

GENERAL PURPOSE STANDING COMMITTEE No. 1

Monday 13 October 2008

Examination of proposed expenditure for the portfolio area

THE LEGISLATURE

The Committee met at 4.45 p.m.

MEMBERS

The Hon. K. F. Griffin (Deputy-Chair)

The Hon. D. J. Clarke
The Hon. D. T. Harwin
Ms L. Rhiannon

The Hon. P. G. Sharpe
The Hon. I. W. West

PRESENT

The Hon. Peter Primrose, *President of the Legislative Council of New South Wales*

Department of the Legislative Council
Ms L. Lovelock, *Clerk of the Parliaments*

Department of Parliamentary Services
Mr B Ward, *Executive Manager*
Mr G. McGill, *Financial Controller*

CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS

Corrections should be marked on a photocopy of the proof and forwarded to:

**Budget Estimates secretariat
Room 812
Parliament House
Macquarie Street
SYDNEY NSW 2000**

DEPUTY-CHAIR: I declare this hearing for the inquiry into budget estimates 2008-09 open to the public. I welcome President Primrose and accompanying officials to this hearing. Today the Committee will examine proposed expenditure for The Legislature. Before we commence I will make some comments about procedural matters. In accordance with the Legislative Council's guidelines for the broadcast of proceedings, only Committee members and witnesses may be filmed or reported. People in the public gallery should not be the primary focus of any filming or photographs. In reporting the proceedings of this Committee you must take responsibility for what you publish and what interpretation you place on anything that is said before the Committee. The guidelines for the broadcast of proceedings are available on the table by the door. Any messages from attendees in the public gallery should be delivered through the Chamber and support staff or the Committee clerks. Mr President, I remind you and the officers accompanying you that you are free to pass notes and refer directly to your advisers whilst at the table. I remind everyone to please turn off their mobile phones.

Mr President, the House has resolved that answers to questions on notice must be provided within 21 days or as otherwise determined by the Committee. The Committee has not varied the 21-day time frame. Transcripts of this hearing will be available on the Web from tomorrow morning. All witnesses from departments, statutory bodies or corporations will be sworn prior to giving evidence. Mr President, I remind you that you do not need to be sworn as you have already sworn an oath to your office as a member of Parliament. I ask that the other witnesses each in turn state your full name, job title and agency, and swear either an oath or affirmation. The words of both the oath and affirmation are on the cards on the table in front of you.

LYNN LOVELOCK, Clerk of the Parliaments, New South Wales Legislative Council, and

GREGORY JOHN MCGILL, Financial Controller, Department of Parliamentary Services, sworn and examined, and

BRIAN WARD, Executive Manager, Department of Parliamentary Services, affirmed and examined:

DEPUTY-CHAIR: I declare the proposed expenditure for the portfolio of The Legislature open for examination. As there is no provision for the President to make an opening statement before the Committee commences questioning, we will begin with questions from the Hon. Don Harwin.

The Hon. DON HARWIN: Mr President, I refer to Budget Paper No. 3, page 1-9. Could you clarify the amount that the Parliament proposes to spend this year on community access programs, as defined on that page? Am I right in thinking that the amount is the total amount of \$6.42 million less an amount of \$5.6 million for the electorate mail-out account expenditure of lower House members, so that would net about \$820,000, is that about on the mark?

The PRESIDENT: Yes, to provide that level of detail, I will refer the question, if I can, to the Financial Controller.

Mr MCGILL: Yes, that is correct.

The Hon. DON HARWIN: Mr President, given the priority that Parliament places on community access, has any consideration been given to facilitating visitation by members of the public to the Parliament on the weekends and during the Christmas-New Year break? I note, for example, that the Federal Parliament and the Parliament of Queensland are open to visitors on the weekends and only close on certain public holidays.

The PRESIDENT: Mr Harwin, my understanding is that the only matter that has been raised with us so far relates to the proposed Christmas closures. Because we consulted, a couple of members and staff members raised concerns, most of which have now been dealt with. Overwhelmingly, staff and others are happy. That is the only matter with respect to Christmas closures. The Hon. Catherine Cusack raised an issue about Parliament remaining open during the public holiday period for those two weeks. I think given the fact that it would require a whole range of staff also to be available to keep the Parliament operating, for me that would certainly be a matter of concern but, nevertheless, I have referred it to the officers and asked them to have a look at it, including having the House open more regularly.

The Hon. DON HARWIN: So presumably they will be doing costings as well for that proposal?

The PRESIDENT: They will provide a report to me.

The Hon. DON HARWIN: Indeed, as you mention, one of my colleagues raised the issue of residents of regional New South Wales having the opportunity to visit the Parliament at a time suitable to them. That is the reason I ask about it and obviously Parliament House in Canberra and the Queensland Parliament are potential models to consider. During the sesquicentenary year, two open days over a particular weekend were held and were successful. Are costings available for the cost of that alternative option to the Parliament and might that be considered also as perhaps a cheaper model?

The PRESIDENT: Historically, I presume that information in relation to the costing of the Parliament having been opened for that period of time, given that that was a particular event, would be available. But once again I ask the Financial Controller to provide the details.

Mr McGILL: Yes, that information would be available; we just do not have it with us at the moment. But we can take the question on notice and provide that information to you.

The Hon. DON HARWIN: Mr President, I refer you to Budget Paper No. 3 page 1-4, which shows the provision for staff salary increases of 2.5 per cent in line with the Government wages policy. I note that since then, according to memorandum C2008-36 from the Director General of the Department of Premier and Cabinet, Ms Kruk, the Public Service Association's claim for a 4 per cent increase has been settled, with 2.5 per cent per annum funded and the other 1.5 per cent per annum to be funded from the implementation of central and agency-based reform measures as outlined in the agreed memorandum of understanding. Mr President, can you confirm that the 4 per cent will apply to the Parliament's staff?

The PRESIDENT: Yes.

The Hon. DON HARWIN: Are you confident that the savings flowing from the central reform measures will be achieved by the Parliament?

The PRESIDENT: I will ask Mr McGill to give you the details.

Mr McGILL: At the moment we are in the process of putting together a plan to achieve those savings, which we are required to report back to the Premier's Department by 31 October. But we are looking at a number of initiatives to achieve the so-called gap between the 2.5 per cent funding provided in the 4 per cent pay increase granted. These include looking at sick leave, annual leave liability reductions, workers compensation rehabilitation—getting people back to work sooner, thereby reducing the costs—and also a reduction in the use of agency and temporary staff where possible.

The Hon. DON HARWIN: They are very much in line with the central measures in the memorandum of understanding. What agency-based measures are under consideration, specific to the Parliament, beyond those central measures?

Mr McGILL: We have only just received this advice last week, so we are yet to meet as a coordinated group with the other House to work through these initiatives. But, certainly, high on our agenda is the agency and temporary staff.

The Hon. DON HARWIN: Is it possible yet to comment on whether any of the Parliament's operations will be affected?

Mr McGILL: It is too early to say at this stage.

The Hon. DON HARWIN: Mr President, on the same page of Budget Paper No. 3 it states that provision has been made for other operating costs escalating by 2.5 per cent, which, as you would appreciate, is a figure below the inflation rate. Are you confident that it can be met, and what steps is the Parliament putting in place to make sure it can be met?

Mr McGILL: At the moment we are on track and on budget to achieve those operating expenses. A large part of our expenditure, as you would appreciate, relates directly to members' costs, in particular the use of the logistics support allocation. In the other House we have the electric mail-out account. Those costs are very

much at the discretion of the member. But at the moment we are on track and ahead of budget to achieve the budget allocation.

The Hon. DON HARWIN: Mr President, have you approved the employment and payment of any additional staff to Government or crossbench members of the Legislative Council from the Parliament's budget, over and above their entitlements as set down by the Parliamentary Remuneration Tribunal, since your election as President?

The PRESIDENT: Not that I can recall.

The Hon. DON HARWIN: As you would probably appreciate, under section 15A of the Parliamentary Remuneration Act you can do that. You cannot recall that, but perhaps you would like to take that question on notice and check?

The PRESIDENT: Yes. Checking may be easier if you could make a suggestion as to—

The Hon. DON HARWIN: No, there is no specific instance that I am raising. I know that it has taken place in previous Parliaments, under previous Presidents, and I was simply asking whether it has been done under your presidency.

The PRESIDENT: In the spirit in which it is asked, I will take that on notice and get you a definitive answer.

The Hon. DON HARWIN: Mr President, what is the impact on the Parliament's budget when the Premier decides to increase the number of Ministers and Parliamentary Secretaries, as he did recently?

The PRESIDENT: I will refer the question to the Financial Controller.

Mr McGILL: The salaries of members of Parliament and the Executive—the Ministers, Parliamentary Secretaries, et cetera—are funded by Treasury as a protected item. We therefore have access to additional funds should the cost of those salaries, for example, exceed the Parliament's budget. At this stage there is no indication that that is going to be the case, as Treasury had allowed an escalation of 2.5 per cent in this year's budget allocation for the salaries of members of Parliament to increase. As we know, based on what happened in Canberra, there was no subsequent increase. So the Parliament is going to be under budget with our members' and ministerial salary costs at this stage.

The Hon. DON HARWIN: Apart from any salary and additional salary costs, are there any other related costs, such as staff or offices, or other matters?

Mr McGILL: In response to that further question, what I can tell you is that the staffing costs are provided by the Executive Government. For example, the Parliamentary Secretaries get a staff person provided through the Minister to whom they are Parliamentary Secretary. In the same way, ministerial office staff are also funded by the Executive Government. As to the Parliament, with regard to the office accommodation there were some relocation expenses in reallocating Ministers to different rooms, et cetera, and we also had to make arrangements for an additional Minister from the number of specialised ministerial suites that we currently have.

Those costs are quite minimal and the impact on the Parliament will be negligible. There is an extra logistics support allowance entitlement of 40 per cent and printing and stationery, which is around \$3,038 per annum from memory, that they are entitled to as an additional office holder but that is quite negligible and again it is subject to whether or not they spend their full logistics allowance entitlement.

The Hon. DON HARWIN: So we have the routine costs in terms of reorganising the building but the essential answer is that there is the additional cost of a logistics support allowance?

Mr McGILL: That is correct.

The Hon. DON HARWIN: Budget Paper No. 4 at page 5-9 under New Works shows an allocation of \$642,000 for building works at Parliament House during the 2008-09 financial year as part of a \$2.686 million program which will be completed in 2012. However, I note in Budget Paper No. 3 at page 1-5 that these funds are described as, "the transfer of funding from the Department of Commerce for the Parliament House

building". Would you clarify the scope of the planned works or is it just an adjustment to the way periodic maintenance of the building is now being reported?

Mr McGill: It is the latter. It is a different method of treating the expense of the maintenance undertaken of the parliamentary building. Before it used to be in the Department of Commerce's budget and we would have some input into the works that were undertaken here but essentially the Department of Commerce arranged the work and paid for the cost of the work from its budget. That was considered to be inappropriate and it was better for the funds to be placed into the Parliament's budget. Essentially it is a cost neutral situation where the money has gone out of the Department of Commerce's allocation and into the Parliament's. If you want specific details of the actual work being undertaken I will need to refer it to the Building Manager.

The Hon. DON HARWIN: Not at this stage, thanks Mr McGill. I just wanted to clarify that the only major new work is in fact the security upgrade and that no funding has been made available for the Parliament for anything else. You have done that and that is as I suspected.

Mr President, to move on to another area, we are in the third year of a project described in Budget Paper No. 4 as "Member's Information Technology Replacement Strategy". What structured consultation with members has been implemented to ensure that this strategy is meeting members' needs?

The PRESIDENT: Mr Harwin, as you are probably aware there has been restructuring within the Information Technology [IT] section and we have had the departure of the manager. What I would like to do, so I can give you a comprehensive answer, is to take that on notice and we will provide you with those details.

The Hon. DON HARWIN: I note the President's technology advisory group has not met for some time and I was wondering about it. Therefore an answer on notice would be helpful in elaborating upon what information technology has been doing to actually spend money that meets members' needs as opposed to just spending money.

The Hon. DAVID CLARKE: Also arising from Budget Paper No.4, are there any estimates available yet of the actual energy and water savings that have been made as a result of the \$3,449 million that has been spent on these initiatives?

Mr McGill: Mr Ward might be better placed to answer that question.

Mr WARD: At this point we can give an indication of the quantities but if you would like the dollar value of those quantities we can provide that later?

The Hon. DAVID CLARKE: Yes, I would be obliged if you could provide those.

Mr WARD: At this stage the new water reuse system has saved 2.8 megalitres of water since it was commissioned in February of this year. The solar installation has generated 7,600-kilowatt hours since commissioning in June of this year. The solar installation generates enough power to supply the lighting requirements in both Chambers of Parliament. We have also completed an energy-efficient lighting upgrade throughout Parliament House, which includes both Chambers. That is an indication of the type of savings that we have been able to achieve and we will provide a dollar value equivalent to that at a later stage if we may.

The Hon. DAVID CLARKE: At any stage has there been a dollar estimate put on the savings—at the planning stage for instance?

Mr WARD: In response to that question, yes, dollar savings were put on those quantities at the planning stage and if we could include those figures in the response to you, we would appreciate that.

The Hon. DAVID CLARKE: Thank you.

Ms LEE RHIANNON: Mr Ward, can you describe the nature of capital works that are required to store the firearms that the special constables will use?

Mr WARD: There is a range of capital works dealing with the implementation of the special constables. Specifically in respect of firearms, we will be constructing a gun safe for the storage of the guns on level 5.

Ms LEE RHIANNON: Who will have access to that?

Mr WARD: Only the special constables.

Ms LEE RHIANNON: What type of weapons and how many weapons will be stored there?

Mr WARD: They will be police issued firearms. As to the number of firearms involved, we will take that on notice and get back to you?

Ms LEE RHIANNON: Thank you. Has the protocol been finalised as yet as to how the special constables will be managed in relation to the firearms safe?

Mr WARD: Discussions are continuing with the New South Wales Police Force to finalise the memorandum of agreement, which will encompass the protocols that are to be observed within the parliamentary precinct of the Parliament of New South Wales. We are aiming to have that completed by the end of this month—October.

Ms LEE RHIANNON: Will it be publicly available?

The PRESIDENT: At this stage neither Presiding Officer has been presented with the document. It is currently being negotiated at officer level. I do not think we can actually say that because there are at least two parties: the police and us. I do not want to mislead you by saying it will be publicly available because I do not know the attitude of the police as yet.

Ms LEE RHIANNON: If members of Parliament indicate that they do not want special constables to enter their rooms, how will that be managed considering that security officers presently undertake that work?

The PRESIDENT: Any member who does not wish a special constable to enter their office, and that would normally only be in the case of after hours when checking that the lights are off and doors are closed, only needs to put a "do not enter" sign on their door, which all members have been given, and the special constables will not enter.

Ms LEE RHIANNON: What other parliamentary jurisdictions, both here and overseas, allow officers into the parliamentary precinct? I do not mean the grounds but the actual Parliament House?

The PRESIDENT: You are referring to the Chamber?

Ms LEE RHIANNON: I am referring to the Chamber and the whole parliamentary building, as distinct from outside the parliamentary building.

The PRESIDENT: I am happy to take that on notice and provide you with that information.

Ms LEE RHIANNON: In response to an earlier question you talked about the savings that have had to be made. Has there been any cutback in the services provided by the Parliamentary Library because of savings that have had to be made?

The PRESIDENT: On advice, I am not aware of any at all, but I am happy to take it on notice. None has been brought to my attention and Mr Ward is not aware of any.

Ms LEE RHIANNON: To broaden that question to other areas—Information Technology, Hansard, Catering, Building Services—when savings are made, it is often considered that some services are lost, but not necessarily. Do you judge that services have been lost to members or the public or do you believe the efficiencies have worked towards improving the place? Is it running on a lower budget but working more successfully? I am trying to determine which direction the savings have taken.

The PRESIDENT: I think essentially—and this will be a matter that can be judged obviously on a year-to-year basis when we evaluate where our services are up to—we have not needed to cut any services. What we have been able to do is provide them more efficiently. For example, the use of information technology

has enabled us to actually achieve some significant savings. That has not led, I believe, to a reduction in services available to members and indeed to the broader community who use this place.

Ms LEE RHIANNON: Going back to the Parliamentary Library, have the hours changed? Is it closing earlier on sitting nights? The Parliamentary Library used to be open while Parliament was operating. Is that still the case?

The PRESIDENT: In line with the family friendly hours proposals, the Parliamentary Library is closed at 7.00 p.m. on sitting nights. That was in line with those proposals. I must say, however, that in consulting with members, most members that I spoke to believed that 7.00 p.m. was a reasonable time given the fact that they have access to the library and all of its IT resources now literally on their desks, in terms of access to AAP and all of the facilities that are available through Google.

The Hon. DAVID CLARKE: Are you sure, Mr President, there have not been occasions when the library has closed before Parliament has adjourned for the evening?

The PRESIDENT: As I indicated, it is 7.00 p.m.

The Hon. DAVID CLARKE: So there would have been a shortening of hours, for instance, when the Legislative Council sits to a later hour? That would involve a reduction in the services of the library and its facilities.

The PRESIDENT: To the extent, I guess you could say, that if the House were sitting to 10 o'clock and the library closed now by agreement at 7 o'clock, yes, there has been a reduction in services. However, as I also indicated, there has been quite a significant extension in terms of the availability through information technology of services available to members. Most members a number of years ago had no access to computerised services that are now available through the library and through information technology. It is because of the advent of those services that it was seen as quite reasonable to close the library at 7.00 p.m. on sitting days.

Ms LEE RHIANNON: Returning to the issue of the weapons, did you say that the weapons will be police issue firearms or police issue weapons? I ask that question because tasers have been in the news. Will it be the standard issue Glock or other weapons? Also, what will be the total number of weapons that will be held in Parliament?

The PRESIDENT: Ms Rhiannon, as that is an operational matter I will not allow the staff to respond to that question. However, I am quite happy to talk, as I always am and as you and I have spoken in the past, privately about that matter.

Ms LEE RHIANNON: You do not anticipate at any stage that will be made publicly available?

The PRESIDENT: I do not anticipate that we will be talking about operational matters to do with security. Can I say to the Committee that security matters are a real concern for all of us who constantly look at trying to weigh up the traditions of this place as a Parliament and to make it openly available to members but also to recognise that we have at least five groups of school children coming through here every day, that we have a number of members of staff who when members are not here are here. They include cleaners, all of our Committee staff and all the people who use this place, plus the people whom we are hoping to attract here, as we always do. We make enormous efforts to attract members of the public into this place. Before my time as President a report was sought in relation to what we can do to improve security here. That report made a number of recommendations. I have looked at those recommendations, as have others. We have agonised over trying to make sure we get the balance right. I believe in this case we have. It has not been easy. If something goes wrong it will be on my head and I accept that. We have tried to weigh up the need to provide security to members of the public, the members here, plus ensuring that this place continues to operate as the people's Parliament.

Ms LEE RHIANNON: In response to an earlier question you spoke about the change to the end-of-year break. Could you inform the hearing why that variation was made?

The PRESIDENT: Are you talking about proposed Christmas closure?

Ms LEE RHIANNON: Yes, the increase in the number of days.

The PRESIDENT: The Premier's memorandum of 2008/13 encourages agencies to implement a two weeks close down for Christmas 2008 to enable staff to enjoy time off during the peak holiday period. As a result, last year that was overwhelmingly welcomed by members and staff and supported by the Parliament House workplace committee. The Speaker and I were only too happy to agree to that closure again to enable staff this year to enjoy time off during the peak holiday period. Also, we are aware that the entire New South Wales public sector is being encouraged to implement that two weeks close down. In the spirit of consultation we sought feedback, as we always try to do, from members and staff to look at whether or not that would create any problems of an operational matter or inconvenience. We received only six responses that were critical of the proposal. Three of those were from members. Two of those six responses related to personal matters of leave that can be resolved between managers and human resources. As I indicated earlier, there were other matters raised, and they were legitimate ones, by the Hon. Catherine Cusack about what we can do in relation to this place being accessible during holiday periods and showcasing Parliament. We are looking at that and hopefully we will come back with some ideas. Essentially this was a proposal put up to us and strongly supported by members and staff.

The Hon. DAVID CLARKE: Returning to the issue of the hours of the Parliamentary Library, Mr President, I can envisage a situation where, for instance, one of the Houses, the Legislative Council, is still sitting and we do not have access to the library. We may want access to a specific article in a regional newspaper, which is not available on the Internet. Not all the contents of every regional newspaper are available on the Internet. While we have expanded access through the Internet we may want information that is in the library that we do not have access to through the Internet.

The PRESIDENT: I am advised that if there was an urgent need by a member to have access to an article then access to the library could be made available to that member. However, as I reiterated, what we are seeking to do is to ensure that at the beginning of the twenty-first century we are not responding to things as at the beginning of the twentieth century. If a member requires an article that is not available electronically, me, the Clerk or Mr Ward, any of us can make sure that you or any other member has access to the library to gain that article.

DEPUTY-CHAIR: That concludes the hearing. Thank you, Mr President, and your officers for attending this hearing. Can I just remind you, Mr President, that it is 21 days for the return of answers to questions on notice?

The PRESIDENT: Yes, thank you.

(The witnesses withdrew)

The Committee proceeded to deliberate.
