



LEGISLATIVE COUNCIL

GENERAL PURPOSE STANDING COMMITTEE NO. 1

## **BUDGET ESTIMATES 2012-2013**

### **Supplementary Questions on Notice**

#### **General Purpose Standing Committee No. 1**

Finance and Services, The Illawarra

Monday 8 October 2012

Answers to be lodged by: Thursday 1 November 2012

**Budget Estimates Secretariat**  
**Telephone 9230 2412**  
**Fax 9230 2981**  
**[budget.estimateds@parliament.nsw.gov.au](mailto:budget.estimateds@parliament.nsw.gov.au)**

## Questions relating to the portfolios of Finance and Services, The Illawarra

Monday 8 October 2012, 9.00 am – 1.00 pm

### Questions from Mr Shoebridge MLC

#### *Finance and Services*

1. What consultation was undertaken by the Government before the costs amendments moved by the Hon Fred Nile to the workers compensation bill were supported by the Government?
2. Of the 353 submissions received by the Workers Compensation Scheme Inquiry, how many were opposed to cuts to benefits?
3. Of the 353 submissions received by the Workers Compensation Scheme Inquiry, how many supported cuts to benefits?
4. What is the current estimate for the scheme's deficit?
5. What are the current projections for the number of injured workers in receipt of:
  - a. Medical expenses as at 30/6/13?
  - b. Weekly payments as at 30/6/13?
6. How do the numbers in 5a and 5b differ from those in 30/07/12?
7. How have return to work rates for the scheme changes over each of the Financial Years from 2002-2012?
8. What are the projected return to work rates for the 2013 Financial Year?
9. Which WorkCover insurance companies currently undertaking claims management activities for claims in NSW outside of Australia?
10. What data does the Department and/or WorkCover collect on the onshore or offshore practices of insurance companies who manage claims under the WorkCover system?
11. What is the departmental and/or WorkCover policy regarding offshore management of workers compensation claims?
12. Material on the WorkCover website claims that "The new workers' compensation scheme is helping injured employees return to health and work more quickly and to better look after those severely injured. Reforms will return the scheme to

financial sustainability and significant premium increases of 28 per cent have been avoided." What evidence is available to support these claims?

13. Are you aware insurers are using the changes to the workers compensation scheme in their advertising of income protection and related products?
14. What are the implications of this for those who cannot afford such insurance?
15. What modelling has been carried out about the impact of the changes to the NSW Workers Compensation Scheme on the private insurance market in NSW?

### **Questions from Dr Kaye**

#### *Finance and Services*

1. It is noted that Hunter Water Corporation (HWC) is using a new model for demand-supply planning (iSDP) which was recently funded by the National Water Commission and involved ISF and WSAA.
  - a. Can HWC explain what the new modelling shows in terms of supply-demand for the Hunter and future planning?
  - b. Can HWC state what the average water consumption figures have been for the last 5 years?
  - c. What are HWC's water consumption predictions for 2030 and 2050?
  - d. What does HWC now estimate the Lower Hunter's supply (yield) to be?
  - e. Do the demand-supply figures indicate that no new dam will be needed in the Hunter?
  - f. What emphasis will be placed on demand management and water conservation strategies with the new modelling?
2. The NSW Government has a policy that Tillegra Dam will not be built and has given a commitment to sell the land in the Tillegra precinct. On p91 of its 2010-2011 Annual Report, Code description, 3, Hunter Water Corporation stated that land not currently used but fully required for future integral needs was 55 properties and \$75.738m.
  - a. Does this refer to the Tillegra precinct?
  - b. Can HWC state why, in its assets held for sale (same doc), p51, this same land is not listed for sale, when the NSW Government has given a commitment to sell the Tillegra lands?

3. In the 2010/11 Hunter Water Corporation Annual Report, the corporation wrote off approximately \$25m of Tillegra expenses.
  - a. Are there any more Tillegra expenses to be written off?
  - b. Will any of these costs be passed on to Hunter customers in higher rates?
  - c. If yes, why should these costs be passed on to Hunter ratepayers when it was a political decision to build Tillegra Dam?
4. Given that the NSW Government has given a commitment that Tillegra Dam won't be built and that the Tillegra lands will be sold:
  - a. How can Hunter Water Corporation explain the option of another dam on the Tillegra site?
  - b. Why has this option never appeared in HWC's previous planning documents?
5. We are all aware that land values have dropped significantly in recent times. Will Hunter Water Corporation be writing down the land held for resale in the Tillegra precinct?
6. Hunter Water Corporation has purchased land at Mammy Johnson's Creek over the years. What does HWC intend to do with this land?
7. A Report to the Hunter Water Corporation Board of Directors (24 February, October 2011 Parliamentary subpoenaed papers) demonstrated that HWC *'is developing a project plan for its contributions to the Lower Hunter Water Plan that includes a clear scope of works, critical path actions, project budgeting and resourcing.'*
  - a) Can HWC detail what it has currently spent on 'options' for the new Lower Hunter Water Plan?
  - b) Can HWC detail the breakdown of costs for each option?
  - c) What consultants were/have been employed on Lower Hunter Water Plan options?
  - d) Why did HWC embark on exploring/spending public money on a suite of options before canvassing the Hunter community on what it was prepared to pay for and before the new Lower Hunter Water panel was formed?
8. It has been suggested by independent water planners that by implementing water conservation and demand management programs, similar to those currently in place in Sydney, all future water needs of the Lower Hunter region can be adequately met for many decades to come. This strategy still accounts for the high-end prediction of population growth in the Lower Hunter region. Can Hunter Water Corporation comment on this statement?
9. There is currently a one in one million chance of reaching critical storage levels

in the Hunter. Hunter Water Corporation has now stated that it is prepared to accept some risk.

- a) Can HWC explain what level of risk it is prepared to take?
- b) How has 'risk' been determined?
- c) How will HWC manage 'risk' in the Lower Hunter?

10. Community-based research has shown residents are ready to take up opportunities to save water if supported to do so. There have also been shown to be sizable, money saving opportunities for business to significantly reduce potable water use without changing work practices, through the installation of water saving appliances and local reuse and rainwater storage facilities.

- a) Can Hunter Water Corporation comment on what it is doing in these areas to change community/business practices?
- b) What expenditure is involved?

11. Hunter Water Corporation has an appalling track record on recycling sewage.

- a) How does HWC now compare with other 12 Australian metropolitan supply authorities?
- b) What emphasis will HWC be placing on wastewater strategies in the new Lower Hunter Water Plan?
- c) How will this compare in percentage terms with other options?

12. What percentage of Hunter ratepayers are on partial payments for their water bills?

13. How will Hunter Water Corporation implement the National Urban Water principles, specifically, relating to selecting water sources which will result in the lowest environmental, social and economic costs over the long term?

14. In considering the full portfolio of water supply and demand options, how will Hunter Water Corporation optimise existing infrastructure through efficiency measures?

15. What readiness options are being considered as part of a drought contingency plan for Hunter Water Corporation?

16. Who are being used as secretariats for the 'independent' water panel for the Lower Hunter Water Strategy?

17. What steps has the Minister taken to liaise with the Ryde Council to ensure that the Ryde Playing Fields on Smalls Road will be kept as open space?
18. Does Sydney Water have any further plans to outsource jobs beyond the 335 positions that the Australian Services Union says have been cut in the last 12 months?
19. What steps has the NSW government taken to reduce the amount of total suspended solids and other toxic waste from the three deepwater ocean outfalls owned by Sydney Water?
20. With respect to the Payroll Tax rebate scheme, Jobs Action Plan, when did the scheme begin and how many jobs have been created to date?
21. With respect to jobs created to date under the Payroll Tax rebate scheme, Jobs Action Plan, what modeling or analysis has been performed that demonstrates that those jobs would not have been created without the scheme in place? Please provide.
22. Has the CBD office of State Archives been sold or leased? If yes, please provide the value of that deal?
23. What is the current status of NSW government funding for the digital archives project?

### **Questions from The Hon. W. Secord**

#### *Finance and Services*

#### Background

Last year you said the public housing maintenance/repair backlog was \$300 million: see Estimates [Finance and Services] Mon 24 October 2011, p39

As at June 2012, you said the "approximate value of outstanding Land and Housing Corporation maintenance work is \$300 million." Answer on Notice 1905 to Jamie Parker MP.

1. Why has your Government made no inroads into this backlog?
2. Will you reconsider the \$300 million tax cut to gaming machine operators to fund it?
3. If not, where will you find the money to complete the backlog?
4. Over what timeframe will you address the backlog?

#### Maintenance/repair timeframes

5. Why did the Land and Housing Corporation repairs completed decline from 92% in 2010-2011 to 87% in 2011-2012?
6. What percentage will be completed in 2012-2013?
7. Why did the public housing responsive maintenance orders that exceeded the applicable targets increase from 8% in 2010-2011 to 13% in 2011-2012?
8. How many responsive maintenance orders did this comprise?
9. What were those responsive maintenance orders for?
10. What percentage of the responsive maintenance orders will be exceeded in 2012-2013?
11. What mechanisms or procedures are in place in your agency to escalate the priority of maintenance requests and orders?
12. How are the contractors who perform work (repairs, maintenance, upgrades) on public housing stock selected, and by whom?
13. How much money was spent on these contractors during 2011-2012, and how much is proposed to be spent in 2012-2013?
14. What mechanisms or processes are in place to ensure contracted services have been delivered and to standard?

#### Sale of public housing properties

15. How many public housing properties have been sold since 27 March 2011?
16. What is the total value of those sales?
17. What has happened to that money?
18. How many properties are proposed to be sold during the 2012-2013 budget year?
19. What is the estimated value of those proposed sales?
20. What does the government propose to do with that money?

From March 2013, the Clean Energy Supplement paid by the Commonwealth Government to public housing tenants will be included as "assessable income" and 25% will be charged as increased rents.

21. How much money will be raised by the NSW Government from this decision?

22. How much of this money will go into maintenance and repairs for public housing?

The redevelopment of Land and Housing Corporation site 8-16 Aubrey Street, Granville is currently programmed to commence in 2013, subject to funding.

23. What is the cost of the proposed redevelopment?

24. How many dwellings are proposed to be constructed?

25. What is the proposed configuration of the redevelopment? (bed sits, 1 br, 2 br etc.)

26. Will construction commence this financial year 2012-13 or the next?

Regarding the re-development of the site on the corner of Burns and Clyde Streets, Granville:

27. What is the cost of the proposed redevelopment?

28. How many dwellings are proposed to be constructed?

29. What is the proposed configuration of the redevelopment? (bed sits, 1 br, 2 br etc.)

Properties in Nella Dan Avenue, Magga Dan Avenue and Kita Dan Avenue, Tregear

30. How many properties in this group have been vacant and for how long?

31. Why have they not been re-tenanted?

32. When will they be re-tenanted?

Approximately 50 town houses in Shalvey and Lethbridge Park were to be demolished and rebuilt. The Shalvey property has been demolished and some of the tenants in Lethbridge Park have been moved out. The proposed redevelopment has not occurred.



33. Why has the redevelopment of approximately 50 town houses in Shalvey and Lethbridge Park been stopped? Has this program been cancelled?

Other properties

34. What other public housing properties have been scheduled for demolition and rebuilding, have had the building demolished or have had tenants vacate, and the demolition/reconstruction not proceed, from 27 March 2011 to date, with an explanation as to why for each property?

### **Miscellaneous questions**

#### Phones/iPads

35. How many blackberries are assigned to your staff?

36. For each phone, how much was each bill in the 2011/12 financial year?

37. How many have phones have been lost in your office?

38. What is the cost of replacing those phones?

39. How many iPads does DPC assign to your Ministerial office and to whom have they been issued?

40. How many iPads have you purchased for your office and to whom have they been issued?

41. How many iPhones does DPC assign to your Ministerial office and to whom have they been issued?

42. How many iPhones have you purchased for your office and to whom have they been issued?

43. How many iPhones have been lost in your office?

44. How many iPads have been lost in your office?

45. What is the cost of replacing those phones or iPads?

#### Media/public relations

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

47. What is the forecast for 2012-13 for the number of media or public relations advisers to be employed and their total cost?

Overseas trips

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

49. If so, did any of your relatives or friends accompany you on these trips?

Office costs

50. What is the annual remuneration package for your chief of staff?

51. What is the annual remuneration package for your head media advisor?

52. What is the annual remuneration package for each of your staff?

53. What is the estimated expenditure for your office budget in 2012-13?

54. Have any office renovations or fit outs been undertaken in your ministerial office since April, 2011?

If so, could you give details of contracted costs?

55. What is your Ministerial office budget for 2012/13?

56. How many political advisors are in your office?

57. How many administration staff?

58. How many Department Liaison Officers are assigned to your office?

59. How many staff in the Department are assigned to Ministerial support duties?

60. Are any contractors or consultants working in your ministerial office?

If so, in what capacities?

61. How much did your Ministerial office spend on contractors or consultants?

Cabcharge

62. How much did your Ministerial office spend on taxi fares, including Cabcharge in the 2011/12 financial year?

### Restructure

63. Are any of your portfolio agencies undergoing a restructure?
64. How many jobs are expected to be cut as a result of that restructure?
65. How many people are expected to have their wages cut as a result of that restructure?
66. How many voluntary redundancies were offered in your Departments since April 2011?
67. How many voluntary redundancies were accepted from employees in your Departments since April 2011?
68. How many voluntary redundancies are expected to be offered in 2012/13?

### Agency costs

69. How much did your Department(s) spend on catering in 2011/12?
70. How much did your Department(s) spend on stationary in 2011/12?
71. What is your Department's catering budget?
72. What is your Department's stationary budget?
73. Since April 2011 have any of the agencies in your Department(s) changed their branding?
74. If so, how much was spent on rebranding the agency?

### Correspondence

75. How long is the average turnaround for responding to correspondence in your Department(s)?
76. How many pieces of correspondence have been outstanding for more than 60 days?

### Paying bills on time

77. In 2011/12 how many invoices has your Department(s) failed to pay a supplier or contractor for more than 30 days?

78. As a result of late payment, how much penalty interest has been paid to contractors since 1 January 2011?

79. How many invoices have been outstanding for longer than 60 days?

#### Grants to non-government organisations

80. 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 2011/2012?
- h) What are the details of any costs involved in each study, audit, taskforce or review?

#### Contractors

81. How many contractors has your Department(s) retained since 1 July 2012 and at what cost?

#### Aboriginal employment

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

83. How has that changed since 1 July 2011?

#### Charter air flights

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

#### Reviews and studies

85. In relation to feasibility studies, audits, taskforces and reviews:

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?

#### Consultants

86. Have any agencies within your Department(s) engaged consultants in the 2011/12 financial year?
87. If yes, which companies were engaged for consultancy services in the 2011/12 financial year?
88. For what purpose has your Department engaged consultants?
89. How much have your agencies spent on consultants in the 2011/12 financial year?
90. What is your Department(s) budget for consultants in the 2012/13 financial year?

#### Sponsorships

91. Have any agencies within your Departments sponsored any organisations or events in the 2011/12 financial year?
92. If yes, which organisations and events were sponsored in the 2011/12 financial year?
93. How much did your agencies within your Departments spend on sponsoring organisations and events in the 2011/12 financial year?
94. What is your Department(s) budget for sponsorship in the 2012/13 financial year?

#### Media training

95. Has the Minister been provided with Speech, Voice or Media Training since becoming Minister? If so, then;
- a) Who conducted the training?
  - b) When was it conducted?
  - c) Where was it conducted what were the costs of the training?
  - d) Who paid for the training?

Parliamentary Secretary

96. Can you please list all travel related costs for your Parliamentary Secretary incurred in their capacity as Parliamentary Secretary since 1 July 2011
- a) kilometres travelled
  - b) accommodation,
  - c) air fares
  - d) meals/entertaining?
97. Can you please provide details of the following activities undertaken by your Parliamentary Secretary since 1 July 2011
- a) meetings attended in their capacity as Parliamentary Secretary?
  - b) functions attended in their capacity as Parliamentary Secretary?
98. How often do you meet with your Parliamentary Secretary?
- a) Are these meetings documented?
  - b) Who attends these meetings?
99. Who provides instructions and direction to your Parliamentary Secretary, you or your Chief of Staff?
100. Has the Parliamentary Secretary been provided with Speech, Voice or Media Training since becoming Parliamentary Secretary? If so, then;
- a) Who conducted the training?
  - b) When was it conducted?
  - c) Where was it conducted what were the costs of the training?
  - d) Who paid for the training?

*The Illawarra*

101. As Minister for The Illawarra do you have:
- a) An office in The Illawarra?  
If so where the office is located, which person or business owns the premises, what is the floor space, what is the annual rent, what is the staffing of the office and how frequently, if ever, do you work out of that office?
  - b) Dedicated staff to deal with this portfolio responsibility?  
If so, how many staff are there and what is their annual remuneration and

in which office are they located?

102. How many times in the last twelve months have you visited The Illawarra in your capacity as Minister for The Illawarra?
103. With whom did you meet and what was the purpose of the meetings?
104. Were you accompanied by any family members, staff or friends during those visits? If so who accompanied you on each trip and what was the cost to the taxpayer of this?
105. How many representations have you made to other Ministers in your capacity as the Minister for The Illawarra and what was the nature of those representations?