appendix 1 Witnesses at hearings

Finance, Services and Property – Monday 3 September 2018

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
Mr Brett Newman	Chief Executive Officer, Property NSW
Mr Damon Rees	Chief Executive Officer, Service NSW
Ms Carmel Donnelly	Chief Executive Officer, State Insurance Regulatory Authority
Mr Stephen Brady	Deputy Secretary, Revenue NSW
Mr Steve Kramer	Director of Budgeting and Financial Analysis, Department of Finance, Services and Innovation
Mr Simon Gilkes	NSW Valuer General

Treasury, Industrial Relations – Monday 3 September 2018

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
Mr John Nagle	Chief Executive Officer, icare
Ms Vicki Telfer	Acting Deputy Secretary, People Strategy Group, Treasury

Innovation and Better Regulation – Thursday 6 September 2018

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
Ms Rose Webb	Deputy Secretary, Better Regulation and Commissioner of Fair Trading, Department of Finance, Services and Innovation
Mr John Tansey	Executive Director, Regulatory Policy, Department of Finance, Services and Innovation
Mr Tony Williams	Executive Director, SafeWork Operations, Department of Finance, Services and Innovation

The Legislature – Thursday 6 September 2018

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	Chief Executive, Department of Parliamentary Services
Mr John Gregor	Director, Financial Services, Department of Parliamentary Services

Premier – Thursday 6 September 2018

Name	Position and Organisation
The Hon Gladys Berejiklian MP	Premier
Mr Tim Reardon	Secretary, Department of Premier and Cabinet
Mr John Schmidt	NSW Electoral Commissioner, NSW Electoral Commission
Mr Barry Mann	Chief Executive Officer, Urban Growth Development Corporation

Appendix 2 Minutes

Minutes no. 35

Tuesday 14 August 2018

Portfolio Committee No. 1 – Premier and Finance

Members' Lounge, Parliament House, Sydney at 2.22 pm

1. Members present

Revd Nile, *Chairman (from 2.25pm)*

Mr Franklin, *Deputy Chair*

Mr Farlow

Mr Field

Mr Martin

Mr Primrose

Mr Searle

2. Chair

In the absence of the Chair, the Deputy Chair took the Chair.

3. Correspondence

The Committee noted the following items of correspondence:

Received:

- 11 July 2018 – 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
- 26 July 2018 – Email from Mr Zachariah Bentley, Office of the Hon Gladys Berejiklian MP, Premier, providing the list of witnesses for Budget Estimates
- 27 July 2018 – Email from Mr Thomas Ryan, Office of the Hon Dominic Perrottet MP, Treasurer, Minister for Industrial Relations, providing the list of witnesses for Budget Estimates
- 27 July 2018 – 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
- 1 August 2018 – Email from Ms Tori Crisp, Office of the Hon John Ajaka MLC, President of the NSW Legislative Council, providing the list of witnesses for Budget Estimates.

Sent:

- 10 July 2018 – Letter from Ms Teresa McMichael, A/Clerk Assistant – Committees to the Hon Victor Dominello MP, Minister for Finances, Services and Property, inviting the Minister to Budget Estimates
- 10 July 2018 – Letter from Ms Teresa McMichael, A/Clerk Assistant – Committees to the Hon John Ajaka MLC, President, NSW Legislative Council, inviting the President to Budget Estimates
- 10 July 2018 – Letter from Ms Teresa McMichael, A/Clerk Assistant – Committees to the Hon Matt Kean MP, Minister for Innovation and Better Regulation, inviting the Minister to Budget Estimates
- 10 July 2018 – Letter from Ms Teresa McMichael, A/Clerk Assistant – Committees to the Hon Dominic Perrottet MP, Treasurer, Minister for Industrial Relations, inviting the Treasurer to Budget Estimates
- 10 July 2018 – Letter from Ms Teresa McMichael, A/Clerk Assistant – Committees to the Hon Gladys Berejiklian MP, Premier, inviting the Premier to Budget Estimates.

4. Inquiry into Budget Estimates 2018-2019 – procedural resolutions

The committee noted that the Budget Estimates timetable for 2018-2019 was agreed to by the House, with the following Portfolio Committee No. 1 – Premier and Finance hearings:

Date	Time	Portfolio	Room
Monday 3 September	9.00 am – 12.00 pm	Finance, Services and Property (Dominello)	Jubilee
	2.00 pm – 6.00 pm	Treasury, Industrial Relations (Perrottet)	Jubilee
Thursday 6 September	9.00 am – 11.00 am	Innovation and Better Regulation (Kean)	Jubilee
	12.00 pm – 1.00 pm	The Legislature (Ajaka)	Jubilee
	2.00 pm – 6.00 pm	Premier (Berejiklian)	Jubilee

4.1 Government questions

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

- The portfolio of Finance, Services and Property be examined from 9.00 am – 11.00 am
- The portfolios of Treasury, Industrial Relations be examined from 2.00 pm – 4.40 pm
- The portfolio of Innovation and Better Regulation be examined from 9.00 am – 10.20 am
- The portfolio of The Legislature be examined from 12.00 pm – 12.40 pm
- 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 portfolio of Industrial Relations be examined first, for up to one hour, followed by the Treasury portfolio for the remainder of the time.

4.4 Additional witness requests

The committee noted each minister's list of proposed witnesses, as per the table below, and that members have until 2.15 pm Wednesday 15 August 2018 to provide any additional witness requests.

Resolved on the motion of Mr Searle: That the following witnesses be invited to attend the Premier's hearing:

- Mr John Schmidt, NSW Electoral Commissioner
- Mr Barry Mann, Chief Executive Officer, Urban Growth Development Corporation.

Resolved on the motion of Mr Field: that Mr Simon Gilkes, NSW Valuer General be invited to attend as a witness for the Finance, Services and Property hearing.

Minister	Portfolio	Witness	Position and Department
Dominello	Finance, Services and Property	Mr Martin Hoffmann	Secretary, Department of Finance, Services and Innovation
		Mr Brett Newman	Chief Executive Officer, Property NSW
		Mr Damon Ress	Chief Executive Officer, Service NSW

		Ms Carmel Donnelly	Chief Executive Officer, State Insurance Regulatory Authority
		Mr Stephen Brady	Deputy Secretary, Revenue NSW
		Mr Clinton Gould	Chief Financial Officer, Department of Finance, Services and Innovation
Perrottet	Treasury	Mr Michael Pratt AM	Secretary, Treasury
		Ms Caralee McLiesh	Deputy Secretary, Fiscal and Economic Group, Treasury
		Mr Phil Gardner	Deputy Secretary, Commercial, Treasury
		Mr John Nagle	Chief Executive Officer and Managing Director, icare
	Industrial Relations	Ms Vicki Telfer	Acting Deputy Secretary, People Strategy Group, Treasury
Kean	Innovation and Better Regulation	Mr Martin Hoffman	Secretary, Department of Finance, Services and Innovation
		Ms Rose Webb	Deputy Secretary, Better Regulation and Commissioner of Fair Trading, Department of Finance, Services and Innovation
		Mr John Tansey	Executive Director, Regulatory Policy, Department of Finance, Services and Innovation
		Mr Tony Williams	Executive Director, SafeWork Operations, Department of Finance, Services and Innovation
Ajaka	The Legislature	Mr David Blunt	Clerk of the Parliaments and Clerk of the Legislative Council, Department of the Legislative Council
		Mr Mark Webb	Chief Executive, Department of Parliamentary Services
		Mr John Gregor	Director, Financial Services, Department of Parliamentary Services
Berejiklian	Premier	Mr Tim Reardon	Secretary, Department of Premier and Cabinet

5. Adjournment

The committee adjourned at 2.27 pm, *sine die*.

Rebecca Main
Committee Clerk

Minutes No. 36

Monday 3 September 2018
 Portfolio Committee No. 1 - Premier and Finance
 Jubilee Room, Parliament House, Sydney, at 8.47 am

1. Members present

Revd Nile, *Chairman*
 Mr Farlow
 Mr Field (from 9.13 am)
 Mr Khan (substituting for Mr Franklin)
 Mr Martin (from 8.59 am)
 Mr Mookhey (substituting for Mr Searle from 8.58 am)
 Mr Primrose
 Mr Shoebridge (participating from 9.55 am)

2. Draft minutes

Resolved, on the motion of Mr Farlow: That draft minutes no. 35 be confirmed.

3. Correspondence

The committee noted the following items of correspondence:

Received

- 20 August 2018 – Email from Mr Zach Bentley, Office of the Hon Gladys Berejiklian MP, Premier, to secretariat, confirming additional witnesses for Budget Estimates
- 21 August 2018 – Email from Mr James Camilleri, Office of the Hon Victor Dominello MP, Minister for Finance, Services and Property, to secretariat, confirming additional witnesses and a change of witness for Budget Estimates
- 21 August 2018 – Email from Mr Thomas Ryan, Office of the Hon Dominic Perrottet MP, Treasurer and Minister for Industrial Relations, to secretariat, advising of a change of witness for Budget Estimates.

Sent

- 16 August 2018 – Email from secretariat, to Mr Zach Bentley, Office of the Hon Gladys Berejiklian MP, Premier, advising of the committee's request for additional witnesses for Budget Estimates
- 16 August 2018 – Email from secretariat, to Mr Thomas Ryan, Office of the Treasurer, advising of the committee's request for additional witnesses for Budget Estimates
- 16 August 2018 – Email from secretariat, to Mr James Camilleri and Ms Olivia Roth, Office of the Hon Victor Dominello MP, Minister for Finance, Services and Property, advising of the committee's request for a further additional witness for Budget Estimates
- 17 August 2018 – Email from secretariat, to Ms Tori Crisp, Office of the Hon John Ajaka MLC, President of the Legislative Council of NSW, advising that the committee has not requested any additional witnesses for Budget Estimates
- 17 August 2018 – Email from secretariat, to Mr Richard Hodge, Office of the Hon Matt Kean MP, Minister for Innovation and Better Regulation, advising that the committee has not requested any additional witnesses for Budget Estimates.

4. Inquiry into Budget Estimates 2018-2019**4.1 Public hearing: Budget Estimates 2018-2019 – 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 was admitted.

The following witnesses were sworn:

- Mr Martin Hoffman, Secretary, Department of Finance, Services and Innovation
- Mr Brett Newman, Chief Executive Officer, Property NSW
- Mr Damon Rees, Chief Executive Officer, Service NSW
- Ms Carmel Donnelly, Chief Executive Officer, State Insurance Regulatory Authority
- Mr Stephen Brady, Deputy Secretary, Revenue NSW
- Mr Steve Kramer, Director of Budgeting and Financial Analysis, Department of Finance, Services and Innovation
- Mr Simon Gilkes, NSW Valuer General.

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.

The evidence concluded and the witnesses withdrew.

The public hearing concluded at 11.00 am.

The public and media withdrew.

4.2 Supplementary hearings

Resolved on the motion of Mr Khan: That the committee hold a further meeting to deliberate on whether to hold supplementary hearings for the portfolio of Finance, Services and Property on a date to be determined following receipt of answers to question on notice.

5. Adjournment

The committee adjourned at 11.00 am, until 1.45 pm, Monday 3 September 2018, Jubilee Room (*Treasury, Industrial Relations*).

Kate Mihaljek
Committee Clerk

Minutes No. 37

Monday 3 September 2018
 Portfolio Committee No. 1 - Premier and Finance
 Jubilee Room, Parliament House, Sydney, at 1.43 pm

1. Members present

Revd Nile, *Chairman*
 Mr Amato (substituting for Mr Franklin)
 Mr Farlow
 Mr Field
 Mr Graham (substituting for Mr Primrose)
 Mr Martin
 Mr Mookhey (participating)
 Mr Shoebridge (participating from 1.45 pm until 4.10 pm)
 Mr Searle

2. Election of the Deputy Chair

The Chairman noted the absence of the Deputy Chair for the meeting.

The Chairman called for nominations for Deputy Chair.

Mr Graham moved: That Mr Amato be elected as Deputy Chair of the committee for the purpose of the meeting.

There being no further nominations, the Chairman declared Mr Amato elected Deputy Chair for the purpose of the meeting.

3. Inquiry into Budget Estimates 2018-2019**3.1 Supplementary hearings**

Resolved, on the motion of Mr Searle: That the committee hold a further meeting to deliberate on whether to hold supplementary hearings for the portfolios of Treasury, Industrial Relations on a date to be determined following receipt of answers to questions on notice.

3.2 Public hearing: Budget Estimates 2018-2019 – Treasury, Industrial Relations

Witnesses, the public and the media were admitted.

The Chairman made an opening statement regarding the broadcasting of proceedings and other matters. The Chairman 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
- Mr John Nagle, Chief Executive Officer and Managing Director, icare
- Ms Vicki Telfer, Acting Deputy Secretary, People Strategy Group, Treasury

The Chairman declared the proposed expenditure for the portfolios of Treasury, Industrial Relations open for examination.

The Treasurer and departmental witnesses were examined by the committee.

The Treasurer tendered the following document:

- Graph attached to media release of Shadow Treasurer, Mr Ryan Park MP.

The evidence concluded and the witnesses withdrew.

The public hearing concluded at 4.41 pm.

The public and media withdrew.

3.3 Tendered documents

Resolved, on the motion of Mr Searle: That the committee accept and publish the following document tendered during the **Treasury, Industrial Relations** hearing held on **Monday 3 September 2018**:

- Graph attached to media release of Shadow Treasurer, Mr Ryan Park MP, tendered by the Treasurer.

4. Adjournment

The committee adjourned at 4.42 pm, until 8.45 am, Thursday 6 September 2018, Jubilee Room (*Innovation and Better Regulation*).

Merrin Thompson
Committee Clerk

Minutes No. 38

Thursday 6 September 2018

Portfolio Committee No. 1 - Premier and Finance

Jubilee Room, Parliament House, Sydney, at 8.49 am

1. Members present

Revd Nile, *Chairman*

Mr Fang (substituting for Mr Martin)

Mr Farlow

Mr Field

Mr Mookhey (substituting for Mr Searle from 8.56 am)

Mr Primrose

Mrs Ward (substituting for Mr Franklin)

2. Election of the Deputy Chair

The Chairman noted the absence of the Deputy Chair for the meeting.

The Chairman called for nominations for Deputy Chair.

Mr Farlow moved: That Mrs Ward be elected as Deputy Chair of the committee for the purpose of the meeting.

There being no further nominations, the Chairman declared Mrs Ward elected Deputy Chair for the purpose of the meeting.

3. Inquiry into Budget Estimates 2018-2019

3.1 Public hearing: Budget Estimates 2018-2019 – Innovation and Better Regulation

Witnesses, the public and the media were admitted.

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

- Ms Rose Webb, Deputy Secretary, Better Regulation and Commissioner of Fair Trading, Department of Finance, Services and Innovation
- Mr John Tansey, Executive Director, Regulatory Policy, Department of Finance, Services and Innovation
- Mr Tony Williams, Executive Director, SafeWork Operations, Department of Finance, Services and Innovation

The Chairman 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.

The evidence concluded and the witnesses withdrew.

The public hearing concluded at 10.21 am.

The public and media withdrew.

3.2 Supplementary hearings

Resolved, on the motion of Mr Farlow: That the committee hold a further meeting to deliberate on whether to hold supplementary hearings for the portfolio of Innovation and Better Regulation on a date to be determined following receipt of answers to questions on notice.

4. Adjournment

The committee adjourned at 10.21am, until 11.45 am, Thursday 6 September 2018, Jubilee Room (*The Legislature*).

Kate Mihaljek
Committee Clerk

Minutes No. 39

Thursday 6 September 2018

Portfolio Committee No. 1 - Premier and Finance

Jubilee Room, Parliament House, Sydney, at 11.46 am

1. Members present

Revd Nile, *Chairman*

Mr Fang (substituting for Mr Martin)

Mr Farlow

Mr Field (from 11.57 am)

Mr Moselmane (substituting for Mr Searle)

Mr Primrose

Mrs Ward (substituting for Mr Franklin)

2. Inquiry into Budget Estimates 2018-2019**2.1 Public hearing: Budget Estimates 2018-2019 – 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 and Clerk of the Legislative Council, Department of the Legislative Council
- Mr Mark Webb, Chief Executive, 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 12.46 pm.

The public and media withdrew.

2.2 Supplementary hearings

Resolved, on the motion of Mr Farlow: That the committee hold a further meeting to deliberate on whether to hold supplementary hearings for the portfolio of The Legislature on a date to be determined following receipt of answers to questions on notice.

3. Adjournment

The committee adjourned at 12.46 pm, until 1.45 pm, Thursday 6 September 2018, Jubilee Room (*Premier*).

Rhia Victorino
Committee Clerk

Minutes No. 40

Thursday 6 September 2018

Portfolio Committee No. 1 - Premier and Finance

Jubilee Room, Parliament House, Sydney, at 1.45 pm

1. Members present

Revd Nile, *Chairman*

Mr Farlow

Mr Field

Mr Graham (participating until 4.24 pm)

Mr Martin

Mr Mookhey (participating from 1.50 pm)

Mr Primrose

Mr Searle (until 4.26 pm)

Mrs Ward (substituting for Mr Franklin)

2. Inquiry into Budget Estimates 2018-2019**2.1 Supplementary hearings**

Resolved, on the motion of Mr Farlow: That the committee hold a further meeting to deliberate on whether to hold supplementary hearings for the portfolio of **Premier** on a date to be determined following receipt of answers to questions on notice.

2.2 Public hearing: Budget Estimates 2018-2019 – Premier

Witnesses, the public and the media were admitted.

The Chairman made an opening statement regarding the broadcasting of proceedings and other matters. The Chairman 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 Tim Reardon, Secretary, Department of Premier and Cabinet
- Mr John Schmidt, NSW Electoral Commissioner,
- Mr Barry Mann, Chief Executive Officer, Urban Growth Development Corporation

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

The Premier and departmental witnesses were examined by the committee.

Mr Searle tendered the following document:

- Newspaper article from the Australian 09/04/2018 entitled “Lib fixer helps rail firm sue state”.

Mr Field tendered the following document:

- Photograph of alcohol advertising at Central Station.

The evidence concluded and the witnesses withdrew.

The public hearing concluded at 4.41 pm.

The public and media withdrew.

2.3 Tendered documents

Resolved, on the motion of Mr Field: That the committee accept and publish the following document tendered during the **Premier** hearing held on **Thursday 6 September 2018**, and that it be placed alongside the transcript:

- Photograph of alcohol advertising at Central Station, tendered by Mr Field.

Resolved, on the motion of Mr Primrose: That the committee accept and publish the following document referred to in the hearing held on **Thursday 6 September 2018**, subject to informing the Electoral Commissioner of its publication:

- Various correspondence between Mr Adam Searle and the Electoral Commission, dated May 2018 and August 2018.

3. Adjournment

The committee adjourned at 4.50 pm.

Beverly Duffy
Committee Clerk

Minutes no. 41

Friday 12 October 2018

Portfolio Committee No. 1 – Premier and Finance

McKell Room, Parliament House at 10.10 am

1. Members present

Mr Farlow

Mr Field (via teleconference, Budget Estimates)

Mr Graham (substituting for Mr Searle, Budget Estimates)

Mrs Houssos (Fresh food pricing)

Mr Khan (substituting for Mr Franklin, Budget Estimates then Mr Colless, Fresh food pricing)

Mr Martin

Mr Primrose (Budget Estimates)

Mr Veitch (Fresh food pricing)

2. Apologies

Revd Nile

Mr Colless (Fresh food pricing)

Mr Franklin (Budget Estimates)

Mr Field (Fresh food pricing)

Mr Searle (Budget Estimates)

3. Election of Chair

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

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

Mr Khan moved: That Mr Farlow be elected Chair of the committee.

There being no further nominations, the Clerk declared Mr Farlow elected Chair.

Mr Farlow took the chair.

4. Previous minutes

Resolved, on the motion of Mr Martin: That draft minutes no. 33, 34, 36, 37, 38, 38, 39 and 40 be confirmed.

5. Correspondence

The committee noted the following items of correspondence:

Received:

- 7 September 2018 – Email from Mr Chris Twitchen, Executive Planning Officer, Office of the Chief Planner, Department of Planning and Environment, attaching additional information on strategic planning for the inquiry into fresh food pricing
- 24 April 2018 – Email from Ms Rebecca Steffan, Acting Executive Officer to Ms Heather Smith, Secretary, Department of Industry, Innovation and Science, advising that the Department will not be making a submission to the inquiry into fresh food pricing
- 10 September 2018 – Letter to Chairman from the Hon John Ajaka MLC, President, Legislative Council, with transcript clarification
- 27 September 2018 – Letter from Hon Victor Dominello MP, Minister for Finance, Services and Property, attaching answers to questions on notice and answers to supplementary questions
- 28 September 2018 – Email from Mr Thomas Ryan, Office of the Hon Dominic Perrottet MP, Treasurer, advising that the Treasurer's answers to questions on notice will not be provided to the committee until Tuesday 2 October 2018
- 2 October 2018 – Letter from Hon Dominic Perrottet MP, Treasurer, attaching answers to questions on notice and answers to supplementary questions
- 2 October 2018 – Letter from Hon Gladys Berejiklian MP, Premier, attaching answers to questions on notice and answers to supplementary questions
- 2 October 2018 – Letter from Hon John Ajaka MLC, President of the Legislative Council to the Chair, attaching answers to questions on notice and answers to supplementary questions
- 2 October 2018 – Letter from Hon Matthew Kean MP, Minister for Innovation and Better Regulation to the Chair, attaching answers to questions on notice and answers to supplementary questions
- 8 October 2018 – Letter from Hon Natasha Maclaren-Jones MLC, Government Whip, to secretariat, advising the substitution of Mr Colless by Mr Khan for the report deliberative for the inquiry into fresh food pricing on 12 October 2018
- 12 October 2018 – Letter from Hon Natasha Maclaren-Jones MLC, Government Whip, to secretariat, advising the substitution of Mr Franklin by Mr Khan for the meeting to discuss supplementary Budget Estimates hearings on 12 October 2018
- 12 October 2018 – Email from Mr Justin Field MLC to secretariat, giving apologies for the fresh food pricing inquiry report deliberative, expressing his thanks to the committee for the inquiry and noting his support for the draft report's recommendations.

Sent:

- 4 July 2018 – Email from secretariat to Mr Mark Pace, National President, and Mr Jordan O'Reilly, National Welfare Officer, National Union of Students, advising that the documents received on 25 May 2018 do not address the terms of reference for the inquiry into fresh food pricing and will be treated as correspondence
- 21 August 2018 – Email from secretariat to Ms Vicki Bon, Government and Industry Relations Manager, Corporate Affairs, Coles Limited, advising no further questions from the committee at this stage
- 21 August 2018 – Email from secretariat to Mr Christian Bennett, Government Relations and Industry Affairs, Woolworths Limited, advising no further questions from the committee at this stage

- 6 September 2018 – Email from secretariat to Mr James Camilleri and Ms Olivia Roth, 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
- 6 September 2018 – Email from secretariat to Mr Thomas Ryan, 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
- 11 September 2018 – 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 2018 – Email from secretariat to Ms Tori Crisp and Mr David Blunt, 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
- 11 September 2018 – Email from secretariat to Mr Zach Bentley and Mr Jerome Boutelet, 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
- 12 September 2018 – Email from secretariat to Mr John Schmidt, NSW Electoral Commissioner, advising that the committee resolved to publish various correspondence between the Hon Adam Searle and the Electoral Commission tendered by Mr Searle during the Budget Estimates hearing on Thursday 6 September 2018.

The committee noted that it agreed via email to publish the additional information received from Mr Chris Twitchen, Executive Planning Officer, Office of the Chief Planner, Department of Planning and Environment, for the inquiry into fresh food pricing, received 7 September 2018.

6. Inquiry into Budget Estimates 2018-2019

6.1 Supplementary hearings

Mr Primrose moved: That the committee hold a further hearing to consider matters relating to the portfolios of Finance, Services and Property, on a date to be determined by the Chair in consultation with members.

Question put.

The committee divided.

Ayes: Mr Field, Mr Graham, Mr Primrose

Noes: Mr Farlow, Mr Khan, Mr Martin.

Question resolved in the negative on the casting vote of the Chair.

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

- seek further detailed answers from the Treasurer, the Hon Dominic Perrottet MP, regarding:
 - answers to supplementary questions 198 to 205
 - answers to questions on notice or supplementary questions to be identified by Mr Searle and Mr Field by 5.00 pm Monday 15 October
- meet following receipt of the further answers to decide whether to hold a supplementary hearing for the portfolios of Treasury, Industrial Relations.

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

- The Legislature
- Innovation and Better Regulation
- Premier.

Mr Field, Mr Graham and Mr Primrose left the meeting.

Mrs Houssos and Mr Veitch joined the meeting.

7. Inquiry into fresh food pricing

8. Adjournment

The committee adjourned at 10.27 am.

Merrin Thompson
Committee Clerk

Minutes no. 42

Wednesday 14 November 2018

Portfolio Committee No. 1 – Premier and Finance

Members' Lounge, Parliament House, Sydney at 10.02 am

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

Mr Farlow

Mr Field

Mr Martin

Mr Primrose (from 10.04 am)

Mr Searle

2. Draft minutes

Resolved, on the motion of Mr Franklin: That draft minutes no. 41 be confirmed.

3. Correspondence

The committee noted the following items of correspondence:

Received:

- 26 October 2018 – Letter from Hon Dominic Perrottet MP, Treasurer, attaching further detailed answers to questions on notice and supplementary questions.

Sent:

- 16 October 2018 – Letter from secretariat, to Hon Dominic Perrottet MP, Treasurer, seeking additional information in relation to a number of answers to questions taken on notice and supplementary questions.

4. Inquiry into Budget Estimates 2018-2019**4.1 Supplementary hearings**

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

- again seek further detailed answers from the Treasurer, the Hon Dominic Perrottet MP, regarding the Treasurer's response to answers to question 52 and 198-205 by Tuesday 20 November 2018
- meet following receipt of the Treasurer's further answers to decide whether to hold a supplementary hearing for the portfolios of Treasury, Industrial Relations.

5. AdjournmentThe committee adjourned at 10.09 am, *sine die*.

Rebecca Main
Committee Clerk

Minutes no. 43

Wednesday 20 November 2018

Portfolio Committee No. 1 – Premier and Finance

Legislative Council Foyer, Parliament House, Sydney at 10.20 am

1. Members present

Mr Franklin, *Deputy Chair*

Mr Farlow

Mr Field

Mr Martin

Mr Primrose (from 10.04 am)

Mr Searle

2. Apologies

Revd Nile, *Chairman*

3. Chair

In the absence of the Chair, the Deputy Chair took the Chair.

4. Draft minutes

Resolved, on the motion of Mr Farlow: That draft minutes no. 42 be confirmed.

5. Correspondence

The committee noted the following items of correspondence:

Received:

- 20 November 2018 – Letter from Hon Dominic Perrottet MP, Treasurer, attaching further detailed answers to supplementary questions.

Sent:

- 14 November 2018 – Letter from secretariat, to Hon Dominic Perrottet MP, Treasurer, seeking additional information in relation to a number of answers to supplementary questions.

6. Inquiry into Budget Estimates 2018-2019

6.1 Supplementary hearings

Resolved, on the motion of Mr Farlow: That the committee hold no further supplementary hearings for the portfolios of Treasury, Industrial Relations.

7. Adjournment

The committee adjourned at 10.22 am, *sine die*.

Rebecca Main

Committee Clerk

Draft Minutes no. 44

Thursday 29 November 2018

Portfolio Committee No. 1 – Premier and Finance

Members' Lounge, Parliament House, Sydney at 3.30 pm

1. Members presentRevd Nile, *Chairman*

Mr Farlow

Mr Khan (substituting for Mr Franklin)

Mrs Maclaren-Jones (substituting for Mr Martin)

Mr Moselmane (substituting for Mr Searle)

Mr Primrose

2. Apologies

Mr Field

3. Draft minutes

Resolved, on the motion of Mr Primrose: That draft minutes no. 43 be confirmed.

4. Correspondence

The committee noted the following item of correspondence:

Received:

- 13 November 2018 – Letter from Hon Matthew Kean MP, Minister for Innovation and Better Regulation, providing clarifications to the transcript of 6 September 2018.

5. Inquiry into Budget Estimates 2018-2019**5.1 Consideration of Chair's draft report**

Resolved, on the motion of Mr Farlow: 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 Wednesday 5 December 2018.

6. AdjournmentThe committee adjourned at 3.32 pm, *sine die*.

Rebecca Main

Committee Clerk

