

Questions taken on Notice

Western Sydney

Question 1.

Mr JUSTIN FIELD: This may be a question that you want to pass over to Mr Betts. How many days have been spent assessing aquatic biota impacts on the 65 kilometres of wilderness watercourses that will be inundated by the proposed dam wall raising?

Mr BETTS: I will have to take that on notice, other than to say that the work that has gone into the EIS has gone over many months. I could bore you to death with the list of engagements that we have had, the studies that we have undertaken and the further studies that lie ahead, but I will take that on notice.

Mr JUSTIN FIELD: Who is doing the environmental work around aquatic biota?

Mr BETTS: I will have to take that on notice.

Mr JUSTIN FIELD: If you could also advise us with regard to the terrestrial environment around there, and the flora and fauna studies that have been done, I am interested in the number of days that have been allocated to either surveys or assessments on site, who has undertaken that work and ideally the periods that they have undertaken that work.

Mr BETTS: No problem with disclosing any of that.

Mr BETTS: No, this is all feeding into the EIS. The production of the EIS itself is about a two-year process.

Answers to 1, 2 and 3:

WaterNSW, as the dam owner and operator, is leading the Environmental Impact Statement (EIS), with specialist subconsultants and expert peer reviewers supporting the project. WaterNSW has engaged SMEC to undertake and deliver the EIS, including the terrestrial environment studies. SMEC are relying on a number of subject matter experts to deliver some specific elements within the EIS however, including BMT WBM for the aquatic biota studies. These studies commenced in October 2017 and are continuing.

There are declared wild rivers within the National Park which form part of the project study area of the environmental impact assessment for the proposed dam wall raising. To date, field studies of these areas have been undertaken as part of the broader field survey works totalling more than 3,000 hours. The field studies are not yet complete and are therefore ongoing.

The results of this assessment will be on display and available for public comment in the form of an EIS in 2019.

Mr JUSTIN FIELD: I understand that. There are also downstream water users, in particular agricultural users. Have there been consultation opportunities for them held already?

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

Answer to 4:

In early 2018 the Social Economic Impact Assessment commenced with broad community engagement. This has included community information sessions in the Hawkesbury Nepean valley along with briefing sessions to Local Councils in the project region. The second phase of consultation is due to commence over the coming months with targeted stakeholder groups and community representatives.

Mr JUSTIN FIELD: One of the reasons that money has been allocated from the Climate Change Fund is the contention by the Government that flood risk associated with climate change is likely to increase. I do not contest that, but I wonder if Mr Betts might be able to look at this in regard to the other environmental questions I asked before. What analysis has been done on the climate change flood risk in the upstream environment, how far upstream would floods be likely to push in those extreme flow events in particular, and what streams would be impacted? I assume that work will be done. If you can give us an indication of the type of work and when it was conducted I would appreciate that as well.

Mr BETTS: I can tell you now, and I might have to take some of that on notice, that we have updated the analysis that has been done over two years to reflect the latest data, the latest forecasts on likely impacts of climate change, and those are factored into all the assumptions that we make. The most up-to-date information will provide the basis of the environmental impact statement.

Answer:

Mr Betts statement is confirmed.

In addition, as part of the impact assessment for the Environmental Impact Statement (EIS), a comprehensive assessment of the impact of the climate change on rainfall and implications for flood risk are under way. The assessments are based on extensive hydrological modelling that applied national and regional climate change modelling from Climate Change in Australia (CSIRO/Bureau of Meteorology) and NARClIM (NSW Office of Environment and Heritage) respectively. This included an assessment of the changes in the intensity and frequency of East Coast Lows, the weather event that causes most floods in the valley. These investigations are being finalised and will be peer-reviewed.

Questions taken on Notice

WestConnex

Question 1

The Hon. DANIEL MOOKHEY: Minister, is the Sydney Motorway Corporation in dispute with the contractor building the St Peters interchange? Mr STUART AYRES: We have currently an unforeseen planning dispute that exists on the new M5. The Hon. DANIEL MOOKHEY: Is there one in respect of the St Peters interchange? Mr STUART AYRES: I would have to take that on notice.

Question 2

The Hon. DANIEL MOOKHEY: Are you in dispute with the contractor building the St Peters interchange in relation to the removal of landfill? Mr CLICHE: There are a number of commercial discussions that we are having with the contractor, which is normal for a project of this nature; there are many claims, conversations and discussions. It is the normal course. The Hon. DANIEL MOOKHEY: Has one claim, conversation or discussion related to the St Peters interchange and the removal of landfill? Mr CLICHE: There is a conversation happening, yes. The Hon. DANIEL MOOKHEY: Is the claim that the contractor is seeking in the range of \$80 million to \$100 million? Mr CLICHE: I will take that one on notice. I think there are claims and counterclaims and discussions. As I said, it is a negotiation. The Hon. DANIEL MOOKHEY: Minister, have you ever received a brief that suggests, as Mr Cliche has now confirmed, that a claim conversation is happening with subpoenas exchanged in relation to the dispute relating to landfill. Have you ever received advice that the claim that is being made is to the value of \$80 million to \$100 million? Mr STUART AYRES: I would have to take that on notice.

Question 3

The Hon. DANIEL MOOKHEY: Of course. This morning we went through the linked claims regime that RMS has in place with the SMC. Does this linked claims regime mean that RMS will pay the cost of the \$80 million to \$100 million dispute when it is resolved?

Mr STUART AYRES: I defer to Mr Kanofski. Mr KANOFSKI: I will have to take it on notice whether that claim is part of the linked claim regime.

Answer

I am advised:

(1) - (3) I refer you to my response to supplementary questions 78-83.

Question 4

The Hon. DANIEL MOOKHEY: Have you ever heard of the company Roads Retained Interest Pty Limited?

Mr STUART AYRES: Not to the best of my knowledge, no.

The Hon. DANIEL MOOKHEY: Who is on the board of Roads Retained Interest Pty Limited?

Mr STUART AYRES: Given I said I did not know the company, I will have to take that on notice.

The Hon. DANIEL MOOKHEY: Transurban has said to the ASX that a company by the name of Roads Retained Interest Pty Limited will be holding the New South Wales Government's 49 per cent residual interest in WestConnex. That is an asset that is worth \$9 billion. You are the Minister for WestConnex. How can you not know that that is the company holding the \$9 billion residual interest in WestConnex?

Mr STUART AYRES: I have referred to that organisation in my briefings as RRIPL.
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Mr STUART AYRES: Let us be clear. Yes, we are retaining 49 per cent of the Sydney Motorway Corporation. Yes, there will be a holding entity and, yes, a series of board members who are on that were put there by the New South Wales Government, one of which is John Cooper. The Hon. DANIEL MOOKHEY: Who are the others? How many are there? How big is the board?

Mr STUART AYRES: I do not have all those names in my head. I will happily take it on notice.

Answer

I am advised:

This is a matter for the Treasurer and the Minister for Industrial Relations.

Question 5

The Hon. DANIEL MOOKHEY: That is interesting because up until this point the Sydney Motorway Corporation, which is notionally a government entity, has never been subject to the Government Information (Public Access) Act. Do the same governance arrangements relate to the Sydney Motorway Corporation? Mr REGAN: I will have to take that on notice. The Hon. DANIEL MOOKHEY: Will it be subject to the Independent Commission Against Corruption Act? Mr REGAN: I will take that on notice as well. The Hon. DANIEL MOOKHEY: Will it be subject to the public accounts Act? Mr REGAN: I am happy to take on notice all those questions. The Hon. DANIEL MOOKHEY: Is it going to be subject to the Treasury commercial framework? Mr REGAN: I believe it is, yes. The Hon. DANIEL MOOKHEY: Is it a State-owned corporation? It is a \$9 billion company. Mr REGAN: I am happy to take

on notice the detail. I do not believe it is a State-owned corporation—it is a proprietary limited company—but I will need to check that.

Answer

I am advised:

I refer you to my response to supplementary questions 108-117.

Question 6

The Hon. DANIEL MOOKHEY: We have 49 per cent interest and we have contracted to this company to build WestConnex for us. Can you explain to us who will be in charge of the company that we have contracted to build WestConnex for us?

The Hon. DANIEL MOOKHEY: Congratulations to Mr Head and farewell Mr Cliche. Is Mr Cliche entitled to a severance payment? Mr STUART AYRES: I would have to take that on notice. The Hon. DANIEL MOOKHEY: No disrespect to you, Mr Cliche, but for the past year did Mr Cliche reach the incentive conditions in his contract, and was he paid his incentive payments? Mr STUART AYRES: I would have to take that on notice as well. The Hon. DANIEL MOOKHEY: Mr Cliche is here. Do you wish to give him the opportunity? Mr STUART AYRES: I am sure I can take that one on notice.

Answer

I am advised:

Key performance indicators are set by the SMC Board and relate to meeting operational, safety, timing and financial targets.

Question 7

The Hon. DANIEL MOOKHEY: Does the base case financial model assume higher revenue to WestConnex arising from traffic that you just said will arrive from the Western Harbour Tunnel and the Sydney Airport Gateway? Mr STUART AYRES: I am happy to defer the business case to Mr Kanofski. We can take that question on notice. Mr KANOFSKI: The detail of the base case financial model traffic modelling I will have to take on notice.

Answer

I am advised:

It is standard practice for motorway projects that the motorway concessionaire prepares the base case financial model. RMS does not review or endorse concessionaire's traffic assumptions underpinning the base case financial model.

Question 8

The Hon. DANIEL MOOKHEY: What is the completion date for the Rozelle Interchange that is required to be met in order for us to avoid paying penalties to Transurban? Mr STUART AYRES: The Rozelle Interchange will be completed in December 2023. The exact date I would have to take on notice for the payments regime.

Answer

I am advised:

I refer you to my response to supplementary question 76.

Question 9

Ms CATE FAEHRMANN: The widening of City West Link at Dobroyd Point—they are all RMS? They are not WestConnex? The Bedwin Road bridge in Marrickville? Mr KANOFSKI: I would have to take the City West Link on notice to proceed because WestConnex does join directly onto City West Link and it is probable that there is a degree of those works that are actually part of—that were constructed as part of the cost of WestConnex. I am happy to take on notice and give you the exact split of the City West Link. But certainly works in Marrickville do not connect directly to WestConnex and they would be part of the arterial network.

Answer

I am advised:

The City WestLink improvement work is being completed by RMS and is not part of WestConnex. It will provide an additional eastbound lane from Waratah Street near the M4 East portal to James Street in Leichhardt utilising and reconfiguring the existing road.

Question 10

Ms CATE FAEHRMANN: How much has been spent to date on work on the Rozelle Interchange, including the design and business case development? Mr STUART AYRES: That is all included in the WestConnex budget of \$16.8 billion. There is around \$4.3 billion from the taxpayer that is currently being expended on the delivery

of WestConnex. Ms CATE FAEHRMANN: In respect of designing and the business case development for the Rozelle Interchange specifically? Mr STUART AYRES: I would have to take that figure on notice.

Question 11

The Hon. DANIEL MOOKHEY: I have one question to follow up. You said stage 3 is \$7.2 million.

Mr STUART AYRES: Between \$7.2 million and \$7.3 million. The Hon. DANIEL MOOKHEY: Can you itemise 3A and 3B? Mr STUART AYRES: Not here. I would have to take that on notice to break it down. The Hon. DANIEL MOOKHEY: That figure is available to you? Mr STUART AYRES: I would have to check.

Answer

I am advised:

(10) - (11) I refer you to my response to supplementary questions 84-86 and 92-96.

Questions taken on Notice

Sport

Question 1

The Hon. LYNDA VOLTZ: If the Minister did not direct it, can you inform me, Mr Miller, whether you made that direction and whether it was at the behest of the Minister? Mr MILLER: The office worked with KPMG following the Government's prioritisation of its agenda. The Hon. LYNDA VOLTZ: Who asked you to direct KPMG to prioritise the football stadium over ANZ? Mr MILLER: I would have to take that on notice.

Answer

Please refer to the response provided by the Minister during Budget Estimates.

Question 2

The Hon. LYNDA VOLTZ: So far KPMG has been paid \$884,000 for the business cases. Given that it has not even delivered a final business case for ANZ Stadium, what will be the total cost of KPMG's business cases? Mr STUART AYRES: Associated costs for KPMG with the development of the stadiums I would have to take on notice.

Answer

The total cost of the KPMG business cases can only be confirmed when the business cases are finalised.

Question 3

The Hon. LYNDA VOLTZ: What have you done about the safety, security and compliance issues at the Newcastle Showground? Mr STUART AYRES: The Newcastle Showground comes under the authority of Venues NSW. I am more than happy to take that on notice and ask for advice on what Venues NSW has done in conjunction with the Showground Authority.

Answer

The Newcastle Showground site is owned by Venues NSW and managed by AEG Ogden. Venues NSW continues to maintain the Showground site including insurance on buildings, pay service connections for water and power at no cost to the Newcastle Agricultural, Horticultural and Industrial Association (the Association). In addition, over the past two years, Venues NSW also funded:

- replacement of the Showground water supply
- replacement of the cattle pavilion floor
- repairs to the Association's office
- invested in physical and electronic security infrastructure including enhanced lighting and CCTV cameras
- reimbursement of costs (to the Association, post Annual Show 2018), maintenance on equipment used, restoration of the Showground centre ring and grounds, and a \$10,000 sponsorship to the Association.

Venues NSW budget 2018/19 includes funding for maintenance and minor works expenditure at the Showground site including building services and maintenance, improved disabled facilities and to complete water service works.

During 2017/18, Venues NSW conducted assessment activities across its venues including the Newcastle Showground such as:

- An Internal Audit against compliance with various regulatory and code requirements, and *Australian Standard AZ/NZS 4801:2001 Occupational Health and Safety Management Systems* across all owned sites including the Newcastle Entertainment Centre and Showground.
- A formal evaluation of current practices in relation to the *Safe Places Vehicle Management Guidelines*.
- Engaged leading industry consultants to provide advice on improving security in crowded places through advanced technology.
- Formal Risk Assessment of AEG Ogden's operations across the Newcastle Entertainment Centre and Showground in accordance with NSW Treasury's

TPP15-03 Internal Audit and Risk Management Policy for the NSW Public Sector (modelled on Australian/New Zealand Standards).

- Finalising implementation of improvement recommendations from the Venues Crises and Emergency Plans Internal Audit.

Question 4

The Hon. LYNDA VOLTZ: They have been trying to, and you have not been happy to. How many disabled seats were at last year's Newcastle Show? Mr STUART

AYRES: I am not aware of that. I would have to take it on notice. The Hon. LYNDA

VOLTZ: I can tell you that there were none because they had no money to pay for the scaffolding that was needed to support it. Does that concern you? Mr STUART

AYRES: Any questions relating to the Newcastle Showground I would have to take on notice.

Answer

The Newcastle Agricultural, Horticultural and Industrial Association usually construct a disabled viewing platform from scaffolding however did not do so in 2018. Costings on disability facility options at the Showground site are currently being sought.

Question 5

The Hon. LYNDA VOLTZ: How many female toilets are there at the Newcastle

showground? Mr STUART AYRES: I am not aware of that. I will have to take that on notice.

Answer

The Newcastle Showground site has 39 female toilets.

Question 6

The Hon. LYNDA VOLTZ: Minister, in March this year the New South Wales Government announced that it would be providing \$26 million for a pool arts cultural facility in Batemans Bay, \$18 million of which was for the swimming pool itself. Can you inform me whether that money was coming from your department? Mr STUART

AYRES: I would have to take that on notice. I think it is from the Department of Regional Development, but I will check that. The Hon. LYNDA VOLTZ: I note that

Minister Andrew Constance stated it was from the Regional Sports Infrastructure Fund, but given that that was not open in March this year, how could \$18 million

have been allocated for that? Can you take on notice which fund it is coming from and whether it was from your department? Mr STUART AYRES: I am more than

happy to do that. The Hon. LYNDA VOLTZ: Would it concern you that sporting organisations would be applying for funding under the Regional Sports Infrastructure Fund and there are already announcements from the Government that funding has

gone to organisations before the grants process has opened? Mr STUART AYRES: The Regional Sports Infrastructure Fund is being conducted by the Department of Regional Development. If there are questions about timing, I am not aware of the exact dates to which you are referring, so I will take those on notice.

Answer

This project is being funding through the Regional Growth Fund.

Question 6

The Hon. LYNDA VOLTZ: Minister, earlier I was asking you about a letter you had written with the Minister for Counter Terrorism. You said that the initial report was done by the Sydney Cricket and Sports Ground Trust. Was that a crowded public places document? Mr STUART AYRES: I will take it on notice, but I do not think it is. The document that you are referring to is not the same document that prompted me to write to Minister Upton with the Minister for Counter Terrorism. The Hon. LYNDA VOLTZ: You are saying to me that the Counter Terrorism Unit wrote a report and that prompted you to write to the Minister? Mr STUART AYRES: The Sydney Cricket and Sports Ground Trust provided me with correspondence from the NSW Police Force, or a report from the NSW Police Force that prompted me and the Minister for Counter Terrorism to ask the Minister for the Environment to consider that report. We did not ask her to close Driver Avenue. We asked her just to consider the report. The Hon. LYNDA VOLTZ: The Minister for Police knew nothing of that report or your letter. I put a copy of your letter to them. The Commissioner of Police, Mick Fuller, was quite clear that that was a response to a crowded places document. You are now saying that is not correct? Mr STUART AYRES: I am sorry; I will have to take that on notice.

Answer

I am advised the Counter Terrorism and Special Tactics Command completed a vulnerability assessment for the Sydney Cricket & Sports Ground Trust.