



LEGISLATIVE COUNCIL

GENERAL PURPOSE STANDING COMMITTEES

BUDGET ESTIMATES 2015-2016 Supplementary Questions

General Purpose Standing Committee No. 5

Industry, Resources and Energy

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Answers due by: Monday 28 September 2015

Budget Estimates Secretariat

Phone 9230 3081

budget.estimateds@parliament.nsw.gov.au

Questions from Hon Shaoquett Moselmane MLC

Efficiency Dividend

1. For each of the past three financial years, what was the efficiency dividend in dollar value to be met by each of the agencies within your administration?

ANSWER:

The Industry, Resources & Energy portfolio is part of the principal Department (NSW Department of Industry, Skills and Regional Development from 1 July 2015, and NSW Trade & Investment up to 30 June 2015).

Cumulative savings measures for 2014/2015 imposed since the formation of the Department on 3 April 2011 totalled \$42,204,000. This comprised \$5,272,000 of efficiency dividends and \$36,932,000 of other savings measures, including procurement savings, reductions in annual leave and program savings;

Cumulative savings measures for 2013/2014 imposed since the formation of the Department on 3 April 2011 totalled \$34,626,000. This comprised \$Nil of efficiency dividends and \$34,626,000 of other savings measures, including procurement savings, reductions in annual leave and program savings; and

Cumulative savings measures for 2012/2013 imposed since the formation of the Department on 3 April 2011 totalled \$18,998,000. This comprised \$Nil of efficiency dividends and \$18,998,000 of other savings measures, including procurement savings, and program savings.

2. What savings and revenue generating strategies did each agency implement to achieve the efficiency dividend and what was the amount of the savings or revenue actually achieved?

ANSWER:

The Department's budget is reduced by the amount of savings required. Major savings initiatives included labour reforms, cost recovery measures such as the implementation of the Periodic Licencing Scheme, environmental compliance levy, and procurement savings. Savings requirements are met when the Department operates within the adjusted budget, which it did for each of these years.

3. What is the efficiency dividend in dollar value required to be achieved by each agency within your administration for this financial year?

ANSWER:

The Industry, Resources & Energy portfolio is part of the principal Department (NSW Department of Industry, Skills and Regional Development from 1 July 2015, and NSW Trade & Investment up to 30 June 2015).

Efficiency dividends of \$14,847,000 were imposed on the Department as part the 2015/2016 budget process.

4. What savings and revenue generating strategies are you implementing this financial year and what do you expect to achieve for each strategy?

ANSWER:

The Department's budget is reduced by the amount of savings required. Major savings initiatives include labour reforms, cost recovery measures and procurement savings. Savings requirements are met when the Department operates within the adjusted budget. Prior year savings initiatives which have been achieved allow the Department to operate within revised budget baselines for 2015/2016.

Legal Fees

5. How much has been spent to date on legal fees in connection with the challenge to the Australian Energy Regulator's determination by Endeavour Energy, Ausgrid and Essential Energy? In answering this question, please provide a breakdown of those fees by type.
6. How much is estimated to be spent in total on legal fees in connection with the challenge to the Australian Energy Regulator's determination by Endeavour Energy, Ausgrid and Essential Energy? In answering this question, please provide a breakdown of those fees by type.
7. How much has been spent in total to date on all matters in connection with the challenge to the Australian Energy Regulator's determination by Endeavour Energy, Ausgrid and Essential Energy? In answering this question, please provide a breakdown of that spending by type or category.
8. What is the estimated total expenditure on all matters in connection with the challenge to the Australian Energy Regulator's determination by Endeavour Energy, Ausgrid and Essential Energy? In answering this question, please provide a breakdown of the spending by type or category.

ANSWER (5-9):

These questions are better directed to the Treasurer, The Hon Gladys Berejiklian.

Coal Seam Gas

9. What progress has been made to date in implementing recommendation 3 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014? In answering this question, please list each discrete action taken.
10. When will there be full implementation of recommendation 3 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014?

ANSWER (9-10):

The Government has tasked the *Independent Pricing and Regulatory Tribunal* (IPART) with investigating and benchmarking landholder compensation rates. IPART released a draft report on this matter on the 22nd of September 2015. This report can be found at: <http://www.ipart.nsw.gov.au/>

The Government is also implementing a range of reforms in relation to land access including implementing transparent requirements and processes for the selection of arbitrators, and public consultation and release of land access guidelines. The Government is also on track to introducing legislation in 2015 to implement recommendations made by Bret Walker SC in relation to land access.

Separately the Government has recently concluded formal consultation on the establishment of a Community Benefits Fund for communities that will be affected by onshore gas development. Further information on this matter can be found at: <http://www.resourcesandenergy.nsw.gov.au/landholders-and-community/coal-seam-gas/community/community-benefits-fund>

11. What progress has been made to date in implementing recommendation 4 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014? In answering this question, please list each discrete action taken.

12. When will there be full implementation of recommendation 4 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014?

ANSWER (11-12)

The Government will undertake an assessment of the whole-of-government cost for the regulation of the coal seam gas industry in the near future. The assessment will take place following the completion of the buy-back scheme and the implementation of new regulations for the industry.

Once the assessment has been completed an annual statement on this matter will be provided as part of the Budget process.

13. What progress has been made to date in implementing recommendation 5 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014? In answering this question, please list each discrete action taken.

14. When will there be full implementation of recommendation 5 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014?

ANSWER (13-14):

Recommendation 5 has already been implemented. The Government has banned CSG activities within 2km of residential areas and protected critical industry clusters. The Government will soon be legislating to establish a Strategic Release Framework for future titles and to take National Parks out of existing titles. Future titles will only be released by the Government following a triple-bottom line assessment of environmental, economic and social factors. Unlike the Labor Party, the whole state will not be open to coal seam gas titles.

15. What progress has been made to date in implementing recommendation 6 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014? In answering this question, please list each discrete action taken.

16. When will there be full implementation of recommendation 6 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014? In answering this question, please list each discrete action taken.

ANSWER (15-16):

NSW will move to establish a single Act for all onshore subsurface resources (excluding water). This will require a number of legislative steps.

17. What progress has been made to date in implementing recommendation 7 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014?

18. When will there be full implementation of recommendation 7 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014? In answering this question, please list each discrete action taken.

ANSWER (17-18):

Recommendation 7 has already been implemented. The Government has appointed the Environment Protection Authority as the sole authority responsible for compliance and enforcement of consent conditions for coal seam gas activities (excluding work health and safety), separating these functions from the allocation of exploitation rights.

19. What progress has been made to date in implementing recommendation 8 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014?
20. When will there be full implementation of recommendation 8 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014? In answering this question, please list each discrete action taken.

ANSWER (19-20):

The Government has reviewed all the codes and conditions which regulate the onshore petroleum industry. Updated codes came into effect on 1 July 2015.

This includes the commencement of Improved Management of Exploration Regulation (IMER) which delivers tough new streamlined rules across all onshore exploration activities, the introduction of new minimum standards for petroleum exploration, and the release of the *Petroleum Drilling and Well-Servicing Competencies* guideline.

21. What progress has been made to date in implementing recommendation 9 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014? In answering this question, please list each discrete action taken.
22. When will there be full implementation of recommendation 9 the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014?

ANSWER (21-22):

The Government is examining whether a three-layered security framework could bring additional benefits to the state, noting the existing security fund framework.

23. What progress has been made to date in implementing recommendation 10 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014? In answering this question, please list each discrete action taken.
24. When will there be full implementation of recommendation 10 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014?

ANSWER (23-24):

The Division of Resources and Energy is jointly developing the Environmental Data Portal with the Department of Finance, Service and Innovation (DFS). Phase 1 will be completed in September 2015 which includes a market analysis of existing government portals, resulting in the identification of data assets, user requirements, internal and external specifications, and the development of a Business Review Document with recommendations for Phase 2.

Phase 2 will commence in January 2016 and encompass the portal design, build, and deployment. A Go-Live date is expected for mid- 2016.

The launch of Common Ground also allows the public to easily access a single source of information about exploration and mining activities in NSW.

25. What progress has been made to date in implementing recommendation 11 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014? In answering this question, please list each discrete action taken.
26. When will there be full implementation of recommendation 11 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014?

ANSWER (25-26):

The Government is currently examining the development of a centralised Risk Management and Prediction Tool.

27. What progress has been made to date in implementing recommendation 12 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014? In answering this question, please list each discrete action taken.

28. When will there be full implementation of recommendation 12 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014?

ANSWER (27-28):

Recommendation 12 has already been implemented. On the 11th of August 2015 the NSW Government announced the establishment of the Gas Industry Social Environmental Research Alliance (GISERA) in NSW. GISERA will see the CSIRO undertake regular and constant research into the impacts of CSG projects on the environment and communities. The research will be controlled by an independent, community led board, with all work being made public upon completion.

29. What progress has been made to date in implementing recommendation 13 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014? In answering this question, please list each discrete action taken.

30. When will there be full implementation of recommendation 13 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014?

ANSWER (29-30):

The Government has announced that it is investing an additional \$23m to enhance its ability to map, monitor and protect groundwater resources across NSW. This project started with the Gunnedah, Gloucester and Clarence Moreton basins and is now being rolled out across the state. The mapping results are available online and will support Government, industry and community to quickly identify and respond to pressure on our water resources.

The Environmental Data Portal will also provide open access to broader environmental data relevant to gas extraction. As such, all this work will be available to GISERA.

The NSW Government has engaged GeoScience Australia to undertake a \$1.4 million, three-year CSG Subsidence Pilot Study to investigate the subsidence effects of CSG production. We are also working with GeoScience Australia on a CSG-related Seismic Monitoring Project to check for any indications of increased seismic activity as a result of CSG extraction.

31. What progress has been made to date in implementing recommendation 14 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014? In answering this question, please list each discrete action taken.

32. When will there be full implementation of recommendation 14 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014?

ANSWER (31-32):

Guidelines were released in July on petroleum drilling and well servicing competencies.

33. What progress has been made to date in implementing recommendation 15 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014? In answering this question, please list each discrete action taken.
34. When will there be full implementation of recommendation 15 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014?

ANSWER (33-34):

The Government is ensuring that all legacy matters associated with prior coal seam gas development are being managed – particularly in areas where titles have been extinguished through the NSW Government’s PEL buy-back scheme. The Derelict Mines Program has developed a screening and risk assessment process for derelict petroleum wells based on structural integrity and environmental impact. One hundred and ten site inspections were conducted for the highest risk wells

35. What progress has been made to date in implementing recommendation 16 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014? In answering this question, please list each discrete action taken.
36. When will there be full implementation of recommendation 16 of the final report of the NSW Chief Scientist and Engineer on coal seam gas dated September 2014?

ANSWER (35-36):

This issue will be considered in the development of a single onshore resources Act.

37. Has there been an increase in the number of suicides and mental health occurrences affecting electricity workers in NSW?

ANSWER:

An employer is not always aware, because of privacy laws, of the nature of an employees’ medical reasons for being absent from the workplace. A finding of death by suicide is generally a determination of police or the coroner and is not the subject of speculation by employers. There is therefore no reliable information available to answer this question.

A recent report titled “State of Workplace Mental Health in Australia” by Beyond Blue found that “one in five Australians (21%) have taken time off work in the past 12 months because they felt stressed, anxious, depressed or mentally unhealthy.” There is no reason to think that electricity network employees would not represent a cross section of the community.

38. Regarding Ms Rachel Connell:

- a) When did Ms Rachel Connell leave the Office of Coal Seam Gas?
- b) Where is Ms Connell now employed?
- c) In which position?
- d) How did she come to occupy that position?
- e) Was the position she now holds advertised?
- f) When, where and for how long was it advertised?
- g) How many persons applied for that position?
- h) How many persons were interviewed?

- i) By whom were applicants interviewed?
- j) When was Ms Connell informed she was successful in obtaining the position?
- k) When did Ms Connell start in the position?
- l) To whom and what position does she now report?
- m) What is the salary or salary band of the position she now holds? What is the total remuneration of the position she now holds?

ANSWER:

- a) 16 January 2015.
- b) Department of Primary Industries, NSW Department of Industry, Skills and Regional Development (Department of Industry).
- c) Deputy Director General, Strategy and Policy.
- d) Ms Connell applied for the position when it was externally advertised and was selected as the successful applicant by the assessment panel.
- e) Yes.
- f) The role was advertised between 5 – 17 November 2014 on Jobs NSW, seek.com, the Sydney Morning Herald and the Australian Financial review
- g) 19.
- h) Five.
- i) Four candidates were interviewed by Mr Scott Hansen (Director General, Department of Primary Industries) and Ms Erica Stafford (Group Manager Organisational Performance, Department of Industry).
One candidate interviewed by Mr Scott Hansen and Ms Meg Graham (Executive Director, People Learning Culture, Department of Industry) as the candidate applied and was shortlisted for two positions.
- j) 12 December 2014.
- k) 19 January 2015.
- l) Mr Scott Hansen, Director General, Department of Primary Industries (Department of Industry).
- m) SES Band 2; \$244,853 per annum.

39. What is the salary or salary band of the former position of Director, Office of Coal Seam Gas?
What is the total remuneration of that former position?

ANSWER:

Notional salary is \$195,205 per annum. Remuneration is \$213,750 per annum.

40. Why was the Office of Coal Seam Gas abolished?

- a) When was this decided?
- b) Who made the decision?

ANSWER:

The Office of Coal Seam Gas was dissolved on 1 September 2015.

The decision was made by the Deputy Secretary Resources & Energy to integrate the functions back into the relevant functional areas within the Division of Resources and Energy (DRE).

41. Where do the functions of Office of Coal Seam Gas now reside in your portfolio, in which position(s) in which division in which agency?

ANSWER:

DRE remains responsible for the assessment and granting of petroleum titles, activity approvals and the compliance and enforcement of work, health and safety related conditions. These are functions also performed across other classes of mineral commodities.

The Office of Coal Seam Gas ceased to operate formally from 1 September 2015 and its remaining staff have been integrated back into the relevant functional areas within DRE.

42. Which person(s) now exercise the functions of the former Director, Office of Coal Seam Gas?

ANSWER:

The functions have been absorbed into the relevant functional areas of DRE.

Mental Health of Workers

43. Are you aware of the number of power workers have taken their own life in the past 3 years or had mental health issues including breakdowns and depression?

ANSWER:

See response to Question 37.

44. Minister I am of the understanding that there is a high level of angst felt among power workers due to the amount of workplace change, uncertain futures and severe deterioration of morale as a result of aggressive management. Have you heard these same reports?

ANSWER:

The NSW Government introduced a Network Reform Program in July 2012, adopting elements of a model proposed by the ETU prior to the March 2011 State Election. The objective of the Network Reform Program was to put an end to double digit increases in electricity prices for families and businesses. Change is difficult for any organisation and effective consultation and employee support has been a hallmark of the reform program over the past 3 years.

45. Do you think the risk of suicide and mental health related issues could be reduced in the electricity sector namely at Ausgrid, Endeavour Energy and Essential Energy?

ANSWER:

See response to Question 37.

46. Is it true that in recent times Ausgrid have deployed additional employee assistance program resources to deal with a spike in employees seeking assistance and if so can you please outline what additional services have been made available, when they were engaged and what prompted their introduction?

ANSWER:

Ausgrid, Essential Energy and Endeavour Energy have employee assistance programs to support the health and wellbeing of employees and their families. Each organisation has incorporated

mental health awareness programs as part of their employee assistance programs consistent with good practice. As part of its program, Ausgrid engaged the “Beyond Blue” organisation in 2011 and again in early 2014 to provide mental health awareness sessions.

47. Will you and your government commit to doing whatever is necessary to reduce any future risk of suicide or mental illness within the electricity sector?

ANSWER:

Programs are already in place to identify and support employees who may suffer health issues, including mental health issues.

Blue Scope Steel

48. As Minister for Industry, can you please advise what measures, if any, that the NSW Government is undertaking to support the ongoing operation and retention of hundreds of regional jobs at Blue Scope Port Kembla?

ANSWER:

The NSW Government is working closely with BlueScope, the Commonwealth Government, and members of the Illawarra business community to support BlueScope and the Illawarra region during the current period of structural adjustment.

I met with BlueScope management, the then Commonwealth Minister for Industry and Science and local stakeholders on 7 September 2015 to discuss issues relating to the future viability of the steel works. I am considering, in consultation with the Commonwealth, BlueScope and the Illawarra business community, a number of options regarding the ongoing viability of the Port Kembla steel works and the Illawarra Region.

49. If Blue Scope Steel seeks financial assistance from the NSW Government, will you as minister do whatever possible to secure this assistance? What will you do?

ANSWER:

See response to question 48.

Publicly Owned Electricity Companies Employment

50. The Electricity Network Assets (Authorised Transactions) Act provides that network operators will “not implement a program of forced redundancies (except by agreement with the affected employees or in accordance with the Fair Work Act)”. Why then is Networks NSW, Ausgrid and Endeavour Energy now attempting to introduce forced redundancies without the agreement of the workforce?

51. Will you guarantee that a policy of no forced redundancy will be maintained as it was intended under the electricity Network Assets (Authorised Transactions) Act?

52. Do you believe that the publicly owned electricity companies should explore every available opportunity to maximise employment opportunities and staff retention including seeking contestable work?

Electricity Generator Authorised Transaction Bill 2012

53. Clause 3, Schedule 4 of the Electricity Network Assets (Authorised Transactions) Act sets out the minimum staffing levels for the industry as follows:-

3 Minimum number of employees

(1) For each relevant period during the employment guarantee period, the number of full time equivalent employees of a network operator must not be less than the appropriate staffing level for the relevant electricity network SOC.

(2) The "appropriate staffing level" for an electricity network SOC is the number of full time equivalent employees that is sustainable in the context of business revenue resulting from the AER Final Determination for the SOC as determined in accordance with the business practices of the SOC, being:

(a) for Ausgrid-3,570 full time equivalent employees, or

(b) for Endeavour Energy-2,100 full time equivalent employees, or

(c) for TransGrid-1,000 full time equivalent employees.

Can you confirm that these numbers are of direct employees in filled positions and do not include consultants, contractors or other forms of engagement of labour?

54. Under the Electricity Generator Authorised Transaction Act 2012 Act 2012 section 16 (4) covers future employment of apprentices as follows:

(4) The Treasurer is to take all reasonable steps to ensure that, under the transaction arrangements with all private sector employers, a total of at least 150 apprenticeships is maintained in the electricity generation businesses of those employers in NSW during any employment guarantee period under this section.

The timeline for purchases was as follows with the 2 year employment guarantee period for each commencing at the time of sale.

- *1 July 2013 – Origin Energy buys Eraring Energy*
- *25 July 2013 – Energy Australia buys "Delta West"*
- *2 September 2014 – AGL buys Macquarie Generation*
- *29 December 2014 – Snowy Hydro buys Colongra Gas Fired Power Station*
- *Delta Coastal (Vales Point + Munmorah Development Site) yet to be sold*

- a) Can you advise how many apprentices were employed by each of the above electricity generators for the 2013-14 and 2014-15 Financial Years?
- b) Can you explain what steps she and/or her predecessors took to ensure that a minimum of 150 apprentices were employed by these generators as required by law?
- c) In the event there was less than 150 employed
 - i. How did this situation eventuate and what steps were taken by the treasurer to try and prevent it?

55. What penalties applied for these electricity generators for breaching the electricity generator authorised transaction bill 2012?

ANSWER (50-55):

These questions are better directed to the Treasurer, The Hon Gladys Berejiklian.

Brian Doyle

56. In which agency in your portfolio is Mr Bryan Doyle, the Member for Campbelltown up until March 2015, now employed?

- a) What is Mr Doyle's position title?
- b) Is this a permanent position?
- c) What is the salary or salary band for that position? What is the total remuneration for that position?
- d) Who does Mr Doyle report to?
- e) What do his day to day duties involve?

- f) Was the position advertised?
- g) Where was it advertised and for how long?
- h) How many people applied?
- i) Was Mr Doyle interviewed for the position and by whom?
- j) What specific relevant experience does Mr Doyle bring to role he has been appointed to?

ANSWER:

- a) NSW Department of Industry, Skills & Regional Development, Resources & Energy Division; Manager, Performance Reporting.
- b) Yes.
- c) Base salary range - \$116,042 - \$134,202 (Total remuneration package is up to \$148,763).
- d) Douglas Revette, Executive Director, Governance in the Division of Resources & Energy.
- e) Performance measurement and evaluation, risk assessment and audit and support to the Director Professional Standards.
- f) Yes.
- g) The position was advertised on Jobs NSW on 17 April 2015 for a period of 14 days (posting expired on 30 April 2015) and seek.com.
- h) 35.
- i) Yes by Douglas Revette (Executive Director Governance), Virginia McKay (A/Director Professional Standards) and Ruth Scott (Recruitment Contractor).
- j) Mr Doyle brings significant relevant experience in developing and implementing performance measurement systems and frameworks in a Professional Standards function as well as experience in investigations, compliance, audit and risk.

57. Were you aware that Mr Doyle had applied for that position before he was appointed?

ANSWER:

I was aware that he had applied for a position, but I was not aware of that specific position.

58. When and how did you become aware?

ANSWER:

Mr Doyle informed me upon applying for the role earlier this year.

59. If you were not aware, was your office aware? If yes, who in your office became aware and how did they become aware?

ANSWER:

N/A

60. Were you a referee for Mr Doyle?

ANSWER:

No.

61. Were any Members of Parliament referees for Mr Doyle? If so, who were his referees?

ANSWER:

No.

62. When did the position in which Mr Doyle is now employed come into existence?

ANSWER:

September 2014.

63. When did you become aware that Mr Doyle was employed in a position in an agency in your portfolio?

ANSWER:

After Mr Doyle informed me that his application for a role in an agency within my Department was successful.

64. How did you become aware?

ANSWER:

See response to Question 63.

Labour Expenses Cap

65. How much has been saved in each agency in your portfolio by the application of the labour expenses cap in the last four financial years, and what is expected to be saved in the present financial year, and across the forward estimates?

ANSWER:

The Industry, Resources & Energy portfolio is part of the principal Department (NSW Department of Industry, Skills and Regional Development from 1 July 2015, and NSW Trade & Investment up to 30 June 2015).

The labour expense cap was implemented during the 2012/2013 budget process. Expected savings imposed as part of the 2012/2013 budget were:

Agency	Unescalated 2012/2013 dollars for comparability			
	2012/2013	2013/2014	2014/2015	2015/2016 and ongoing
Principal Department	\$7,911,000	\$12,504,000	\$17,808,000	\$23,270,000
Total	\$7,911,000	\$12,504,000	\$17,808,000	\$23,270,000

The labour expense cap is a budget control limit and is adjusted annually as part of the budget process. The Department's budget was reduced by the savings amount required. Savings required to live within the labour expense cap have been delivered.

Ministerial Office Administration

66. How many staff are in your ministerial office?

- a) What was the average salary for staff members in your office during 2014-15?

- b) What is the average salary for a ministerial staffer in your office based on current appointments?

ANSWER:

Ministers' staff numbers and salary bands are available on the DPC website.

67. How many blackberries/smart phones are assigned to your staff?
- a) For each phone, how much was each bill in the past financial year?
- b) How many phones have been lost or replaced due to damage in your office?
- i. What is the cost of replacing those phones?

ANSWER:

There were 227 phones in use across all Ministers' offices in 2014/15. The total usage cost of these smart phones and other mobile devices was \$354,992, a 37 per cent reduction on 2008/09 expenditure of \$578,691. There were 10 lost devices (phones and iPads) across the Ministry in 2014/15. The cost of replacing any lost or stolen devices is claimed through the NSW Treasury Managed Fund.

68. How many iPads or tablets does DPC assign to your Ministerial office and to whom have they been issued?
- a) What is the cost of providing iPads or tablets to your Ministerial Office?
- b) How many iPads or tablets have been replaced due to lost or damage?
- i. What was the cost of replacing these devices?

ANSWER:

There were 130 iPads in use across all Ministers' offices in 2014/15. There were 10 lost devices (phones and iPads) across the Ministry in 2014/15. The cost of replacing any lost or stolen devices is claimed through the NSW Treasury Managed Fund.

69. Did any your or your ministerial staff incur data charges on a mobile phone or tablet device greater than \$1000 for a single billing period?
- a) If so, how many times did this occur?
- i. What was the individual cost of each data charge over \$1000 for a single billing period?

ANSWER:

The total usage cost of mobile devices such as smart phones and iPads across all Ministers' offices including data charges was \$354,992 in 2014/15, a 37 per cent reduction on 2008/09 expenditure of \$578,691.

70. Has any artwork been purchased or leased for display in your office?
- a) What is the cost of this?

ANSWER:

N/A

71. Have any floral displays or indoor plants been hired or leased for display in your ministerial office?
- a) If so, what was the cost of these items?

ANSWER:

N/A

72. What is the total cost of all subscriptions by you and your staff to online news services, newspapers, magazines, journals and periodicals?

- a) What are these services/newspapers/magazines/journals/periodicals?
 - i. Who is the subscriber for each of these?

The Minister's office subscribes to a modest number of publications, the cost of which is managed within the office's budget.

73. What was the total value of all gifts purchased for use by you and your office?

- a) What were the gifts purchased?
 - i. Who were they gifted to?

ANSWER:

N/A

74. Do you purchase bottled water or provide water coolers for your office?

- a) What is the cost of this?

ANSWER:

N/A

75. Can you advise the names of all contractors/consultants employed and/or paid for by your office, under any agreement, contract or fee-for -service arrangement in 2014-15?

- a) Do they have ABN's?
 - i. If so, please provide details?
- b) Details of paid or unpaid invoices and amounts?
- c) Details of services and fees provided by each contractor and or consultant?

76. Details of the agreement between your office and any contractors/consultants engaged by your office?

ANSWER (75-76):

The Ministry did not engage any consultants during 2014/15. Information regarding the use of contractors was recently disclosed in response to a GIPA application and was published on the Department of Premier and Cabinet's disclosure log.

Ministerial And Office Travel

77. Have any of your overseas trips in the past year been paid for in part or in full by using public money?

- a) If so, did any of your relatives or friends accompany you on these trips?

ANSWER:

Details of overseas travel including costs are published on the Department of Premier and Cabinet's website.

78. Have you undertaken any official overseas travel that was privately funded?

- a) What were the nature of these trips?
- b) Who paid for these trips?

ANSWER:

N/A

79. What was the total bill for your office in 2014-15 for:

- a) Taxi hire
- b) Limousine hire
- c) Private hire care
- d) Hire car rental

ANSWER:

Expenditure on taxis across the Ministry in 2014/15 was \$84,257. This compares with 2009/10 expenditure of \$175,776.

80. Have you ever used Uber?

- a) If yes, were any of these occasions in an UberX vehicle?

81. Have you or anyone in your office used Uber services travelling to or from work-related events, meetings or functions?

- a) Were any of those services in an UberX vehicle?

82. Have you or anyone in your office sought reimbursement for using Uber services to travel to or from work-related events, meetings or functions?

- a) What is the value of those reimbursements?

83. Have you used Airbnb?

84. Have you or anyone in your office used Airbnb as an accommodation solution whilst travelling on official business?

85. Have any planes or helicopters been chartered by you or your office and paid for with public money?

- a) If yes, will you please detail each trip, the method of transport and the cost?

ANSWER (80-85):

No.

86. What non-standard features are fitted to your ministerial vehicle?

- a) What is the cost of each non-standard feature?

ANSWER:

N/A

Labour Hire Firms

87. Do any Departments/agencies within your portfolio responsibilities utilise the services of Labour Hire Firms? If yes, please advise in table form:

- a) The names of the firms utilised
- b) The total amount paid to each firm engaged

ANSWER (a-b):

Supplier (Labour Hire Firm)	Sum of Total invoice amount FY 2014/15 (ex GST)
------------------------------------	--

AAR Consulting Group Pty Ltd	\$4,949.10
Alexander Appointments Pty Ltd	\$40,545.08
Allstaff Australia Pty Ltd	\$174,806.78
Australia Personnel Global	\$23,165.14
Challenge Recruitment Ltd	\$147,638.33
Chandler Macleod Group Limited	\$1,696,168.13
Charterhouse Partnership	\$192,411.72
City Plan Heritage	\$20,900.00
Clarius	\$86,401.57
Clicks Recruit (Australia) Pty Ltd	\$71,836.33
Complete Staff Solutions Pty Limited	\$923,259.70
Conduit Recruitment	\$27,959.05
Cox Purtell Staffing Services	\$27,933.49
DOB Enterprises Pty Ltd T/as MBC Recruitment	\$39,632.82
Enterprise IT Resources	\$247,742.52
Finite Group APAC Pty Ltd	\$380,510.00
Forsythes Recruitment (Newcastle) Pty Limited	\$183,639.20
Greythorn Pty Ltd	\$299,454.72
Griffiths Skills Training Centre Inc	\$115,256.53
Hays Specialist Recruitment	\$1,580,230.44
HOBAN Recruitment Pty Ltd as trustee for Hoban Recruitment Trust	\$11,300.40
IT Matters Recruitment Services	\$160,195.04
Jobs Australia Enterprises	\$70,593.11
JP Solutions Australia Pty Ltd	\$27,087.65
Julie Reid Management Pty Ltd	\$42,393.75
KellyServices Australia	\$1,368,000.20
Launch Recruitment	\$32,282.94
Marinov Consulting P/L aka MCS Consulting	\$254,494.64
MCJ Appointments Pty Ltd	\$202,586.95
Michael Page International (Australia) Pty Limited	\$2,236.88
National Workforce Pty Ltd	\$69,696.20
NORTEC Staffing Solutions	\$37,469.44
Oxbow Pty Ltd	\$33,352.89
Peoplebank Australia Limited	\$1,117,075.33
peoplefusion	\$118,114.12
Professional Recruitment Australia Pty Ltd	\$101,124.40
Quay Appointments Pty Ltd	\$494,169.69
Randstad Pty Ltd	\$2,351,701.24
Record Information Management Solutions	\$229,917.66
Reed Specialist Recruitment	\$116,154.65
Skilled Group Limited	\$301,888.46
Smalls Recruiting	\$4,438,636.39
Talent International (NSW) Pty Ltd	\$2,644,230.84
The Next Step	\$19,567.80

Toll People	\$2,335.53
Total Resource Solutions (TRS) Pty Ltd	\$88,900.00
TRC Group	\$733,845.24
Workforce Extensions Tamworth	\$32,771.69
Grand Total	\$21,386,563.77

c) The average tenure period for an employee provided by a labour hire company

ANSWER:

309.14 calendar days

d) The longest tenure for an employee provided by a labour hire company

ANSWER:

1,799 calendar days

e) The duties conducted by employees engaged through a labour hire company

ANSWER:

The Department engages employees through labour hire companies to perform a range of duties, from administration through to technical and professional responsibilities, according to business need.

f) The office locations of employees engaged through a labour hire company

ANSWER:

Alexandria
Ashfield
Ballina
Balranald
Orange
Narrabri
Newcastle
Newcastle West
Bega
Berry
Callaghan
Camden South
Chippendale
Cobar
Coffs Harbour
Cooma
Cowra
Dangar
Darlinghurst
Dubbo
East Maitland
Grafton
Gunnedah

Hay
Haymarket
Kings Park
Kingswood
Londonderry
Maitland
Moree
Newington
Parramatta
Paterson
Penrith
Port Macquarie
Queanbeyan
Scone
South Grafton
St Leonards
Sydney
Tamworth
Taree
Terry Plain
The Rocks
Thornton
Tumut
Wagga Wagga
Westmead
Wingham
Wollongbar
Wollongong
Yanco East

g) The highest hourly or daily rate paid to an employee provided by a labour hire company

ANSWER:

\$203.14.

Media And Public Relations

88. How many media or public relations advisers are employed for each of your portfolio agencies?

ANSWER:

30 FTE in 2014-15

89. What is the forecast for the current financial year for the number of media or public relations advisers to be employed and their total cost?

ANSWER:

24 FTE at estimated total salary cost of \$2,822,188.50

90. What is the total cost of media monitoring services used by Departments/agencies within your portfolio responsibilities?

ANSWER:

The department uses the centralised media monitoring service provided through DPC. This incurs no cost for the department.

91. Have you had media training or speech training?

- a) If yes, who paid for it?
- b) If paid by taxpayers, what was the amount?

ANSWER:

N/A

Consultants, Lobbyists And Former Parliamentarians

92. Have you, your office or your Departmental Officers had any meetings with former MP Chris Hartcher in the time since he has left the Parliament?

- a) Who attended those meetings?
- b) What was the nature of those meetings?
- c) What was discussed?
- d) Were any records of those meetings kept?

93. Have you, your office or your Departmental Officers had any meetings with former MP Andrew Stoner in the time since he has left the Parliament?

- a) Who attended those meetings?
- b) What was the nature of those meetings?
- c) What was discussed?
- d) Were any records of those meetings kept?

94. Have you, your office or your Departmental Officers had any meetings with former MP Tim Owen in the time since he has left the Parliament?

- a) Who attended those meetings?
- b) What was the nature of those meetings?
- c) What was discussed?
- d) Were any records of those meetings kept?

95. Have you, your office or your Departmental Officers had any meetings with former MP Craig Baumann in the time since he has left the Parliament?

- a) Who attended those meetings?
- b) What was the nature of those meetings?
- c) What was discussed?
- d) Were any records of those meetings kept?

96. Have you, your office or your Departmental Officers had any meetings with former MP Andrew Cornwell in the time since he has left the Parliament?

- a) Who attended those meetings?
- b) What was the nature of those meetings?
- c) What was discussed?
- d) Were any records of those meetings kept?

97. Have you, your office or your Departmental Officers had any meetings with former MP Chris Spence in the time since he has left the Parliament?
- Who attended those meetings?
 - What was the nature of those meetings?
 - What was discussed?
 - Were any records of those meetings kept?
98. Have you, your office or your Departmental Officers had any meetings with former MP Darren Webber in the time since he has left the Parliament?
- Who attended those meetings?
 - What was the nature of those meetings?
 - What was discussed?
 - Were any records of those meetings kept?
99. Have you, your office or your Departmental Officers had any meetings with former MP Garry Edwards in the time since he has left the Parliament?
- Who attended those meetings?
 - What was the nature of those meetings?
 - What was discussed?
 - Were any records of those meetings kept?
100. Have you, your office or your Departmental Officers had any meetings with former MP Bart Bassett in the time since he has left the Parliament?
- Who attended those meetings?
 - What was the nature of those meetings?
 - What was discussed?
 - Were any records of those meetings kept?

ANSWER (92-100):

Information regarding scheduled meetings held with stakeholders, external organisations and individuals are published in accordance with Memorandum 2015-07 Publication of Ministerial Diaries.

The Government has disclosed 3,934 meetings since the policy commenced in July 2014.

101. Has the consultancy company Premier State done any consultancy work for the Department? If so what projects was Premier State consulted on?
- What was the cost of the consultancy work for each project?
 - Was there a tender process for these projects?
102. Does Premier State currently have any contract work with the Departments/agencies under your portfolio responsibility?
- If yes, what is their role in the project?

ANSWER (101-102):

No.

Consulting

103. How much have the Department/agencies under your portfolio responsibility spent in legal costs?
- For what specific purposes or matters was legal advice sought?

ANSWER:

The Department of Industry, Skills and Regional Development spent \$6,573,353.90 incl. GST on external law firms and barristers.

The spend related to over 200 matters and included general legal advice on the Department's functions, prosecutions including in relation to mine safety, drafting of commercial agreements and legislative reviews.

104. Have Department/agencies under your portfolio engaged any consultants to provide the following services or advice:
- a) Social media
 - i. And the cost of these services
 - b) Photography
 - ii. And the cost of these services
 - c) Acting training
 - iii. And the cost of these services
 - d) Ergonomics
 - iv. And the cost of these services

ANSWER:

- a) No
 - i) N/A
- b) Yes
 - ii) \$3,421.02 in 2014-15
- c) No
 - iii) N/A
- d) The department only engages consultants to provide workplace assessments and ergonomic advice where an individual employee has been identified with pre-existing medical condition.
 - iv) \$3,200

Department/Agency Administration

105. How many redundancies were processed by Departments/agencies within your portfolio responsibilities during 2014-15?
- a) Of these redundancies, how many were:
 - i. Voluntary
 - ii. Forced
 - b) What was the total cost of all redundancies?

ANSWER:

The former Department of Trade and Investment processed 51 voluntary redundancies and 5 forced redundancies in the 2014/15 financial year. The total cost of these 56 redundancy payments was \$7,563,483.

These figures include all Divisions of the former department but do not include Executive Agencies.

106. Have any staff who received a redundancy in the last two years undertaken any paid work or provided any paid services for the agency with which they were formerly employed?
- What was the nature of these works/services?
 - What was the total cost of these works or services?

ANSWER:

The Department ensures that former staff who have been made redundant cannot be reemployed as employees or engaged as consultants or contractors within the period of their severance pay. Apart from this check the Department does not correlate information that tracks former staff who may undertake work in any capacity beyond their severance period. No former employee has been re-engaged during their period of severance.

107. Are any staff formerly employed by your ministerial office now employed by Departments/agencies under your portfolio responsibility?

ANSWER:

No.

108. How many staff were dismissed from Departments/agencies under your portfolio responsibilities in 2014-15?
- What were the reason/s for each dismissal?

ANSWER:

Five.

- Inappropriate behaviour in the workplace; misrepresentation during recruitment process; attempted fraud; poor performance; unsatisfactory attendance record.

109. How much was spent on corporate hospitality by Departments/agencies within your portfolio responsibilities during 2014-2015?
110. How much was spent on indoor plant hire and maintenance by Departments/agencies within your portfolio responsibilities during 2014-2015 year?

ANSWER (109-110):

Financial statements are available in agency annual reports.

111. How much did Departments/agencies within your portfolio responsibilities spend on restaurant bills during the year 2014/2015?
- How much of these bills were alcohol?

ANSWER:

Costs for restaurant meals incurred by employees of NSW Department on Industry (and former NSW Trade & Investment) in the conduct of official business are managed within goods and services expenditure and approved in accordance with the Department's Travel Policy (TI-A-160).

112. Were instances of internal fraud detected by Departments/agencies within your portfolio responsibilities during 2014-2015?
- What was the sum total of any such fraud and what was the result of any investigations?

ANSWER:

Yes. \$17,000. The employee was terminated.

113. How large is the Department's vehicle fleet?
- a) What is the composition of this fleet in terms of engine size?
 - b) How many of the fleet were involved in an accident during the year 2014-2015?
 - c) What was the total cost of insurance claims and repairs?
114. How much did departments/agencies spend on newspaper and journal subscriptions during 2014-2015?

ANSWER:

Financial statements are available in agency annual reports.

115. How many SES employees are employed within departments/agencies under your ministerial portfolio?
- a) What is their remuneration band?
 - b) For each SES employee, how many have:
 - i. 0 staff reporting to them;
 - ii. less than 2 staff reporting to them; and
 - iii. less than 5 staff?

ANSWER:

190 as at 8 July 2015.

- a) 158 SE Band 1 or equivalent
26 SE Band 2 or equivalent
5 SE Band 3 or equivalent
1 SE Band 4
 - b)
 - i. 13
 - ii. 2
 - iii. 52
116. How many sick days, leave days or days attributable to workers compensation were lost for each department/agency within your portfolio responsibility during 2014-15 for:
- a) workplace bullying;
 - b) stress leave; and
 - c) sick leave?

ANSWER:

- a) There have been no workers compensation claims accepted for liability due to alleged workplace bullying during 2014/15.
 - b) The department does not keep statistics on personal medical conditions.
 - c) The department does not record statistics on cause of illness from medical certificates. Common practice with treating medical practitioners is to note the medical certificate with "unfit for normal duties due to a medical condition".
117. Do any of the departments/agencies under your portfolio area employ actors for staff training?
- a) If so, what is:
 - i. the size of the contract for the provision of actors for staff training in your departments?

- ii. the term of the contracts for the provision of actors for staff training in your departments?
- iii. the tender numbers for each of the contracts?

ANSWER:

No.

Department/Agency Travel

118. What was the total expenditure in 2014-15 by Departments/agencies within your portfolio on:
- a) Taxi hire
 - b) Limousine/private car hire
 - c) Hire car rental

ANSWER:

Expenditure in relation to taxi and private care hire incurred by employees of NSW Department on Industry (and former NSW Trade & Investment) in the conduct of official business is managed within goods and services expenditure and approved in accordance with the Department's TI-A-131 motor vehicle policy

119. Do the Departments/agencies within your portfolio have a policy on utilising Uber services for travel on official business?

ANSWER:

No.

120. Have staff in your Department/agencies either paid for with departmental funds or been recompensed for official travel using Uber services?
- a) Were any of these payments for UberX services?

ANSWER:

Yes.

- a) No.

121. Have staff in your Department/agencies either paid for with departmental funds or been recompensed for official travel using Airbnb services?

ANSWER:

No.

122. Did any officers within departments/agencies under your ministerial portfolio use charter aircraft during the year 2014-2015?
- a) If so what was the purpose and cost?

ANSWER:

Yes

- a) Primarily for aerial animal control at a cost of approximately \$512,000 and Hunter Valley flood relief at a cost of approximately \$79,000.

Departmental/Agency IT

123. Do the Departments/agencies within your portfolio have an iTunes account?
- a) What was the total expenditure in 2014-15 on iTunes?
- i. What applications/subscriptions/services were purchased through iTunes?

ANSWER:

The Department does not have a Corporate iTunes account.

- a) \$912 (GST exclusive).

i.

Application		Spend
icloud memory	\$	3.51
icloud storage	\$	3.51
Media app subscription	\$	54.04
Notability for iPad to sign contracts	\$	3.45
Queensland Weed App	\$	2.26
Remote Access to security system	\$	5.90
Smithsonian Magazine	\$	22.72
Subscription - Daily Telegraph	\$	247.11
Subscription - Sydney Morning Herald	\$	239.88
Subscription - The Australian	\$	194.45
WREAP audit apps	\$	135.23
Total	\$	912.06

124. Do the Departments/agencies within your portfolio have an Android account?
- a) What was the total expenditure in 2014-15 on Android?
- i. What applications/subscriptions/services were purchased through Android?

ANSWER:

The Department does not have Android accounts.

125. How many Department/agency mobile phones, tablets and laptops were replaced due to loss or damage during 2014-2015?
- a) What was the total cost of replacing these items?

ANSWER:

46 devices (excluding laptops) were replaced under warranty at no cost to the Department.

For the other 424 devices out of warranty, the Department practice is to replace the phones or tablets with a second hand device. These devices will usually incur no cost as they are usually out of warranty and, as such, have no residual value. The business may elect to take the opportunity to upgrade to a new device.

Modems and non-Smartphones are replaced by the providers at no cost to the Department.

The 1 laptop was replaced at a cost of \$1200 including GST.

126. Did any staff within departments/agencies within your portfolio responsibilities incur data charges on a mobile phone or tablet device greater than \$1000 for a single billing period?
- a) If so, how many times did this occur?
- i. What was the individual cost of each data charge over \$1000 for a single billing period?

ANSWER:

Yes.

Questions from Hon John Kaye MLC

Draft Wind Planning Guidelines

127. What is the current status of the NSW Planning Guidelines for Wind Farms?

- (a) Are the guidelines still in draft form?
 - i. If so, is the Baird government planning to formalise them?
- (1) If so when.

- (b) The guidelines are listed on the Department of Planning and Environment's website as a "useful resource."
 - i. Are proposed wind farm projects, both current and future, required to abide by the guidelines even though they are in draft form?

ANSWER:

These questions are better directed to the Minister for Planning, The Hon Rob Stokes.

Federal Renewable Energy Target

128. On 18 May 2015, the federal Coalition government struck a deal with the Labor Opposition to cut the Renewable Energy Target (RET) from 41,000 GWh to 33,000 GWh by 2020. Given that energy market analysts predict that investment in Australian projects will fall from an expected \$20.6 billion by 2020 to \$14.7 as a result of this cut:

- (a) Can the Minister please outline how the changes to the RET are expected to affect the clean energy sector in NSW, in particular:
 - i. What is the government's understanding of the total investment loss to NSW as a result of a reduction in the RET?
 - ii. Has any analysis or modelling been done to measure the impact of the cut to the sector in NSW?
- (1) If so, what did the analysis and or modelling show?
 - iii. How many job opportunities in NSW have been impacted by the cut to the RET?
- (b) Is the Baird government considering the introduction of a state-based renewable energy scheme in order to address the loss of investment expected as a result of the cut to the RET?
 - i. If not why not?

ANSWER:

The NSW Government is a long-time supporter of the Commonwealth Renewable Energy Target. With the RET now settled NSW is well placed to attract significant investment to our state.

Around 2,700 megawatts (MW) of renewable energy projects currently have development approval in NSW. On top of that, a further 5,100 MW of projects are in the planning pipeline.

These projects are worth billions of dollars. NSW can now take advantage and ensure that investment comes here.

129. Of the \$7.3 billion of clean energy projects seeking approval as of August 2014 as noted in the 2014 Renewable Energy Action Plan annual report, how many are exposed to the Renewable Energy Target?

(a) Will any of these projects not be proceeding due to cuts to the renewable energy target?

ANSWER:

See response to question 128.

State Renewable Energy Policy

130. According to the Renewable Energy Action Plan 2014 annual report, 79.5% of NSW's energy generation came from coal and just 12.9% from renewables in 2013.

(a) How are they planning to reduce the reliance on coal to meet the 20% renewable energy target by 2020 goal?

ANSWER

Under the NSW Renewable Energy Action Plan, the NSW Government detailed three goals and 24 actions to most efficiently grow renewable energy generation in NSW. The NSW Government is progressing the implementation of the Plan.

The Government has already completed more than a third of the actions, with significant progress made towards the other actions in the Plan. This includes:

- The Renewable Energy Advocate has facilitating the development of projects totalling 3,600 megawatts.
- NSW leveraging over \$582 million of Commonwealth funding for 104 renewable energy projects in NSW.
- The announcement of the NSW Smart Meter Policy, allowing metering providers to offer smart meters to customers as part of energy deals.
- Establishing the NSW Energy Innovation Knowledge Hub to foster research and innovation.

130. Is the Minister committed to a secure, affordable and renewable energy future for NSW?

The Government continues to be committed to a reliable, affordable and clean energy future for the people of NSW.

As part of the recent restructure within the Division of Resources and Energy, the Division now has a team of four professionals (including the Renewable Energy Advocate) dedicated to the development of increased investment and jobs in the renewable energy sector.

Their role is to:

- Promote investment opportunities in renewable energy projects and services
- Grow investment in the renewable energy sector
- Assist companies to achieve positive development outcomes
- Advise investors and provide a link for industry to the whole of Government regarding renewable energy projects and supply chain opportunities.

131. According to the Clean Energy Council's 2014 Clean Energy Australia Report, NSW is the poorest performing state when it comes to renewable energy generation, behind South Australia, Western Australia, Victoria, Tasmania, and Queensland.

(a) Would the Minister agree with this finding?

If not, please provide reasons.

I am advised that the share of generation from wind, solar and bioenergy sources together have more than doubled over the last four years. NSW is a strong performer in solar and is home to Australia's largest solar plant (102MW) at Nyngan, in Western NSW. There are also PV solar plants under construction at Broken Hills and Moree, as well as a concentrated solar thermal plant at Forbes.

AEMO advises that NSW currently has the most installed capacity of small commercial systems amongst the states. Commercial solar has surged in NSW, increasing by 15 times over the past five years. AEMO forecasts this capacity will be doubled by 2020 and reach ten times at 1.5 GW by 2035.

Coal industry

132. How many people are currently employed in NSW

(a) Coal mines

i. Directly

ii. Indirectly

(b) Coal fired power stations

i. Directly

ii. Indirectly

ANSWER:

Information on employment is available from a variety of sources including the companies and Coal Services.

133. Which mines in the Hunter region of NSW currently supply fuel to Bayswater coal fired power station? Please provide

(c) the names of the mines

(d) the amount that is contracted

(e) timeframes for those contracts

ANSWER:

This is a commercial matter between AGL Macquarie's Bayswater coal fired power station and its coal suppliers.

Vegetation clearing by electricity companies

134. How is the Minister addressing the concerns of community members regarding the removal of vegetation by the distribution and transmission companies?

- (a) Can the Minister please advise whether his office has received complaints of this nature and any response given.

ANSWER:

Effective control of vegetation adjacent to live electricity conductors is important for public safety, bushfire risk management and network reliability. Vegetation clearance is subject to appropriate standards and involves trained arborists in the execution of those standards. The network businesses continue to work with local councils to reduce, wherever possible, the impact on the streetscape associated with necessary vegetation control. Unfortunately, in cases where inappropriate species of tree have been planted in close proximity to live electricity conductors it is not always possible to maintain the visual amenity of the tree immediately after pruning.

(a) Yes.

NSW electricity networks trim trees to help prevent blackouts and to keep staff and the community safe. They have an obligation under *the Electricity Supply Act 1995* to reduce any potential risk to public safety from the electricity network.

Trees allowed to grow too close to powerlines can bring live wires down to the ground.

They can also start bushfires and endanger children climbing near the live electricity network.

While contractors work to balance the need for a safe electricity network with the aesthetics of local streets, the Government understands trimming can look harsh, particularly on very tall trees planted directly under the network.

That includes single-leader eucalyptus trees which are often planted by local councils across the State directly underneath powerlines, which can grow to heights of between ten and 40 metres.

It can also be hard to achieve an aesthetically pleasing cut on fast-growing species like jacarandas, which grow up to 15-20 metres tall, when they are planted near major, high-voltage powerlines.

Contractors are trained to prune trees to Australian standards to protect the health of the tree, and to long-established statewide industry standards to protect public safety.

These strict guidelines determine the minimum safety clearances around the tree according to the species, the voltage of the powerlines and whether it's in a bushfire zone.

Trees are also trimmed to allow for annual regrowth, in line with network cutting cycles. The branch is then cut to the nearest collar, or growth point, to protect the tree from infection (in accordance with *Australian Standard (AS 4373-2007) Pruning of Amenity Trees.*)

Each branch will have different locations for a growth point, meaning some trees will be pruned more than others.

The network businesses and each of their contracted tree trimming companies employ arborists or horticulturalists to inspect the work carried out by the contractors.

Any tree which is identified as potentially unsafe for any reason is reported for further detailed assessment, and action taken if necessary.

Questions from Hon Mr Jeremy Buckingham MLC

Decline of Coal

135. Given the world wide transition away from coal, which will likely accelerate with political agreement in Paris and technological advancements in renewable energy, does the NSW Government have any plan or strategy to transition regional economies away from coal?

ANSWER:

The NSW Government's Strategic Statement on Coal sets out the objectives which will guide the growth and performance of the NSW coal sector.

136. Is there a structural decline in coal mining occurring in NSW?

ANSWER:

No.

Wilpinjong

137. According to the recently released Coal Industry Profile Volume 2, Peabody produced 17.33 million tonnes of raw coal and 14.62 million tonnes of saleable coal in 2013-14 despite their conditions of consent at the time only allowing 15 million tonnes of raw and 12.5 million tonnes of saleable to be produced. Have Peabody breached their Conditions of Consent for their Wilpinjong mine?

(a) If so, what has or will be done about this?

ANSWER:

This question is better directed to the Minister for Planning, The Hon Rob Stokes.

Fit and Proper Person Test

138. What process do you go through to determine whether a company or person applying for a mining lease meets the fit and proper person test?

ANSWER:

A preliminary assessment of compliance risks is undertaken which involves searching open information sources to identify any issues in relation to the applicant or related entity with regards to considerations identified in s380A of the *Mining Act 1992*.

If requested by the decision-maker, a more comprehensive Fit and Proper Person Test will be undertaken which may involve requests for information directly from relevant persons, directions to provide information, or (if the concerns warrant a potential investigation into indicative non-compliances) third party searches undertaken in compliance with PPIPA, available MoUs and other relevant frameworks/policies.

Ministerial Staff

139. Have any of your ministerial staff been previously employed by the mining industry?

(a) If so, how many and who?

ANSWER:

None of my existing ministerial staff have been previously employed in the mining industry.

CSG Liverpool Plains

140. Do you think coal seam gas should go ahead in the Liverpool Plains?

ANSWER:

The Gas Plan demonstrates the NSW Government's commitment to support the safe, sustainable development of a local gas industry, which balances the needs of the community, the economy and the environment.

141. When do you expect to make a decision on whether to renew PEL 1 over the Liverpool Plains?

ANSWER:

A decision will be made following an assessment of relevant renewal documents.

142. When do you expect to make a decision on whether to renew PEL 452?

ANSWER:

A decision will be made following an assessment of relevant renewal documents.

Coal Production

143. How many coal mines are currently operating in NSW?

ANSWER:

46.

144. How many coal mines in NSW are in care and maintenance?

ANSWER:

55.

145. How many coal mines in NSW are abandoned?

ANSWER:

55.

146. How many coal mines in NSW have come out of care and maintenance in the past 50 years?

ANSWER:

Based on royalty data since 1 July 1989, there have been 23 mines that have commenced production after suspending mining.

147. How many million tonnes of coal production has your government approved since it came to office in 2011?

ANSWER:

This question is better directed to the Minister for Planning, The Hon Rob Stokes.

148. How many new mines or mine extensions has your government approved since it came to office in 2011?

ANSWER:

This question is better directed to the Minister for Planning, The Hon Rob Stokes.

149. How many applications for new mines or mine extensions have been rejected by your government since it came to office in 2011?

ANSWER:

This question is better directed to the Minister for Planning, The Hon Rob Stokes.

Santos Narrabri

150. When do you expect Santos to lodge their EIS?

151. Do you accept that in the current economic climate Santos will not go ahead with their Narrabri gas project?

ANSWER (150-151):

These are business and commercial decisions for Santos.

Buy Backs

152. Will the government rule out issuing new petroleum exploration licenses in the areas where buy backs have occurred?

153. Will the government rule out issuing new exploration licenses over the Central Coast?

154. Will the government rule out issuing new exploration licenses over the Sydney Basin?

155. Will the government rule out issuing new exploration licenses over the North Coast?

156. Will the Government rule out issuing new exploration licenses over the Illawarra?

157. Will the Government rule out issuing new exploration licenses over the Riverina?

ANSWER (152-157):

The NSW Gas Plan sets out the framework for the safe and sustainable development of an onshore gas industry in NSW.

Carbon Capture and Storage

158. How much CO₂ has been captured in NSW, in total, as a result of carbon capture and storage programs, excluding land use, land use change and forestry?

ANSWER:

24 tonnes of CO₂.

159. Of the CO₂ which has been captured as a result of carbon capture and storage programs, (excluding land use, land use change and forestry), how much is being permanently stored right now?

ANSWER:

Nil.

160. What percentage of captured CO₂ in NSW (excluding land use, land use change and forestry) has been subsequently released back into the atmosphere?

ANSWER:

100 per cent.

161. If any CO₂ at all has been captured and permanently stored in NSW (excluding though land use, land use change and forestry), what is the average cost per tonne of this CCS to date?

ANSWER:

N/A, as no CO₂ has been captured and permanently stored in NSW.

162. Is it true that the only known CO₂ storage in NSW in the Darling Basin, may – at the lower end of its potential capacity – only store emissions equivalent to what NSW emitted between January to end April, 2013, before it is completely full?

ANSWER:

No.

Rehabilitation Security Deposits

163. Can the Minister guarantee that the \$158,675,800 held as security for the mines operated by Metropolitan Coal Pty Limited, Wambo Coal Pty Limited and Wilpinjong Coal Pty Limited is enough to rehabilitate the three mines if Peabody goes bankrupt?

ANSWER:

The rehabilitation security bond is required to cover the full cost of all rehabilitation and closure activities that may be required to be undertaken by the NSW Government should a former leaseholder default on their rehabilitation obligations.

The rehabilitation security bond is calculated on an approved rehabilitation plan on either the ‘maximum disturbance/greatest rehabilitation liability at any one point in time’ or ‘snapshot of current disturbance’.

The latter requires a title holder to re-submit a new Rehabilitation Cost Estimate as part of the reporting process.

The adequacy of rehabilitation security bonds is reviewed regularly.

164. Can the Minister guarantee that the NSW Government currently holds enough rehabilitation security guarantees to cover the rehabilitation cost estimates for all existing coal mines in NSW?

ANSWER:

The rehabilitation security bond is required to cover the full cost of all rehabilitation and closure activities that may be required to be undertaken by the NSW Government should a former leaseholder default on their rehabilitation obligations.

The rehabilitation security bond is calculated on an approved rehabilitation plan on either the ‘maximum disturbance/greatest rehabilitation liability at any one point in time’ or ‘snapshot of current disturbance’.

The latter requires a title holder to re-submit a new Rehabilitation Cost Estimate as part of the reporting process.

The adequacy of rehabilitation security bonds is reviewed regularly.

165. When a mine is sold, does the purchaser automatically assume the full rehabilitation cost and conditions under which the mine was been approved?

ANSWER:

Yes.

166. How often is the DRE Schedule of Rehabilitation Costs reviewed?

(a) When was it last reviewed?

ANSWER:

A review of the DRE Schedule of Rehabilitation Costs including the Rehabilitation Cost Calculation Tool is currently underway as part of DRE's continual improvement of the security deposit process. The Schedule of Rehabilitation Costs was last published in February 2013.

167. Does the DRE Schedule of Rehabilitation Costs increase with CPI annually?

(a) If no, why not?

ANSWER:

The DRE Schedule of Rehabilitation Costs is based on third party rates (e.g. that which would be provided by an external contractor for quotation). A number of factors are considered in the review of the Schedule including CPI as well as market rates.

168. In her answer to the committee on rehabilitation security deposits, Deputy Secretary Kylie Hargreaves said "obviously we reconsider and revisit those bonds on a regular basis". How often are the rehabilitation cost estimates reviewed for coal mines in NSW?

(a) Is there a standard time period in which they must be reviewed for each mine?

ANSWER: Yes. Depending on the nature and scale of an operation, the review period can range from annually for dynamic operations (e.g. coal mining) to every seven years where the disturbance footprint associated with active mining remains static. In addition, where there is a change to a mining operation outside of the approved plan or where there is a change to rehabilitation, the Government undertakes a review of the security amount to account for any change to rehabilitation liability.

169. Do companies which have participated in the NSW Government's buy back scheme for petroleum exploration licenses still have a responsibility to meet their rehabilitation requirements or has this responsibility been transferred to the state?

ANSWER:

Yes.

170. What is the total rehabilitation security guarantee held by the Government for the following coal mines:

- (a) Ashton Underground
- (b) Ashton Open cut
- (c) Bengalla
- (d) Bulga Complex
- (e) Dellworth Project
- (f) Drayton
- (g) Drayton South Project
- (h) Ferndale Project
- (i) Hunter Valley Operations
- (j) Integra Uunderground
- (k) Integra Open cut

- (l) Liddell
- (m) Mangoola
- (n) Mitchells Flat Project
- (o) Monash Project
- (p) Mount Pleasant Project
- (q) Mount Thorley Warkworth
- (r) Mt Arthur
- (s) Mt Owen Complex
- (t) Muswellbrook
- (u) Ravensworth Surface Operations
- (v) Ravensworth Underground
- (w) Ridgeland Project
- (x) Rix's Creek
- (y) Sandy Creek Project
- (z) Savoy Hill Project
- (aa) Spur Hill Project
- (bb) Wambo Complex
- (cc) West Muswellbrook Project
- (dd) Abel
- (ee) Astar
- (ff) Awaba
- (gg) Bloomfield
- (hh) Chain Valley
- (ii) Donaldson
- (jj) Mandalong
- (kk) Mannering
- (ll) Myuna
- (mm) Newstan
- (nn) Tasman
- (oo) Wallarah 2 Project
- (pp) West Wallsend
- (qq) Westside
- (rr) Duralie
- (ss) Stratford
- (tt) Rocky Hill Project
- (uu) Appin
- (vv) Berrima
- (ww) Dendrobium
- (xx) Hume Project
- (yy) Metropolitan
- (zz) Russell Vale
- (aaa) Tahmoor
- (bbb) Tahmoor South Project
- (ccc) West Cliff
- (ddd) Wongawilli

- (eee) Oaklands Proposal
- (fff) Oaklands North Project
- (ggg) Airly
- (hhh) Angus Place
- (iii) Baal Bone
- (jjj) Bylong Project
- (kkk) Charbon open cut
- (lll) Charbon underground
- (mmm) Clarence
- (nnn) Cobbora Project
- (ooo) Cullen Valley
- (ppp) Inglenook Project
- (qqq) Invincible
- (rrr) Ivanhoe North
- (sss) Moolarben
- (ttt) Neubeck Project
- (uuu) Pine Dale
- (vvv) Running Stream Project
- (www) Springvale
- (xxx) Ulan Mine Complex
- (yyy) Wilpinjong
- (zzz) Boggabri
- (aaaa) Caroonna Project
- (bbbb) Maules Creek Project
- (cccc) Narrabri
- (dddd) Rocglen
- (eeee) Sunnyside
- (ffff) Tarrawonga
- (gggg) Vickery Project
- (hhhh) Watermark Project
- (iiii) Werris Creek
- (jjjj) Ashford Project

ANSWER:

The Division of Resources and Energy holds over \$1.4 Billion in security guarantees against these coal operations in New South Wales.

171. When were the rehabilitation cost estimates for the following coal mines last reviewed:

- (a) Ashton Underground
- (b) Ashton Open cut
- (c) Bengalla
- (d) Bulga Complex
- (e) Dellworth Project
- (f) Drayton
- (g) Drayton South Project
- (h) Ferndale Project

- (i) Hunter Valley Operations
- (j) Integra Underground
- (k) Integra Open cut
- (l) Liddell
- (m) Mangoola
- (n) Mitchells Flat Project
- (o) Monash Project
- (p) Mount Pleasant Project
- (q) Mount Thorley Warkworth
- (r) Mt Arthur
- (s) Mt Owen Complex
- (t) Muswellbrook
- (u) Ravensworth Surface Operations
- (v) Ravensworth Underground
- (w) Ridgeland Project
- (x) Rix's Creek
- (y) Sandy Creek Project
- (z) Savoy Hill Project
- (aa) Spur Hill Project
- (bb) Wambo Complex
- (cc) West Muswellbrook Project
- (dd) Abel
- (ee) Astar
- (ff) Awaba
- (gg) Bloomfield
- (hh) Chain Valley
- (ii) Donaldson
- (jj) Mandalong
- (kk) Mannering
- (ll) Myuna
- (mm) Newstan
- (nn) Tasman
- (oo) Wallarah 2 Project
- (pp) West Wallsend
- (qq) Westside
- (rr) Duralie
- (ss) Stratford
- (tt) Rocky Hill Project
- (uu) Appin
- (vv) Berrima
- (ww) Dendrobium
- (xx) Hume Project
- (yy) Metropolitan
- (zz) Russell Vale
- (aaa) Tahmoor

- (bbb) Tahmoor South Project
- (ccc) West Cliff
- (ddd) Wongawilli
- (eee) Oaklands Proposal
- (fff) Oaklands North Project
- (ggg) Airly
- (hhh) Angus Place
- (iii) Baal Bone
- (jjj) Bylong Project
- (kkk) Charbon open cut
- (lll) Charbon underground
- (mmm) Clarence
- (nnn) Cobbora Project
- (ooo) Cullen Valley
- (ppp) Inglenook Project
- (qqq) Invincible
- (rrr) Ivanhoe North
- (sss) Moolarben
- (ttt) Neubeck Project
- (uuu) Pine Dale
- (vvv) Running Stream Project
- (www) Springvale
- (xxx) Ulan Mine Complex
- (yyy) Wilpinjong
- (zzz) Boggabri
- (aaaa) Caroona Project
- (bbbb) Maules Creek Project
- (cccc) Narrabri
- (dddd) Rocglen
- (eeee) Sunnyside
- (ffff) Tarrawonga
- (gggg) Vickery Project
- (hhhh) Watermark Project
- (iiii) Werris Creek
- (jjjj) Ashford Project

ANSWER:

Cost estimates are reviewed on a regular basis by the Division of Resources and Energy.

172. What is the total rehabilitation security guarantee held by the Government for the following petroleum authorities:
- (a) PAL 2
 - (b) PEL 1
 - (c) PEL 6
 - (d) PEL 12
 - (e) PEL 13

- (f) PEL 16
- (g) PEL 238
- (h) PEL 285
- (i) PEL 426
- (j) PEL 427
- (k) PEL 428
- (l) PEL 433
- (m) PEL 434
- (n) PEL 445
- (o) PEL 450
- (p) PEL 452
- (q) PEL 456
- (r) PEL 457
- (s) PEL 458
- (t) PEL 461
- (u) PEL 462
- (v) PEL 475
- (w) PPL 1
- (x) PPL 2
- (y) PPL 3
- (z) PPL 4
- (aa) PPL 5
- (bb) PPL 6
- (cc) PPLA 9
- (dd) PPLA 11
- (ee) PPLA 12
- (ff) PPLA 13
- (gg) PPLA 14
- (hh) PPLA 15
- (ii) PPLA 16

ANSWER:

The Government currently holds \$39,475,490 in security guarantees for petroleum authorities in New South Wales.

173. When were the rehabilitation cost estimates for the following petroleum authorities last reviewed:
- (a) PAL 2
 - (b) PEL 1
 - (c) PEL 6
 - (d) PEL 12
 - (e) PEL 13
 - (f) PEL 16
 - (g) PEL 238
 - (h) PEL 285
 - (i) PEL 426
 - (j) PEL 427

- (k) PEL 428
- (l) PEL 433
- (m) PEL 434
- (n) PEL 445
- (o) PEL 450
- (p) PEL 452
- (q) PEL 456
- (r) PEL 457
- (s) PEL 458
- (t) PEL 461
- (u) PEL 462
- (v) PEL 475
- (w) PPL 1
- (x) PPL 2
- (y) PPL 3
- (z) PPL 4
- (aa) PPL 5
- (bb) PPL 6
- (cc) PPLA 9
- (dd) PPLA 11
- (ee) PPLA 12
- (ff) PPLA 13
- (gg) PPLA 14
- (hh) PPLA 15
- (ii) PPLA 16

ANSWER:

Cost estimates are reviewed on a regular basis by the Division of Resources and Energy.

Shenhua

174. Has the Minister or Department been involved in any negotiations with Shenhua about setting a new timetable for payment of the state's success fee for the grant of a mining license in the Liverpool Plains?

ANSWER:

The Department has initiated commercial in confidence negotiations with Shenhua to finalise and discuss a number of outstanding issues associated with its development application. The timing of the payment of the State's success fee, when the Division grants the mining license, is part of those discussions.

175. Will the Minister commit to investigating Shenhua's coal operations in China as part of the assessment of whether the company meets the fit and proper person test if and when a mining lease application is made by Shenhua?

ANSWER:

Fit and proper person tests are undertaken for applicants where a compliance risk or concern has been identified or alleged. Matters to be considered within a Fit and Proper Person Test are identified in s380A of the *Mining Act 1992*.

A wide range of internal, open-source and (where permissible) third-party data is analysed for these tests in order to effectively assess the applicant and its related persons (including ultimate holding companies, wholly-owned subsidiaries, controlling shareholders and/or directors).

176. Has the Minister or the Department met with the Minister for Primary Industries since 2011 regarding the impact of the Shenhua mine on agriculture in the Liverpool Plains?
(a) If so, on what dates and what was discussed?
177. Has the Minister or the Department met with the Department of Primary Industries since 2011 regarding the impact of the Shenhua mine on agriculture in the Liverpool Plains?
(a) If so, on what dates and what was discussed?

ANSWER (176-177):

Information regarding scheduled meetings held with stakeholders, external organisations and individuals are published in accordance with Memorandum 2015-07 Publication of Ministerial Diaries.

The Government has disclosed 3,934 meetings since the policy commenced in July 2014.

Centennial Coal

178. Is the Minister investigating whether Centennial Coal meet the fit and proper person test given they have breached their Environmental Protection License more than 1360 times since 2000?

ANSWER:

The Environment Protection Agency is the appropriate authority for addressing pollution events.

179. Under what circumstances would the Minister review whether an existing mining company in NSW meets the fit and proper person test?

ANSWER:

The fit and proper person test was intended to be used when systemic high risk non-compliances have occurred or for matters of an extremely serious nature. For example, matters referred from ICAC. The fit and proper person test is to be applied on a case by case basis, usually around the grant or renewal of a title.

Renewable Energy Target

180. Does the NSW government have a renewable energy target for energy generated in NSW?
(a) If your government does, what is the plan to achieve this target?

ANSWER:

NSW Government is a long-time supporter of the Commonwealth Renewable Energy Target and continues to support the achievement of the national renewable energy target.

181. In the 'Progressing the NSW Renewable Energy Action Plan, Annual Report 2014', the NSW Government "reiterated its support for the achievement of a national 20% (41,000 gigawatt hours)" target. Now the national target for large-scale generation is only 33,000 GWh in 2020. If your target is Tony Abbott's target, does this mean that NSW has lowered its renewable energy target by about 20%?

ANSWER:

NSW Government is a long-time supporter of the Commonwealth Renewable Energy Target.

The implementation of the NSW Renewable Energy Action Plan positions NSW to increase the use of energy from renewable sources at least cost to the energy customer and with maximum benefits to NSW.

Environmental Data Repository

182. Where is the establishment of an Environmental Data Repository, as recommended by the NSW Chief Scientist, up to?

ANSWER:

The Division of Resources and Energy is jointly developing the Environmental Data Portal with the Department of Finance, Service and Innovation (DFS). Phase 1 will be completed in September 2015 which includes a market analysis of existing government portals, resulting in the identification of data assets, user requirements, internal and external specifications, and the development of a Business Review Document with recommendations for Phase 2;

Phase 2 will commence in January 2016 and encompass the portal design, build, and deployment. A Go-Live date is expected for mid- 2016.

The launch of Common Ground also allows the public to easily a single source of information about exploration and mining activities in NSW.

Mine Subsidence Board

183. The Wallarah 2 PAC suggested in their report that a thorough investigation was needed into the Mine Subsidence Board's given the lack of independence and significant public concern about its processes. Have you instigated or are you considering any review?

184. Has the Department commenced or does the Department plan to commence any reviews into the standards of governance of the Mine Subsidence Board following the allegations made to the ICAC that Darren Bullock, the former district manager of the Picton branch of the NSW MSB, received at least \$300,000 in corrupt payments from Kevin Inskip, the principal of Plantac Pty Limited?

ANSWER (183-184):

These questions are better directed to the Minister for Finance, Services and Property, The Hon Dominic Perrottet.

Werris Creek coal mine

185. What compliance action can the Minister or the department take if there is a reduction in the saturated thickness of the groundwater above the trigger levels at the Werris Creek coal mine?

ANSWER:

This question is better directed to the Minister for Primary Industries, Lands and Water, The Hon Niall Blair.

186. Has Whitehaven been investigated for any breaches of the conditions of its mining consent by the Minister or the department since 2011?

- (a) If so, what were the outcomes of these investigations and what compliance action was taken on each occasion if a breach was identified?

ANSWER:

<u>Breach Investigated</u>	<u>Outcome</u>	<u>Action taken</u>
Late reporting (5 breaches)	Sustained	Warning letter
Blast overpressure	Unsustained	Advisory letter
Operating not in accordance with Mining Operations Plan (drilling fluids)	Sustained	Caution
Operating not in accordance with Mining Operations Plan (placement of tailings)	Under investigation	