

Budget Estimates

Portfolio Committee No 1 – Premier and Finance

TREASURY

Monday, 8 March 2021

PRESENT

The Hon. Dominic Perrottet, Treasurer

SUPPLEMENTARY QUESTIONS

Supplementary Questions

1. Why did you announce on 4 July 2020 that the existing Powerhouse Museum at Ultimo will not be demolished adding \$195 million to the cost of the project?

(a) Did Minister Harwin know about this in advance?

Answer:

The rationale for the decision is in the news release. Minister Harwin was advised of the decision after being sworn in as Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts.

2. How much will Willow Grove cost to dismantle and move?

(a) Where will it go to?

Answer:

Minister Harwin announced on the 8th October 2020 that Willow Grove will be relocated to a new site in North Parramatta as outlined in the media release (<https://www.nsw.gov.au/media-releases/parramattas-heritage-buildings-to-be-saved>). For further details, this question should be directed to the Minister for Arts, the Hon. Don Harwin, who has primary responsibility for the project.

3. Is the government planning on reviewing the cost of the project at Parramatta given that CFMEU have a green ban on the removal/demolition of Willow Grove?

Answer:

This question should be directed to the Minister for Arts, the Hon. Don Harwin, who has primary responsibility for the project.

4. Do you believe that the Parramatta Powerhouse will need to be assessed again if Willow Grove problem isn't solved?

Answer:

This question should be directed to the Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts.

5. Are there or has your office considered other alternative Parramatta Powerhouse locations or alternatives?

(a) If so, what are they?

Answer:

This question should be directed to the Minister for Arts, the Hon. Don Harwin, who has primary responsibility for the project.

6. Did you department consult with Suzette Meade of the Parramatta Action Group on alternative solutions?

(a) If not why?

Answer:

This question should be directed to the Minister for the Arts, the Hon. Don Harwin, who has primary responsibility for the project.

7. Do you think there is a more cost-effective solution to the current Powerhouse Museum on the flood plain next to the Parramatta River?

Answer:

This question should be directed to the Minister for Arts, the Hon. Don Harwin, who has primary responsibility for the project.

Questions from the Hon Mark Latham MLC

Question to the Treasurer:

8. Of the 10 staff working on Indigenous matters, since June 2020, which visits have they made to heavily disadvantaged Indigenous communities in Western NSW? What are the details?

9. What policy changes and programs resulted from the visits in (8) above?

10. What capacity do the 10 Indigenous Treasury staff have for directly changing the policies and programs of:

(a) NSW Aboriginal

(b) NSW Department of Education and

(c) any other government agency?

11. What new Treasury programs and policies have been developed as a consequence of the work of the 10 Indigenous staff. What have they achieved other than the \$38,000 painting in the kitchen?

Answer (8-11):

Treasury has advised me as follows:

- All travel to regional and remote Aboriginal communities by the relevant NSW Treasury staff was postponed due to COVID-19. NSW Treasury does, however, work closely with Aboriginal Affairs NSW who have officers based in regional NSW.

- The Strategic and Aboriginal Outcomes Branch was established in August 2020 to drive Aboriginal and Torres Strait Islander outcomes through leveraging Treasury's leadership of Outcomes Budgeting and management of the State Budget. The team works collaboratively with agencies across the NSW Government to ensure adequate representation of Aboriginal related outcomes across Outcome Business Plans.
- The Branch is also coordinating NSW Treasury's participation in the NSW Government efforts on Closing the Gap and its relevant governance mechanisms. Under Closing the Gap, the Branch is responsible for producing an annual whole-of-government Indigenous expenditure report by July 2022 that supports greater evidence-based decision-making on Indigenous affairs.
- Treasury also established the Aboriginal Economic Wellbeing Unit last year to improve progress in achieving closing the gap outcomes and targets.
- The team is made up of policy experts in Aboriginal programs and evidence-based decision making and is developing investment frameworks to make evidence-based budget decisions that improve outcomes for Aboriginal people and communities in NSW.
- The investment frameworks will be released in 2021-22 and be updated periodically.

12. Are Treasury staff still using 'gendered words' like husband, wife and guys, and what extra training programs have been organised since September 2020 to end this free speech practice inside the Treasury?

Answer:

I am advised NSW Treasury staff are encouraged to use respectful and inclusive language.

13. What is the cost to Treasury of the flags, logo changes, apparel and other paraphernalia used to mark Mardi Gras for the month of March 2021?

Answer:

I am advised the Treasury incurred no cost.

14. Why was the Treasury's Mardi Gras flag ceremony moved from Monday 1 March to Wednesday 3 March to suit the work from home commitments of Joann Wilkie?

Answer:

I am advised the premise of this question is based on incorrect information.

15. Was Tim Reardon invited to the ceremony in (7) above? Was this because Treasury lacked organisational capacity and needed the Smartest Man in the Room to sort out the event?

Answer:

Supplementary question no. 7 does not refer to a ceremony.

16. What has been the schedule for each Government Department and their distinct responsibilities for introducing Outcome-Based Budgeting – fully implemented/operational, partly implemented and yet to be implemented?

Answer:

Treasury Policy Paper (TPP) 18-09 Outcome Budgeting sets the requirements for all Departments in relation to their responsibilities and timeline for implementing Outcome Budgeting. The TPP is available on Treasury's website.

Question to Mr Pratt

17. What was the breakdown of expenditure for the \$37,691 spent on the Treasury's Josie Rose 'reconciliation' painting said to be hanging in the staff kitchen? What was spent on:

- (a) the artist;
- (b) consultants;
- (c) commissioning agents;
- (d) materials;
- (e) hanging process; and
- (f) any other related purpose, and who exactly received these funds?

Answer:

The cost of the painting was \$5,000. The total cost of submission of NSW Treasury's 'Reflect' Reconciliation Action Plan (RAP) to Reconciliation Australia includes:

- Sourcing and engaging the artist;
- Concept development of RAP design, and design development of final RAP document;
- Provision of a RAP artwork style guide for associated collateral products;
- Artists fees and cost of physical artwork.

Questions from Mr David Shoebridge MLC

Public sector wages

18. Will you commit to increasing public sector wages above 2.5% to ensure that the workers on the frontline of the COVID crisis aren't carrying the pay cut you enforced in 2020 into future years?

Answer:

The 2020-21 Budget included a revised wages policy which limits wage growth to 1.5 per cent each year over the forward estimates. This rate is in line with the expected average underlying inflation forecast over the period.

Although growth is limited to 1.5 per cent, the Government's wages policy will continue to allow for increases beyond this level to be considered, where employee-related cost savings are achieved to fully offset the additional cost

This change follows the NSW Industrial Relations Commissions (IRC's) decision in the Crown Finance Salaries matter. Handed down in October 2020, the IRC determined an increase of 0.3 per

cent in 2020-21 as being fair and reasonable as it would maintain real wages for around 170,000 public sector employees.

While modest in comparison to previous years, the decision by the IRC has enabled the Government to direct funds to shovel-ready projects across the state, creating jobs during the economic downturn resulting from the COVID-19 pandemic.

Silicosis

19. How many silicosis notifications were there since the compulsory reporting introduced from 1 July 2020?

Answer:

I am advised icare has made a total of 36 notifications to the Silicosis register since 1 July 2020.

20. Are you satisfied with the way SafeWorkNSW is undertaking to follow up these matters?

Answer:

It is icare's understanding that as at 31 December 2020, SafeWork NSW has completed the reviews of 105 out of 156 cases reported by icare.

21. Is SafeWork reporting regularly to iCare? What is the frequency of this reporting?

Answer:

SafeWork NSW does not formally report to icare. I am advised it does present and discuss its 'silica dashboard' during quarterly 'Silicosis Collaboration' meetings with icare. Dashboards include detail concerning number of visits made, inspector notices issued and so on. This information is also publicly available on the NSW Government website (with a link also available on the SafeWork NSW site): <https://www.nsw.gov.au/customer-service/publications-and-reports/silica-dashboard>. Recent activity in the quarter preceding including notified silicosis cases it has reviewed, is also discussed.

22. How many workplace investigations have been triggered by these notifications?

Answer:

This is a question best directed to SafeWork NSW.

23. How many on the spot fines have been issues for PCBUs failing to notify SafeWork NSW of an adverse health monitoring report.

Answer:

This is a question best directed to SafeWork NSW.

24. Are you aware of the Victorian case about silicosis induced lupus? Is this something being followed up in NSW?

Answer:

I am advised exposure to silica dust can result in silicosis, chronic bronchitis, emphysema, lung cancer kidney damage and a number of autoimmune conditions including scleroderma, rheumatoid arthritis and lupus. The Victorian system does not currently recognise all these secondary conditions as a work-related injury caused by the same dust.

In NSW, lupus caused by silica dust exposure can be covered by the Dust Diseases Scheme. In this regard, diseases affecting the lungs, pleura or peritoneum that are caused by dust, and that may also cause one of the diseases defined in Schedule 1 of the *Worker's Compensation Diseases Act 1942* can be considered.

25. How much funding has been provided to the subsidised Lung Screen service?

Answer:

I am advised Health Monitoring is provided at a subsidised rate to employers. icare charges employers \$110 per worker for asbestos and natural stone Health Monitoring screenings. For employers who work with manufactured stone, there currently is no charge.

Health Monitoring is also provided at no cost to workers who are retired, who have left the industry, or are Dust Diseases Scheme participants.

Figures for the overall cost of providing Lung Screening services are contained in the table below. Separate totals for the subsidised service available to employers only are unavailable.

Financial Year	Lung screening for Employer Health Monitoring Service	Lung Screening for Scheme clients	Total
18/19	\$1,206,175	\$4,010,377	\$5,216,552
19/20	\$1,469,720	\$5,088,151	\$6,438,525

26. How many workers have been screened?

Answer:

A breakdown of the number of screenings undertaken is provided below. icare also provides screening for workers who are at risk of exposure to asbestos. Please note that some workers included in the table below may have attended more than one screening.

Row Labels	Asbestos	Asbestos/Silica	Other	Silica	Total
2017/2018	2,115	1,514		562	4,191
2018/2019	1,722	1,153		2,408	5,283
2019/2020	616	1,250		1,591	3,457
2020/2021	505	1,097	11	1,389	3,002
Total	4,958	5,014	11	5,950	15,933

Note the reduced numbers in the 2019/2020 and 2020/2021 COVID period are due to a need to close the service to protect the health of those attending as well as those delivering the service.

27. How many total screenings have been carried out?

Answer:

Refer to question 26.

Health Monitoring is provided at no cost to the individual worker and at a subsidised rate to employers. icare charges employers \$110 per worker for asbestos and natural stone Health Monitoring screenings.

For employers who work with manufactured stone there is no charge. Likewise, for employers who have been issued a SafeWork notice, there is no charge.

Home Building Compensation Fund

(Question from Mr David Shoebridge MLC)

28. What was the deficit of the Home Building Compensation Fund scheme in the most recent financial year?

Answer:

The Home Building Compensation Fund (HBCF) has a contingent liability of \$714 million as at 31 December 2020. HBCF has been able to and continues to be able to fund all claims through premiums. The \$714m represents the long-term difference in future or anticipated liabilities and assets on hand, based on the most recent valuation outcome. Because builder's warranty is a very longtail insurance exposure period, the liability is the anticipated claims outcome above premiums collected since 2010 to possibly be incurred over the next 12 years.

Questions from Ms Abigail Boyd MLC

Youth unemployment

29. Youth unemployment is yet to return to pre-pandemic rates, currently sitting nationally at 13.9 per cent. How many of the jobs promised to be created in the 2020-21 state budget have gone to young people?

Answer:

While youth unemployment has trended higher since the pandemic, it sits comfortably below the national rate and is the lowest among the mainland states.

A number of initiatives were announced in the 2020-21 NSW Budget which target job creation across all demographics, including the \$3.0 billion Jobs and Infrastructure Acceleration Fund which will deliver projects and create jobs across the State covering healthcare, education, public infrastructure and construction sectors among others. Young workers will also benefit from the various measures introduced in the Budget, including:

- \$80 million to create 300 new housing sector pre-apprenticeships and cadetships to provide career pathways for young people and social housing tenants
- Skilling for Recovery initiative to help job seekers retrain or upskill, and support school leavers to enter the workforce for the first time

The NSW Government commitment will match the Commonwealth's JobTrainer funding (total joint investment of \$318.6 million) and offer more than 100,000 training places, targeted investment into the care economy to support jobs growth and improved worker quality.

These measures complement the Commonwealth government's JobMaker Hiring Credit scheme, which is an incentive for businesses to employ additional young job seekers aged 16-35 years over the 12 months to October 2021. There is a larger incentive to hire 16-29 year olds. It is expected that around 450,000 positions for young Australians across the country will be supported through the JobMaker Hiring Credit.

Budget line items

30. To ensure transparency and accountability, will the NSW Treasury commit to clearly stated Budget line items in the 2021 Budget Papers to ensure spending on domestic and family violence prevention and response in New South Wales can be tracked?

Answer:

As published in the 2020-21 Budget Papers, the 2020-21 Budget includes \$160.5 million (\$538.1 million over four years) to support the Government's targeted response to domestic and family violence. This is in addition to significant Government investment to combat domestic and family violence through mainstream services in justice, police, health, child protection, social housing, and homelessness.

The Government's targeted domestic and family violence investment supports delivery of the *NSW Domestic and Family Violence Blueprint for Reform 2016-2021: Safer Lives for Women, Men and Children* ('the Blueprint'), which sets out 49 key actions to reform the domestic violence system in NSW. The Blueprint actions broadly cover six priority outcome areas: Prevention; Early Intervention; Supporting Victims; Perpetrator Accountability; Quality Services; and System Improvement.

A central part of system improvement outlined in the Blueprint is to ensure that the domestic and family violence service system is transparent and accountable, with shared accountability for common policy goals across Ministers and Government agencies. As part of this, a Domestic and Family Violence Outcomes Framework has been developed and published online, along with associated key performance measures. In addition, an annual Blueprint Report Card is published online at the Women NSW website to provide a high-level summary of key Blueprint initiatives and achievements for the preceding year.

Minimum Viable Product grants

31. The Government's online information on Minimum Viable Product (MVP) grants states that applications will be assessed within eight weeks of submission, subject to volume of applications. I understand that applications opened in July. I have been made aware of one particular application which was made in October, and which still has not been assessed. Even accounting for two weeks of Department shutdown over the holidays, that's more than double the number of working weeks advised as the expected turnaround time.

- (a) How many applications for MVP grants have been received since 1 July 2020?
- (b) What is the average time for assessment of MVP grant applications?
- (c) How much MVP grant money had been allocated as of 31 December 2020?
- (d) How much MVP grant money had been allocated as of 9 March 2021?

Answer:

- (a) 317 as of 16 March 2021.
- (b) The average assessment time of MVP grant applications is 8 weeks.
- (c) From 1 July 2015 to 31 Dec 2020 the MVP program committed to fund \$13.7 million to support start-up companies. As at 31 Dec 2020, \$12.78 million has been paid to these companies and the balance is expected to be paid by end of 2021.
- (d) From 1 January to 9 March 2021, additional \$1.77 million was committed, making the total of \$15.5 million for the MVP program from 1 July 2015 to 9 March 2021.

Property Tax

32. Will the findings of user group testing currently being conducted into land tax, stamp duty, and the currently-proposed model for changing NSW's property tax regime be released publicly? If so, when are they expected to be published?

Answer:

User group testing is being used to inform Cabinet about reactions to proposals for property tax reform.

33. Please provide the modelling and underlying assumptions used to determine which model would be proposed by Treasury for changing NSW's property tax regime.

Answer:

This information is Cabinet in Confidence.

Questions from the Hon Mark Buttigieg MLC (on behalf of the Opposition)

Port of Newcastle

34. Does the Government's policy on container facility development apply to Port of Newcastle Investments Pty Ltd?

Answer:

Yes.

35. Is it Government policy that a container terminal will not be developed at the Port of Newcastle before Port Botany and Port Kembla become fully developed?

Answer:

The Freight and Ports Plan states that Port Kembla has been identified as the location for the development of a future container terminal to augment capacity of Port Botany when required. Current arrangements do not prohibit the development of a container terminal at the Port of Newcastle but rather allow for the growth of container volumes through Newcastle that service the region.

36. Does Port of Newcastle Investments Pty Ltd have a contractual right to develop a container terminal at the Port of Newcastle?

Answer:

Current arrangements do not prohibit the development of a container terminal at the Port of Newcastle but rather allow for the growth of container volumes through Newcastle that service the region.

37. What was the Government's source of funds on 31 May 2013 to meet its contractual commitment to pay NSW Ports Pty Ltd for container traffic above 30,000 TEUs per year as at 1 July 2013, increasing by six per cent per year, for 50 years, at the Port of Newcastle?

Answer:

The State's contractual commitment to pay NSW Ports has not crystallised, so there is no need to identify a funding source.

38. What was the Government's source of funds on 30 May 2014 to meet its contractual commitment to pay NSW Ports Pty Ltd for container traffic above 30,000 TEUs per year as at 1 July 2013, increasing by six per cent per year, for 50 years, at the Port of Newcastle?

Answer:

The State's contractual commitment to pay NSW Ports has not crystallised, so there is no need to identify a funding source.

39. Was the Government's decision to lease the Port of Newcastle to the private sector, as announced on 5 November 2013, made for the purpose of funding the Government's contractual commitment to pay NSW Ports Pty Ltd for container traffic above 30,000 TEUs per year as at 1 July 2013, increasing by six per cent per year, for 50 years, at the Port of Newcastle?

Answer:

No.

40. Did the Government lease the Port of Newcastle to Port of Newcastle Investments Pty Ltd on 30 May 2014 for the purpose of funding the Government's contractual commitment to pay NSW Ports Pty Ltd for container traffic above 30,000 TEUs per year as at 1 July 2013, increasing by six per cent per year, for 50 years, at the Port of Newcastle?

Answer:

No.

41. If not, what is the Government's source of funds to pay NSW Ports Pty Ltd for container traffic above 30,000 TEUs per year as at 1 July 2013, increasing by six per cent per year, for 50 years, at the Port of Newcastle?

Answer:

The State's contractual commitment to pay NSW Ports has not crystallised, so there is no need to identify a funding source.

42. Why is the Government concealing the date that the ACCC was informed of the Government's contractual commitment to pay NSW Ports Pty Ltd for container traffic above 30,000 TEUs per year as at 1 July 2013, increasing by six per cent per year, for 50 years, at the Port of Newcastle?

Answer:

In asset transactions Treasury typically consults with a range of regulators including the ACCC. This was the case in relation to the ports transactions, and the ACCC was aware of the Port Commitment Deeds prior to the Port of Newcastle transaction.

43. Are you aware of the Prime Minister's support of the construction of a container terminal at the Port of Newcastle?

Answer:

It is not my role to comment on the Prime Minister's past statements.

44. Do you agree with the Prime Minister that the Port of Newcastle should construct a container terminal?

Answer:

It is not my role to comment on statements made by the Prime Minister.

45. Is the Prime Minister correct in saying that a container terminal at the Port of Newcastle would create jobs?

Answer:

It is not my role to comment on statements made by the Prime Minister.

46. Would a container terminal at the Port of Newcastle increase competition in the freight and logistics sector?

Answer:

This matter is currently the subject of court proceedings.

47. Would a container terminal at the Port of Newcastle be beneficial for farmers in NSW?

Answer:

This is primarily a matter for the private sector operator of the Port of Newcastle and the farming industry.

48. Has NSW Treasury undertaken any economic modelling on the impacts of a container terminal at the Port of Newcastle?

Answer:

The economic modelling has been conducted in line with the NSW Freight and Ports Plan.

Employees

49. Minister, for each department, agency, State-owned corporation or other body, and for each division of those bodies, if any, in your portfolio:

(a) What is the gender pay gap, both generally and across those employees in SEB or SEB-equivalent bands?

(b) What is the highest remuneration for female employees– both generally and for SEB/SEB-equivalent employees?

(c) What is the lowest pay received by female employees – both generally and for SEB/SEB-equivalent employees?

(d) What is the average remuneration received by female employees – both generally and for SEB/SEB-equivalent employees?

(e) What is the highest remuneration for male employees– both generally and for SEB/SEB-equivalent employees?

(f) What is the lowest pay received by male employees – both generally and for SEB/SEB-equivalent employees?

(g) What is the average remuneration received by male employees – both generally and for SEB/SEB-equivalent employees?

(h) How many female and how many male SEB or SEB-equivalent employees are there?

- (i) What is the highest number of direct reports to female SEB or SEB-equivalent employees?
- (j) What is the lowest number of direct reports to female SEB or SEB-equivalent employees?
- (k) What is the average number of direct reports to female SEB or SEB-equivalent employees?
- (l) What is the highest number of direct reports to male SEB or SEB-equivalent employees?
- (m) What is the lowest number of direct reports to male SEB or SEB-equivalent employees?
- (n) What is the average number of direct reports to male SEB or SEB-equivalent employees?
- (o) What is the highest number of staff managed by female SEB or SEB-equivalent employees?
- (p) What is the lowest number of number of staff managed by female SEB or SEB-equivalent employees?
- (q) What is the average number of number of staff managed by female SEB or SEB-equivalent employees?
- (r) What is the highest number of staff managed by male SEB or SEB-equivalent employees?
- (s) What is the lowest number of number of staff managed by male SEB or SEB-equivalent employees?
- (t) What is the average number of number of staff managed by male SEB or SEB-equivalent employees?
- (u) In providing answers to questions (a) to (t), please provide the information for each SEB band or band equivalent.
- (v) What steps are you taking to eliminate the gender pay gap?
- (w) What timeframe have you set to eliminate the gender pay gap?

Answer:

Information on senior executives and other associated information is publicly available in the agency's annual report. In addition, the NSW Public Service Commission's State of the NSW Public Sector and Workplace Profile reports provide annual data relating to the proportion of women in the NSW public sector by cluster, remuneration, and grade. Both reports are available at www.psc.nsw.gov.au. The Public Service Commission also provide guidelines to Departments and agencies on organisational design, including executive reporting layers and direct reports. More information is available in the [Senior executive remuneration management framework](#).

I am advised NSW Treasury has an action plan in place for driving gender equality across the department including in senior leadership, in response to the Premier's Priority for a World Class Public Service which includes a target that 50% of senior leadership roles will be held by women by 2025.

50. Cluster Secretary – for each department, agency, State-owned corporation or other body, and for each division of those bodies, if any, in your Cluster:

- (a) What is the gender pay gap, both generally and across those employees in SEB or SEB-equivalent bands?
- (b) What is the highest remuneration for female employees– both generally and for SEB/SEB-equivalent employees?
- (c) What is the lowest pay received by female employees – both generally and for SEB/SEB-equivalent employees?
- (d) What is the average remuneration received by female employees – both generally and for SEB/SEB-equivalent employees?
- (e) What is the highest remuneration for male employees– both generally and for SEB/SEB-equivalent employees?
- (f) What is the lowest pay received by male employees – both generally and for SEB/SEB-equivalent employees?
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- (u) In providing answers to questions (a) to (t), please provide the information for each SEB band or band equivalent.
- (v) What steps are you taking to eliminate the gender pay gap?
- (w) What timeframe have you set to eliminate the gender pay gap?

Answer:

Please see response to Supplementary question 49.

Job Keeper Modelling

51. Given NSW Treasury projected in December 2020 that 500,000 NSW workers would be exposed to difficulty at the end of March due to the removal of Jobkeeper, would Treasury provide their modelling on the projected unemployment to increase once the JobKeeper program concludes, in terms of:

- (a) Total increase in number of jobs lost in NSW within the first month – by the end of April;
- (b) Total increase in the unemployment rate in NSW – by the end of April.

Answer:

The number of people receiving the JobKeeper payment has fallen quickly as the economy has recovered. A feature of the JobKeeper payment is that businesses have had to requalify for the payment at different points in time. In the original phase, around 314,870 businesses and 1,216,556 employees were receiving the JobKeeper payment in NSW. These numbers dropped to 162,237 businesses and 513,011 employees in the December quarter 2020 during the first extension. Preliminary data show that this has fallen further in January to 347,365 employees. There is uncertainty as to what impact the end of JobKeeper will have on the labour market. However, it is likely that only a fraction of those receiving JobKeeper are at risk of losing their job when JobKeeper finishes.

The economy continues to recover strongly from the COVID induced recession seen in the first half of 2020. As at February 2021, 94 per cent of the jobs lost during the peak of the COVID shutdowns have now been regained, with the NSW unemployment rate falling in February to 5.6 per cent. The NSW Government has recently announced a further easing of some of the COVID related restrictions which will provide further support to the economy. NSW Treasury estimates that almost 25 per cent of the people currently on JobKeeper are in occupations that are receiving direct ongoing stimulus support by various levels of Government, and will be at a lower risk of losing jobs.

In terms of the monthly labour force survey, the impact of the JobKeeper program's expiry will not be evident until the May survey. The April numbers will not capture the impacts because the ABS count anyone who has received income from employment in the last four weeks as being employed.

JobSeeker

52. What modelling has Treasury done on the impact of the reduced JobSeeker rate on the NSW economy?

(a) In terms of:

- i. Household spending
- ii. Retail spending

Answer:

The Australian Government has announced a permanent increase to the JobSeeker rate by \$50 a fortnight from 1 April 2021. This means those receiving the benefit will receive a based rate of \$615.70 a fortnight.

In January 2021, there were 398,533 JobSeeker Payment and Youth Allowance (other) recipients in NSW. This suggests this cohort will receive \$39.9 million less in aggregate a fortnight compared to their previous payment (inclusive of the coronavirus supplement). This is equivalent to 0.2 per cent of nominal GSP each year. Any decline in income support is expected to an almost equivalent decline in spending going forward.

Half Yearly Budget Paper

53. The Half Yearly Budget Review states that business insolvencies in 2020 were below the decade average, but are expected to bounce this year (Page 10, Chapter 2.3 of Half Yearly Update). How many insolvencies is Treasury expecting in NSW this year?

Answer:

Insolvencies have been artificially suppressed since March 2020 due to the Commonwealth Government's coronavirus economic support package, including temporary debt relief measures. Quarterly insolvencies averaged 859 in the ten years to 2019. However, available data suggests that the number of insolvencies in New South Wales averaged just 380 per quarter in the second half of 2020 – their lowest level since 1999. Now that debt relief measures have started to be unwound, it can be expected that the number of insolvencies will soon rebound to a more normal level.

54. In the Half Yearly Budget Review it states that capital project spending is down by \$1.6 billion for the next four years, and this is due to “timing” (Section 3.4, “Capital expenditure outlook”). Would you please provide which projects have had the timing of their funding adjusted?

Answer:

Complex capital projects may need to adjust the timing of expenditure, which can delay or accelerate capital spending, for reasons often outside government control. These changes can reflect, for example, changes in economic conditions, variations to Commonwealth Government grants, and changes to project delivery schedules. When changes occur, capital project expenditures are re-profiled to ensure projects continue to be delivered and achieve value-for-money for the State.

55. Since the start of 2020, has your government sought contributions from the federal government towards infrastructure funding, and if so:

- (a) Which projects were put forward by the NSW Government?
- (b) Which projects will be receiving support from the federal government?

(c) How much funding will the federal government provide for each of these projects?

Answer:

The Commonwealth Government will contribute \$10.5 billion to New South Wales capital projects from 2020-21 to 2023-24. Projects receiving Commonwealth Government funding include the Sydney Metro Western Sydney Airport, Pacific Highway upgrade Woolgoolga to Ballina and the M12 Motorway. Additionally, \$2.7 billion in new and accelerated funding was announced in the 2020-21 Commonwealth Government Budget to fast track New South Wales road projects, including \$360 million for the Newcastle Inner City Bypass, \$482 million for the Coffs Harbour Bypass and \$587 million for the New England Highway Upgrade.

Grants Schemes

56. Regarding the Export Assistance Grant:

- (a) How much money from the grant scheme has been spent?
- (b) How many businesses have received grants through the scheme?

Answer:

As of 18 March, \$3.29 million has been paid out to 403 businesses.

57. What is the value of the university loans that the NSW government has guaranteed?

Answer:

The NSW government has not guaranteed any university loans; one loan guarantee is currently under consideration.

Six universities submitted full or partial applications for a State Government Guarantee under the scheme. Five of those universities subsequently withdrew their applications as they were able to access suitable financing arrangements without the need for a State Government Guarantee. There is one open application under the scheme. No university is currently utilising the facility.

58. Will the government extend the Southern Border Small Business Support Grant program, and if so:

- (a) When will the program commence and conclude?
- (b) What will be the dollar value of the program?

Answer:

Please refer this question to the Minister for Small Business.

59. On 26 May 2020 the government announced a scheme to provide \$420 million of insurance premium relief. How much relief was provided under this scheme as of 10 March 2021?

Answer:

This was a combination of placing the premium rates for the 2020/21 policy period on hold and the COVID-19 premium reductions and payment deferrals for employers who were impacted by COVID-19 at that point in time.

As at 10 March 2021

	\$M
2020 Rates placed on hold	325
Reduced Premiums due to COVID impacts	285
Premium Payments Deferred	78
Total	688

60. On 22 May 2020 the government announced a \$12.6 million support package for the taxi industry. How much relief was provided under this scheme as of 10 March 2021?

Answer:

\$9.92 million of cheques have been issued to 3,396 taxi plate holders to cover CTP insurance and vehicle registration, with \$9.7 million of cheques cashed. This measure is based on demand, and all operators are being reminded they need to cash their cheques by 30 June. \$1.28 million has been refunded and \$143,425 waived (total \$1.42 million) to cover up to six months of taxi licence fees to holders of annual renewable taxi licences issued by the Government. \$987,000 of 2018-19 service provider authorisation fees have been waived. For further information please refer to the Minister for Transport.

61. On 15 May 2020 the government announced a \$20 million support package for international students. How much relief was provided under this scheme as of 10 March 2021?

Answer:

As of 10 March 2021, \$17,408,454.64 (ex. GST) has been spent under the \$20.1 million support package for international students. Of this:

- \$17,308,454.64 (ex. GST) has been spent on the NSW Government International Student Temporary Crisis Accommodation Scheme.
- \$100,000.00 (ex. GST) has been spent on the My Legal Mate app (a free multilingual legal resource for international students in NSW).

Land Sales

62. What is the value of the land the NSW government currently owns as per the 2020-21 financial year?

Answer:

The projected value of land for the NSW general government sector at 30 June 2021 is \$39.9 billion, per the 2020-21 Half-Yearly Review.

63. For every financial year since 2011 where there have been land or property sales or disposal targets, please provide:

- (a) The target for each NSW Government Department or Agency
- (b) The result for each NSW Government Department or Agency

Please note this information is not publicly available, contrary to indications at Budget Estimates.

Answer:

Land and property sales figures, including for individual agencies, are published in the budget papers and Report of State Finances each year.

Specific agency-level land and property sales targets, and other matters that inform Government decision-making around the published NSW Budget for the sale of non-financial assets, are Cabinet in Confidence.

Ministerial Disclosures

64. Treasurer Dominic Perrottet, in your Ministerial Disclosures, on 22 December 2020 you met with the Anti-slavery taskforce:

- (a) Would you provide a list of who attended the meeting
- (b) Were minutes taken?

Answer:

I met with representatives from the St Thomas More Society, the International Justice Mission and the Sydney Archdiocesan Anti-Slavery Taskforce and we discussed the NSW Modern Slavery Act.

65. Given S&P Global downgraded the NSW Government's credit rating:

- (a) Have the Treasurer or Treasury officials had discussions with S&P Global regarding this decision?
- (b) When does the government forecast a return to a AAA credit rating from S&P Global?

Answer:

On 7 December 2020, S&P advised Treasury of its decision to downgrade the State of NSW, including the rationale for the downgrade outlined in the credit opinion. S&P indicated NSW was downgraded due to a significant increase in debt and budget deficits across the forward estimates.

This deterioration in the State's fiscal position was driven by COVID-19, which impacted State revenues and required the Government to provide \$29 billion in economic response, recovery and reform measures to support NSW businesses, employment and the community through COVID-19.

To ensure the Government can respond to future economic and fiscal shocks, the 2020-21 Budget included \$12 billion of fiscal reinforcement measures over the next four years, including a new wages policy, procurement savings, re-anchoring the State's superannuation target to 2040 and re-directing surplus cash, State Owned Corporation dividends and mining royalties into the NSW Generations Fund.

The 2020-21 Budget outlines that these measures combined with the continuation of the Government's asset recycling program will help rebuild fiscal capacity over the medium term, bringing net debt down towards 7 per cent of GSP by 2030.

Through expenses constraint, balance sheet reform and asset sales, the 2020-21 Budget puts the Government on track to having a fiscal position consistent with S&P's criteria for a triple-A credit rating over the medium-term.

Gaming

66. Would you provide a breakdown of the gambling and betting tax revenue (separately) received by the NSW government for each month between January 2020 and February 2021 by each month from:

- (a) Club gaming devices
- (b) Hotel gaming devices

Answer:

	2020 (\$m)												2021 (\$m)	
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Clubs	2.9	1.4	0.6	0.4	0.3	0.2	0.6	5.9	251.2	18.6	15.3	224.2	14.4	13.7
Hotels	229.8	12.8	0.9	0.8	0.1	0.2	1.3	5	22.2	340.5	48	14.6	256	21.2