



LEGISLATIVE COUNCIL

General Purpose Standing Committee No. 1

BUDGET ESTIMATES 2013-2014

Supplementary Questions on Notice

General Purpose Standing Committee No. 1

Treasury, Industrial Relations

Thursday 15 August 2013

Answers to be returned by: Tuesday 10 September 2013.

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GENERAL PURPOSE STANDING COMMITTEE NO. 1

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Supplementary questions: Treasury, Industrial Relations

Answers are to be returned to the Committee secretariat by: Tuesday 10 September 2013.

Treasury

1. With regards to the potential sale of the state lotteries taxation revenue:
 - a. Has Treasury commissioned any modelling, studies or other reports with regards to the sale of the state lotteries taxation revenue?
 - i. If so, will you make this information available to the committee
 - b. When is the government anticipated to proceed with the sale of the state lotteries taxation revenue stream?
 - c. Will the government be negotiating on the basis that compensation will be paid to the new private owners for any adverse regulatory event on the part of the state government?
2. With regards to the potential sale of the state's electricity transmission and distribution network:
 - a. Has Treasury commissioned any modelling, studies or other reports with regards to the sale of Networks NSW or any component of the state-owned electricity transmission and distribution network?
 - i. If so, will you make this information available to the committee?
 - b. Have any requests or representations been made by any other Minister for the commission of such studies, or information relating to the sale of the state-owned electricity transmission and distribution network?
3. Net Financial Liabilities stood at \$69,228,000 in June 2013. Can the Treasurer provide a detailed breakdown of the composition of this liability by where it is held?
4. Has NSW Treasury commissioned any modelling regarding variations in cost of borrowing and its effect of government interest expenses?
 - a. If so, will you make this information available to the committee?

5. The Treasurer is reported as saying "even the unions" had offered their "broad support" for the Newcastle Ports transaction.
 - a. Can the Treasurer say which unions had offered their "broad support" and when did they do so?
 - b. Was this in writing to the Treasurer, in private discussions or in the public media?
6. What will happen to Newcastle Port Corporation's borrowing and deferred payments after the transaction?
 - a. Will they be paid out from the proceeds of the sale of the lease or will they be transferred to the successful lessee?
 - b. If a final determination has not been made on this matter, can the Treasurer explain the broad principles under which a decision will be made?
7. Has a cash flow analysis been undertaken, in accordance with NSW Treasury Guidelines for Financial Appraisal, of what would have been Newcastle Port Corporation's projected dividends and payments to government over the lease period, compared to the projected one off payment from the transaction?
 - a. If yes, can the analysis be provided?
8. In the business case for the government's decision to build a light rail shuttle to replace heavy rail passenger services between Wickham and Newcastle, what was:
 - a. the projected patronage?
 - b. the projected fare box revenue?
 - c. the projected recurrent operating cost?
9. Has Treasury developed a cash flow or economic analysis that demonstrates the expenditure/revenue stream from proposed light rail shuttle to replace heavy rail passenger services between Wickham and Newcastle exceeds the revenue stream from the Port of Newcastle transaction?
10. Did the government accept the 2010 AECOM costings for the Wickham Terminus, proposed to be built to accommodate the replacement of heavy rail services to Newcastle with a light rail shuttle?
 - a. Does AECOM's costings include the closure of Railway & Beaumont Streets?
 - b. Does AECOM's costings include any costings for works that will result from the closure of Railway & Beaumont Streets and in particular:
 - i. road upgrades to cater for the diverted traffic,
 - ii. recreating the disability/mobility impaired access currently afforded by the level crossings,

iii. any assessment of the economic impact on Beaumont St businesses?

11. What is the nature and total value of all current subsidies, both direct and indirect, that support fossil-fuel electricity generation in NSW?
12. With no budget allocation in 2013/14 to Cobbora Holdings Company for the ongoing development of the proposed Cobbora Coal Mine and management of a large area of acquired land, as per the recommendations of the Planning Assessment Commission, will the NSW Government stop the planning process for the mine considering the poor quality of the resource, its distance from markets and the uneconomic commitment for private industry?
13. Will the NSW Government commit to winding up Cobbora Holdings Company and sell the land back for agricultural production?
14. What are the current staff numbers of the state owned Cobbora Holdings Company Pty Ltd (CHC), after the cancellation of the contracts from Cobbora Mine to Eraring Power Station?
 - a. Are these expected to change in the near future?
 - b. If so, please provide details.
15. How many contractors are employed by Cobbora Holdings Company? What are their roles?
16. In light of no budget allocation being provided for the Cobbora Mine proposal in the 2012/2014 budget, what financial resources are being used to:
 - a. purchase more land and water licenses for the proposed mine?
 - b. continue to refine the environmental impact assessment in response to Department of Planning & Infrastructure concerns?
 - c. manage current land holdings?
17. What reporting mechanisms, auditing and processes of accountability are in place for Cobbora Holding Company to provide annual financial statements of expenditure and income?
18. What is the current value of all land and water holdings owned by Cobbora Holding Company?
19. What is the value of the annual leasing arrangements for Cobbora Holding Company owned land?
20. What funding is available, and from what source, for the development of a local transition plan that is to be led by Member for Dubbo, Troy Grant?
21. What support is being given to remaining landholders with stranded assets and businesses in Dunedoo suffering a downturn through loss of customers?
22. Is the Treasurer aware of a recent report released by Goldman Sachs Commodities Research on July 24 titled *'The window for thermal coal investment is closing'* and that WA Premier, Colin Barnett stated on July 29 that *'The world is making policy decisions which mean that coal usage, in my view, will*

progressively decline. It's a long-term structural change and that should not be dismissed as something that is purely cyclical?

- a. In light of the downturn of the global thermal coal industry why is NSW public money being wasted on a coal mine proposal that will possibly not find a private interest?
 - b. What should the public make of the suggestion that a proposed rail loop on the Sandy Hollow railway line is not going ahead. Is this because the likelihood of the Cobbora Mine proceeding is now in doubt?
23. What is the time frame for the government's plan to sell a portion of the tax revenue from the around \$360 million of tax revenues raised from NSW lotteries?
24. Are there any plans to extend this strategy to other areas of government revenue, i.e. to sell the rights to income from tax revenue for specific sources of revenue?
 - a. If so, which areas of revenue are being looked at?
25. Is the strategy being applied to the revenue streams from tax revenue from NSW Lotteries a mechanism to borrow now against future revenues?
26. What is the long term benefit to the state of making the current budget bottom line look better at the expense of future revenues by selling all or part of tax revenue streams?
27. Has a formula been calculated that would set a minimum price for the sale of rights to future revenues?
28. Were any of the following mines approved on the condition that they provide cheap coal to Macquarie generation or any of its predecessor organisation:
 - a. Mangoola, (Xstrata)
 - b. Mt Arthur North (BHP)
 - c. Wilpinjong (Peabody)
29. Will all existing coal supply contracts with Macquarie Generation continue after its proposed sale?
30. Please provide a list of all existing coal supply contracts held by Macquarie Generation, and, for each, please provide:
 - a. The year in which it expires
 - b. The annual delivery amount
 - c. The provider of the coal, including the mine or mines and
 - d. The average price of the coal, if this matter is not deemed to be commercial in confidence.

31. Have there been meetings between the Chair of CLP Sir Michael David Kadoorie and the Treasurer, officers of the Treasury, members of the team working on the electricity transaction or the management of Delta Electricity?
 - a. If so, please provide the details of when these meetings took place, who attended and what topics were discussed?
 - b. Was the issue of coal supply to Delta's generators discussed?
 - c. Was the issue of Coalpac discussed?
32. Has the Treasurer, officers of the Treasury, members of the team working on the electricity transaction or the management of Delta Electricity held any discussions with representatives of CLP (China Light and Power) or any of its subsidiaries in which the Coalpac application was discussed?
 - a. If so, who was present and what was discussed?
33. Has any undertaking been given to CLP or any of its representatives with respect to planning approval for Coalpac?
34. What rights did the purchaser of Delta have to cancel the agreement during the cooling off period?
 - a. Do any of these relate to planning approvals of coal mines?

Industrial Relations

1. It emerged recently that workers at the Opera House will be subject to this Government's wage cap, given only 15% of their funding comes from the State budget, what justification is there for removing these workers' ability to negotiate with their employer?
2. Will you consider exempting these workers from the wages cap?
3. What data is this Government collecting regarding the impact of its wages policy and public service cuts on regional employment?
4. Regarding the current PSA challenge to your plans to take the compulsory superannuation increases out of the pay of public sector workers, how did the Government calculate the 8,000 jobs figure that you claimed would be lost?
5. Did your Government budget for the .25% superannuation rise in its 2013/14 budget given that super rise was legislated well in advance?
6. Under s117(4) of the *Contract Cleaning Industry (Portable Long Service Leave Scheme) Act 2010* "the Industrial Relations Advisory Council is to review the operation of this Act as soon as practicable after 1 July 2012 to assess the viability of extending the operation of the portable

long service leave scheme under this Act that applies to workers in the contract cleaning industry to all workers in NSW", can the Minister advise of the current status of this review?

7. Under the Act, a report of this review is to be provided to the Minister within 12 months after 1 July 2012 – have you received this report? What steps have been taking following receipt of this report? When is it anticipated that this report will be publicly available?
8. Given the increasing casualization of workplaces, has any research been undertaken by the department on making the benefits of long service leave and similar workplace entitlements available to casual workers?
9. Has consideration been given to making changes to the law regarding discrimination in workplaces to cover discrimination on the grounds of criminal records?
10. What is the department's policy regarding foster carers and access to leave?

General Questions

1. What is your relationship to Michael Photios?
2. How often do you speak with him?
3. Have you met with clients of PremierState?
4. On how many occasions and what dates did you meet with Michael Photios or representatives of PremierState?
5. What was discussed at these meetings?
6. On how many occasions have you declined to meet with Michael Photios or a client of PremierState?
7. Did you attend his wedding?
8. Did Michael Photios vote in your preselection?
9. Have you met with lobbyists other than PremierState?
10. On how many occasions have you met with a lobbyist, and what were the dates of these meetings?
11. Which lobbyists have you met with, and what was discussed?
12. On how many occasions have you declined to meet with a lobbyist?
13. To deliver greater transparency and accountability, will you publish a monthly online diary of all meetings with lobbyists?

14. In order to deliver greater transparency and accountability, as promised by the Premier, will you commit to keeping a record of all lobbying activities and documentation and allow them to be subject to the Government Information (Public Access) Act?
15. Since becoming a Minister, have you taken any interstate or intrastate trips involving overnight accommodation or flights?
16. Will you provide a list to the committee of the details of all travel?
17. Have you taken any trips intrastate or interstate to attend Liberal/National Party functions? What are the details of the trips including dates and costs?
18. Have you taken any trips intrastate or interstate to attend lobbyists' functions? What are the details of the trips including dates and costs?
19. Were these trips paid for by the taxpayer?
20. Were these trips booked through the government travel management system?
21. Since becoming a Minister, have you paid back money to the state because you booked unauthorised travel with the government travel management system? How much? When did you travel? When did you pay back the money? How many occasions has this happened?
22. Have you had meetings scheduled interstate or intrastate on Fridays or weekends which involved you staying overnight?
23. Did you take your spouse/partner on these trips?
24. Have any members of your staff made complaints to or raised concerns with you, your Chief of Staff or the Department of Premier and Cabinet about bullying in your office?
25. If so, have any members of your staff resigned or been removed from their position after making such a complaint or raising such concerns?
26. How many blackberries or smart phones are assigned to your staff?
27. For each phone, how much was each bill in the 2012/13 financial year?
28. How many have phones have been lost in your office?
29. What is the cost of replacing those phones?
30. How many iPads or tablet computers does DPC assign to your Ministerial office and to whom have they been issued?
31. How many iPads or tablet computers have you purchased for your office and to whom have they been issued?
32. How many iPhones or other smart phones does DPC assign to your Ministerial office and to whom have they been issued?

33. How many iPhones or other smart phones have you purchased for your office and to whom have they been issued?
34. How many iPhones or other smart phones have been lost in your office?
35. How many iPads or tablet computers have been lost in your office?
36. What is the cost of replacing those phones or iPads or tablet computers?
37. How many media or public relations advisers are employed for each of your portfolio agencies?
38. What is the forecast for 2013/14 for the number of media or public relations advisers to be employed and their total cost?
39. Have any of your overseas trips in the past year been paid for in part or in full by using public money?
40. If so, did any of your relatives or friends accompany you on these trips?
41. What is the annual remuneration package for your chief of staff
42. What is the annual remuneration package for your head media advisor?
43. What is the annual remuneration package for each of your staff?
44. What is the estimated expenditure for your office budget in 2012-13?
45. Have any office renovations or fit outs been undertaken in your ministerial office since April, 2011?
46. If so, could you give details of contracted costs?
47. What is your Ministerial office budget for 2013/14?
48. How many political advisors are in your office?
49. How many administration staff?
50. How many Department Liaison Officers are assigned to your office?
51. How many staff in the Department are assigned to Ministerial support duties
52. Are any contractors or consultants working in your ministerial office?
53. If so, in what capacities?
54. How much did your Ministerial office spend on contractors or consultants?

55. How much did your Ministerial office spend on taxi fares, including Cabcharge in the 2012/13 financial year?
56. Are any of your portfolio agencies undergoing a restructure?
57. How many jobs are expected to be cut as a result of that restructure?
58. How many people are expected to have their wages cut as a result of that restructure?
59. How many voluntary redundancies were offered in your Departments since April 2011?
60. How many voluntary redundancies were accepted from employees in your Departments since April 2011?
61. How many voluntary redundancies are expected to be offered in 2013/14?
62. How much did your Department(s) spend on catering in 2012/13?
63. How much did your Department(s) spend on stationary in 2012/13?
64. What is your Department's catering budget?
65. What is your Department's stationary budget?
66. Since April 2011 have any of the agencies in your Department(s) changed their branding?
67. If so, how much was spent on rebranding the agency?
68. How long is the average turnaround for responding to correspondence in your Department(s)?
69. How many pieces of correspondence have been outstanding for more than 60 days?
70. In 2012/13 how many invoices has your Department(s) failed to pay a supplier or contractor for more than 30 days?
71. As a result of late payment, how much penalty interest has been paid to contractors since 1 January 2011?
72. How many invoices have been outstanding for longer than 60 days?
73. Does your department provide recurrent grant funds to non-government organisations? If yes,
 - a. What are the names of all organisations in receipt of funding?
 - b. What is the total amount of funding received by each organisation including goods and services tax?
 - c. On what date was the funding advanced?

- d. What was the purpose for each grant or funding advance?
- e. Was any funding withheld or returned?
- f. If so, what were the reasons for withholding or requiring the funding to be returned?
- g. What is the indexation rate applied to non-recurrent grant funds in 2013/2013?
- h. What are the details of any costs involved in each study, audit, taskforce or review?
- i. Have any provisions been included in grant agreements to prohibit these organisations from criticising the Government or any of its policies?

74. How many contractors has your Department(s) retained since 1 July 2013 and at what cost?

75. What is the current level of Aboriginal employment within your Department(s)?

76. How has that changed since 1 July 2012?

77. Since 1 July 2011, how much has been spent on charter air flights by your Department(s)?

78. Is your department currently undertaking any feasibility studies, audits, taskforces or reviews? If so; then;

- a. What are the terms of reference or details of each study, audit, taskforce or review?
- b. Who is conducting the study, audit, taskforce or review?
- c. Was each study, audit, taskforce or review was publically advertised seeking expression of interest or competitive tenders?
- d. Is there a contract in place detailing terms of engagement for the study, audit, taskforce or review?
- e. What is the timeline of each study, audit, taskforce or review?
- f. What are the details of any costs involved in each study, audit, taskforce or review?