

## THE HON ANGUS TAYLOR MP MINISTER FOR ENERGY AND EMISSIONS REDUCTION

MC19-010557

2 7 SEP 2019

Councillor Clover Moore Lord Mayor City of Sydney GPO Box 1591 SYDNEY NSW 2001

Dear Lord Mayor Cloud

Thank you for your letter to the Minister for the Environment in relation to action on climate change. I am responding as the matter falls under my responsibilities as the Minister for Energy and Emissions Reduction.

The Liberal National Government is committed to taking real and meaningful action to reduce emissions to 26 to 28 per cent below 2005 levels by 2030. This target is achievable and responsible, and represents one of the most ambitious reductions in per capita emissions and emissions per unit of GDP among developed countries while ensuring our economy will continue to grow and prosper.

The Government has a comprehensive set of policies to reduce greenhouse gas emissions, increase energy efficiency and fast track the development and uptake of clean energy. Building on existing measures, in February this year the Government announced a Climate Solutions Package. The Package is a \$3.5 billion investment that has mapped out, to the last tonne, how we will achieve the final 328 million tonnes of abatement needed to meet our 2030 Paris target. The Package includes a \$2 billion Climate Solutions Fund to build on the success of the Emissions Reduction Fund (ERF) and continue our investment in low-cost abatement.

The Government is also working to improve energy efficiency by reducing the energy used in appliances, equipment and buildings. This will reduce energy costs for households and businesses. We are also supporting renewable generation technology and funding research into new technologies.

In 2018, Australia led the world in per capita investment in clean energy, with more than double the investment of countries like the United Kingdom, Germany and France. This is an achievement of which Australians can be proud.

You might be interested to know that there are many practical ways local councils can take real and meaningful action to reduce their carbon emissions. One such example is to limit unnecessary air travel.

Given your most recent Annual Report shows your Council spent \$1.7 million on international travel, and \$14.2 million on domestic travel, there is a real opportunity for your Council to make a meaningful contribution to reducing Australia's emissions.

Thank you again for bringing your concerns to the Government's attention.

Yours sincerely

ANGUS TAYLOR

Angus Tgl

Additional info mc19-013844



**CLOVER MOORE** 

Min No: MC CCD
Division: Link:
DLO: J & Date:

FOI 191014 Document 2

RECEIVED 28 OCT 2019

Energy Minister

☐ Covering Brief ☐ Minister Reply ☐ CoS/Adviser Reply ☐Departmental Reply
☐ Aparopriate Action
☐ for Information
☐ Campaign ☐Advice/Mir

Link MC19-010517

### 2 2 OCT 2019

The Hon. Minister Angus Taylor MP PO Box 6022 House of Representatives Parliament House Canberra ACT 2600



#### Dear Minister

I refer to your letter in response to my correspondence regarding the City of Sydney declaring a Climate Emergency

The outline you provided of your Government's policies and actions to reduce emissions gives me no comfort, as Australia's emissions have risen for four of the past five years, and are higher today than they were in 2013.

Your Climate Solutions Package has been resoundingly criticised by credible experts, the international community, former members of the Liberal party, farmers, the community and of course our students.

Your inaction on climate change will have massive economic costs for our country.

The University of Melbourne estimates the potential damage from climate change to Australia – excluding the costs from floods, fires, pollution and biodiversity loss – will equate to \$585 billion by 2030 and \$760 billion by 2050.

The Australian Business Roundtable, which includes representatives from IAG, Investa, Optus and Westpac, has reported that without mitigating action, the total cost of natural disasters in each state is expected to increase by more than 2.5 times between now and 2050.

By ignoring the issue, the Federal Government is missing the opportunity to implement a just transition.

Notwithstanding this, I write principally to correct a stark error in your letter regarding the costs of travel by the City of Sydney. Your letter states:

Given your most recent Annual Report shows your Council spent \$1.7 million on international travel, and \$14.2 million on domestic travel, there is a real opportunity for your Council to make a meaningful contribution to reducing Australia's emissions.

These travel costs are grossly inaccurate.

In 2017-18, the City of Sydney spent less than \$300,000 in travel and accommodation expenses, including \$41,000 for international travel and accommodation costs for staff. Travel and accommodation costs represent less than 0.1 per cent of the City's overall operating expenditure.

These figures are publicly available in the City's annual report.

The Daily Telegraph published the inaccurate figures, and its journalists allege that your office provided a document containing the false information. The Daily Telegraph provided my staff with this document, which appears to be the City's publicly available report with the relevant information amended to reflect the gross inaccuracies contained in your letter.

The accurate reports have been online on the City's website, unchanged, since November 2018. This raises serious questions about the source of this fraudulent document.

The City has submitted a complaint to the Press Council regarding *The Daily Telegraph*'s publishing of the erroneous figures.

I want to provide you with the opportunity to respond: could you verify *The Daily Telegraph*'s claims that the erroneous documents originated in your office, or is my office being misled by the newspaper's journalists?

I have attached the documents we received from *The Daily Telegraph*, and the City's actual reports, to this letter.

It is my deep belief that in dealing with important and pressing issues, it is our responsibility as elected officials to deal in facts. Providing false information to journalists and the public further erodes the community's confidence in elected representatives to lead and serve.

The City of Sydney became the first Government at any level in Australia to become certified carbon neutral in Australia in 2011 and we have been certified carbon neutral every year since. This means that the Australian Government has verified that we have been offsetting all emissions generated from domestic and international air travel since then.

This week the City signed an agreement to source 100% of our electricity from wind and solar. This is expected to reduce our energy costs by \$500,000 per year for the next ten years. Emissions from our operations are currently down 25 percent from our 2006 baseline, and we are on track to reduce our emissions by 70 percent by 2024, six years ahead of our target.

You can find all of this in the City's bi-annual environmental sustainability progress reports, which are testament to what can be achieved with clear, bold targets and over a decade of dedicated action.

As a global city, it is critical that we meet with our counterparts and partner organisations across Australia and overseas.

This is especially true of our efforts to tackle the global challenge of climate change.

You have the power to transition Australia away from reliance on fossil fuels and to deliver electricity that is clean, reliable and affordable. This should be your focus, not using erroneous facts to question our commitment to reducing emissions.

If you would like to speak further about this issue, you can contact my Chief of Staff, Adam Cox on 9265 9333 or at acox@cityofsydney.nsw.gov.au.

Clover Moore

Lord Mayor of Sydney

Encl.

Yours

### City of Sydney

### Notes to the Financial Statements

for the year ended 30 June 2018

### Note 4. Expenses from continuing operations

\$ '000	2018	2017
(a) Employee benefits and on-costs		
Salaries and wages	180,474	179,187
Travel expenses	229	269
Employee leave entitlements (ELE)	20,359	19,689
Superannuation – defined contribution plans	13,416	11,851
Superannuation – defined benefit plans	5,944	6,472
Workers' compensation insurance	3,708	3,980
Fringe benefit tax (FBT)	903	1,025
Training costs (other than salaries and wages)	1,756	1,704
Other	1,548	1,717
Total employee costs	228,337	225,893
Less: capitalised costs	(6,439)	(6,580)
TOTAL EMPLOYEE COSTS EXPENSED	221,899	219,314
Number of 'full-time equivalent' employees (FTE) at year end	1,794	1,763

### Accounting policy for employee benefits and on-costs

Employee benefit expenses are recorded when the service has been provided by the employee.

#### Retirement benefit obligations

All employees of the Council are entitled to benefits on retirement, disability or death. Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

### Superannuation plans

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Council participates in a Defined Benefit Plan under the Local Government Superannuation Scheme, however, when sufficient information to account for the plan as a defined benefit is not available and therefore Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable – refer to Note 19 for more information.

### (b) Borrowing costs

#### (i) Interest bearing liability costs

Nil

### (ii) Other borrowing costs

Nil

# Legislative requirements

### Overseas Travel Undertaken by Councillors representing Council in 2017/18

In May 2018, Councillors Jess Miller and Robert Kok travelled to Hong Kong, Chengdu, China for the Chengdu Global Innovation & Entrepreneurship Fair. The three-day event hosted participants from around 30 countries, with delegates including government leaders, world-renowned scientists, academics, diplomats, entrepreneurs and investors. The 2018 fair was a showcase of Chengdu's environment, capability and potential for new economic development.

During the same trip, Councillors Jess Miller and Robert Kok also visited Tokyo, Japan for the Tokyo Forum for Clean City & Clear Sky, an international conference on the environment. This forum focused on several issues that major cities around the world face such as waste management, sustainable resource management and air pollution. These issues were chosen in light of the global commitment toward achieving the United Nations sustainable development goals. Representatives from major cities all over the world met to share knowledge and information about effective policies and discuss solutions to create a sustainable urban environment.

## Clause 217 (1) (a1) Payment of expenses and provision of facilities during the year

The City of Sydney has a Councillors' Expenses and Facilities Policy that governs the expenses paid and facilities provided to the Lord Mayor, Deputy Lord Mayor and Councillors in the discharge of their civic duties.

In 2017/2018, the cost of expenses incurred by and facilities provided to City Councillors was \$3,286,832.58. This includes domestic travel expenses such as accommodation and registration fees for seminars and conferences, as well as office administration such as postage, meals and refreshments. It also includes staff salaries and salary on-costs totalling \$3,250,617.

Annual fees were paid to the Lord Mayor and Councillors as required by the Local Government Act 1993 and in line with the determination of the Local Government Remuneration Tribunal. A fee was also paid to the Deputy Lord Mayor. The Lord Mayor's annual fee, excluding the amount paid to the Deputy Lord Mayor, was \$192,536.28.

In 2017/2018, the total amount paid for Councillors' fees and the Deputy Lord Mayor's fee (excluding the Lord Mayor's fee) was \$405,053.52.

### Details of particular categories of expenditure are as follows:

- The cost of the provision of dedicated office equipment allocated to Councillors on a personal basis was \$560.64.
- (ii) Telephone calls made by Councillors, including mobile telephones provided by the City and from the landline telephones and facsimile services installed in Councillors' homes totalled \$17,329.07.
- (iii) The cost of the attendance of Councillors at conferences and seminars was \$5,203.62.
- (iv) Expenditure on the training of Councillors and the provision of skill development for Councillors was \$11,461.73.

- (v) The cost of interstate visits undertaken by Councillors while representing the City, including the cost of transport, the cost of accommodation and other out-of-pocket travelling expenses was \$4,206.32.
- (vi) The cost of overseas visits undertaken by Councillors while representing Council, including the cost of transport, the cost of accommodation and other out-of-pocket travelling expenses was \$1,727.77.
- (vii) The expenses of any spouse, partner or other person who accompanied a Councillor in the performance of his or her civic functions, being expenses payable under guidelines for the payment of expenses and the provision of facilities for mayors and councillors for local councils in NSW prepared by the Director–General from time to time totalled \$1,516.36.
- (viii) The expenses involved in the provision of care for a child, or an immediate family member of a Councillor, to allow the Councillor to undertake his or her civic functions totalled \$3.647.73.

**Note:** for reporting purposes, certain expenditure items will appear in more than one category of expense.

### Clause 217 (1) (a2) Major contracts

The following are all the contracts awarded by the City during the year 2017/18 (whether as a result of tender or otherwise), other than:

- Employment contracts (that is, contracts of service but not contracts for services)
- Contracts for less than \$150,000 (including the name of the contractor and the nature of the goods or services supplied by the contractor and the total amount payable to the contractor under the contract).

# Legislative

### requirements

### Overseas Travel Undertaken by Councillors representing Council in 2017/18

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During the same trip, Councillors Jess Miller and Robert Kok also visited Tokyo, Japan for the Tokyo Forum for Clean City & Clear Sky, an international conference on the environment. This forum focused on several issues that major cities around the world face such as waste management, sustainable resource management and air pollution. These issues were chosen in light of the global commitment toward achieving the United Nations sustainable development goals. Representatives from major cities all over the world met to share knowledge and information about effective policies and discuss solutions to create a sustainable urban environment.

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The City of Sydney has a Councillors' Expenses and Facilities Policy that governs the expenses paid and facilities provided to the Lord Mayor, Deputy Lord Mayor and Councillors in the discharge of their civic duties.

In 2017/2018, the cost of expenses incurred by and facilities provided to City Councillors was \$3.2m. This includes domestic travel expenses such as accommodation and registration fees for seminars and conferences, as well as office administration such as postage, meals and refreshments. It also includes staff salaries and salary oncosts totalling \$3.25m.

Annual fees were paid to the Lord Mayor and Councillors as required by the Local Government Act 1993 and in line with the determination of the Local Government Remuneration Tribunal. A fee was also paid to the Deputy Lord Mayor. The Lord Mayor's annual fee, excluding the amount paid to the Deputy Lord Mayor, was \$192,536.28.

In 2017/2018, the total amount paid for Councillors' fees and the Deputy Lord Mayor's fee (excluding the Lord Mayor's fee) was \$405,053.52.

### Details of particular categories of expenditure are as follows

- The cost of the provision of dedicated office equipment allocated to Councillors on a personal basis was \$560,64.
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- (iii) The cost of the attendance of Councillors at conferences and seminars was \$5,203.62.
- Expenditure on the training of Councillors and the provision of skill development for Councillors was \$11,461.73.

- (v) The cost of interstate visits undertaken by Councillors while representing the City, including the cost of transport, the cost of accommodation and other out-ofpocket travelling expenses was \$14.2.
- (vi) The cost of overseas visits undertaken by Councillors while representing Council, including the cost of transport, the cost of accommodation and other out-of-pocket travelling expenses was \$1.7.
- (vii) The expenses of any spouse, partner or other person who accompanied a Councillor in the performance of his or her civic functions, being expenses payable under guidelines for the payment of expenses and the provision of facilities for mayors and councillors for local councils in NSW prepared by the Director—General from time to time totalled \$1,516.36.
- (viii) The expenses involved in the provision of care for a child, or an immediate family member of a Councillor, to allow the Councillor to undertake his or her civic functions totalled \$3,647.73.

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- Employment contracts (that is, contracts of service but not contracts for services)
- Contracts for less than \$150,000 (including the name of the contractor and the nature of the goods or services supplied by the contractor and the total amount payable to the contractor under the contract).

# Legislative requirements

### Clause 217 (1) (a) Overseas visits

Details of overseas visits undertaken during the year by Councillors, council staff and other persons representing the City (including visits sponsored by other organisations) are below.

### Overseas travel undertaken by Councillors and officers representing the City in 2017/18

Purpose of travel	Destination	Officer	Date	Costs met by the City
Unleash Lab 2017	Copenhagen	Ebony Heslop Project Manager	August 2017	Incidentals
C40 Empowering Cities with Data Workshop	San Francisco, USA	Asim Nizam Environmental Projects Officer	August 2017	Incidentals
C40 Private Buildings Efficiency Network Workshop	Singapore	Tom Belsham Manager Sustainability Programs	September 2017	Airfares, accommodation and incidentals
C40 Inclusive Climate Action Workshop	New York, USA	Andrea Beattie Executive Manager Strategic Outcomes	October 2017	Accommodation
World Cities Cultural Forum	Seoul, South Korea	Bridget Smyth Design Director (City Architect)	November 2017	Airfares
World Cities Cultural Forum	Seoul, South Korea	Lisa Colley Manager Cultural Strategy	November 2017	Airfares
100 Resilient Cities Network Exchange on Metropolitan Governance	Santiago, Chile	Kristin Gabriel Senior Project Manager Resilient Sydney	December 2017	Incidentals
Transport Office of Auckland	Auckland, New Zealand	Terry Lee Williams Chief Transport Advisor	December 2017	Incidentals
Webstock conference	Wellington, New Zealand	Brendan Bolger Web Editor	February 2017	Airfares, accommodation and incidentals
Guangzhou Eastern Riverside Development Expert Symposium	Guangzhou, China	Andrew Thomas Executive Manager	March 2018	Incidentals
C40 Academy on Clean Energy Finance	Vancouver, Canada	Chris Collins Manager Green Infrastructure Implement	March 2018	Incidentals
Seminar – Wuhan's International Friendship Cities	Wuhan, China	Anusha Muller Communication Support Officer	April 2018	Incidentals
Chengdu Global Innovation & Entrepreneurship Fair	Hong Kong, Chengdu,	Julia Lenton Communications	May 2018	Incidentals
Tokyo Forum for Clean City & Clear Sky	China Tokyo, Japan	Manager		

### Overseas travel undertaken by Councillors and officers representing the City in 2017/18 (continued)

Chengdu Global Innovation & Entrepreneurship Fair		International Relations	May 2018	ncidentals	
Tokyo Forum for Clean City	hina	Officer			
Chengdu Global Innovation & Entrepreneurship Fair Tokyo Forum for Clean City	ong Kong, hengdu, hina	Councillor Jess Miller	May 2018	ncidentals	
& Clear Sky	okyo, Japan				
Chengdu Global Innovation & Entrepreneurship Fair	ong Kong, hengdu,	Councillor Robert Kok	May 2018	ncidentals	
Tokyo Forum for Clean City & Clear Sky	hina okyo, Japan				
Venice Architecture Biennale Conference	enice, Italy	Bridget Smyth Design Director (City Architect)	May 2018	accommodation and acidentals	
,					
Tokyo Forum for Clean City & Clear Sky	okyo, Japan	Chris Derksema Sustainability Director	May 2018	virfares, accommodation and acidentals	
C40 Low Carbon Districts Forum Workshop	okyo, Japan	Anna Mitchell Senior Sustainability Strategist	June 2018	ncidentals	
Innovations in Creative Space and Placemaking study	oronto, anada	Benjamin Pechey Manager Planning Policy	June 2018	accommodation and acidentals	